***FINAL DRAFT DATED 9/10/25***

RECORDING REQUESTED BY
CLERK OF THE BOARD OF SUPERVISORS
OF THE CITY AND COUNTY OF SAN FRANCISCO

AND WHEN RECORDED MAIL TO:

Angela Calvillo
Clerk of the Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

(Exempt from Recording Fees Pursuant to
Government Code Section 27383)

# DEVELOPMENT AGREEMENT

## BY AND BETWEEN

## THE CITY AND COUNTY OF SAN FRANCISCO

## AND PROLOGIS, L.P.,

## FOR THE SAN FRANCISCO GATEWAY PROJECT

Block/Lots 5284A/008 and 5287/002

**TABLE OF CONTENTS**

**Page**

**EXHIBITS**

**DEVELOPMENT AGREEMENT**

**BY AND BETWEEN**

**THE CITY AND COUNTY OF SAN FRANCISCO**

**AND PROLOGIS, L.P.**

THIS DEVELOPMENT AGREEMENT dated for reference purposes only as of this ____ day of _____, 2025, is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (the "**City**"), acting by and through its Planning Department, and Prologis, L.P., a Delaware limited partnership ("**Developer**"), pursuant to the authority of Section 65864 *et seq.* of the California Government Code and Chapter 56 of the Administrative Code. The City and Developer are also sometimes referred to individually as a "**Party**" and together as the "**Parties**". Capitalized terms not defined when introduced have the meanings given in Article 1.

## RECITALS

This Agreement is made with reference to the following facts:

A. Developer is the owner of approximately 17.1 gross total acres (approximately 743,800 square feet), generally bounded by and including portions of Kirkwood Avenue to the north, Rankin Street to the east, McKinnon Avenue to the south, and Toland Street to the west, and further described on Exhibit A (the "**Project Site**"). The Project Site is currently improved with four single-story production, distribution, and repair ("**PDR**") buildings, totaling approximately 448,000 square feet.

B. On September 18, 2015, Developer filed an Environmental Evaluation application with the Planning Department, and on December 14, 2017, filed a Conditional Use Authorization application for a Planned Unit Development. Developer proposes demolishing the four existing buildings, and constructing a development project with two new PDR and commercial buildings as permitted by the Approvals, which may include manufacturing and Maker Space (as defined herein), parcel delivery service, wholesale sales and storage, private parking garage, and other uses allowed under the PDR-2 zoning and the Project SUD (as further described in Exhibit B, the "**Project**"). Specifically, the Project would include two new multi-story buildings, totaling approximately 2,160,000 square feet, with approximately 1,646,000 of enclosed gross square footage and approximately 514,000 square feet of open, active roof area. The two buildings would include a total of approximately 1,637,600 gross square feet of space for PDR and other permitted uses (including at least 20,000 gross square feet of Maker Space) and PDR support space,

approximately 543,500 gross square feet of on-site loading and parking (including a total of approximately 55,900 gross square feet on the ground level and approximately 487,600 gross square feet on the roof level), and approximately 8,400 gross square feet of ground floor retail. The Project would also improve the surrounding streets of Kirkwood and McKinnon Avenues, and Toland, Rankin, and Selby Streets and provide additional streetscape improvements adjacent to the Project Site.

C. The Project is anticipated to generate an annual average of approximately 795 construction jobs during construction and, upon completion, approximately 1,980 permanent on-site jobs, an approximately $7 million annual increase in property taxes, approximately $16 million in development impact fees (including transportation, school, and capacity fees), and approximately $5.8 million in annual general fund revenues to the City.

D. In order to strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development, the Legislature of the State of California adopted Government Code Section 65864 *et seq.* (the "**Development Agreement Statute**"), which authorizes the City to enter into a development agreement with any person having a legal or equitable interest in real property regarding the development of such property. Pursuant to Government Code Section 65865, the City adopted Chapter 56 of the Administrative Code ("**Chapter 56**") establishing procedures and requirements for entering into a development agreement pursuant to the Development Agreement Statute. The Parties are entering into this Agreement in accordance with the Development Agreement Statute and Chapter 56.

E. In addition to the significant jobs and economic benefits to the City from the Project, the City has determined that as a result of the development of the Project in accordance with this Agreement, additional clear benefits to the public will accrue that could not be obtained through application of existing City ordinances, regulations, and policies. Major additional public benefits to the City from the Project include: (i) the Affordable PDR Program and other small business, community, and PDR support; (ii) Transportation Demand Management measures that exceed the level otherwise required; (iii) street and infrastructure improvements that exceed the level otherwise required; (iv) workforce obligations; and (v) sustainability and resilience measures.

F. The Parties intend all acts pursuant to this Agreement to be accomplished in a way as to fully comply with the California Environmental Quality Act (California Public Resources Code Section 21000 *et seq.*; "**CEQA**"), the CEQA Guidelines (Title 14, California Code of

Regulations, Section 15000 *et seq*.); "**CEQA Guidelines**"), the Development Agreement Statute, Chapter 56, the Planning Code, the Enacting Ordinances and all other applicable Laws in effect as of the Operative Date. This Agreement does not limit the City's obligation to comply with applicable environmental Laws, including CEQA, before taking any discretionary action regarding the Project, or the Developer's obligation to comply with all applicable Laws in connection with the development of the Project.

G. The Final Environmental Impact Report ("**FEIR**") prepared for the Project and certified by the Planning Commission on _____, 2025, together with the CEQA findings (the "**CEQA Findings**") and the Mitigation Measures set forth in the mitigation monitoring and reporting program ("**MMRP**") and adopted concurrently therewith, comply with CEQA, the CEQA Guidelines, and Chapter 31 of the Administrative Code. The FEIR thoroughly analyzes the Project and Project alternatives, and the Mitigation Measures were designed to mitigate significant impacts to a less-than-significant level. On _____, 2025, the Board of Supervisors, in Motion No. [_____], affirmed the decisions of the Planning Commission to certify the FEIR. The information in the FEIR and the CEQA Findings were considered by the City in connection with approval of this Agreement.

H. On _____, 2025, the Planning Commission held a public hearing on this Agreement and the Project, duly noticed and conducted under the Development Agreement Statute and Chapter 56. Following the public hearing, the Planning Commission adopted the CEQA Findings and determined among other things that the FEIR thoroughly analyzes the Project, that the Mitigation Measures are designed to mitigate significant impacts to a less-than-significant level, and further determined that the Project and this Agreement will, as a whole, and taken in their entirety, continue to be consistent with the objectives, policies, general land uses and programs specified in the General Plan, and the policies set forth in Section 101.1 of the Planning Code (together the "**General Plan Consistency Findings**"). The information in the FEIR and the CEQA Findings has been considered by the City in connection with this Agreement.

I. On _____, 2025, the Board of Supervisors, having received the Planning Commission's recommendations, held a public hearing on this Agreement pursuant to the Development Agreement Statute and Chapter 56. Following the public hearing, the Board made the CEQA Findings required by CEQA, incorporating by reference the General Plan Consistency Findings.

J. On _____, 2025, the Board adopted Ordinance No. [_____] amending the Planning Code and Special Use District Map SU10 to create the San Francisco Gateway Special Use District ("**Project SUD**") and amending Height and Bulk District Map H10 (File No. 250946), and Ordinance No. [_____] approving this Agreement (File No. 250947), and authorizing the Planning Director to execute this Agreement on behalf of the City (collectively, the "**Enacting Ordinances**"). The Enacting Ordinances took effect on _____.

Now therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## AGREEMENT

### 1. DEFINITIONS

In addition to the definitions set forth in the above preamble paragraph, Recitals and elsewhere in this Agreement, the following definitions shall apply to this Agreement:

1.1 "**AB 98**" is defined in Section 5.1.2.

1.2 "**Administrative Code**" means the San Francisco Administrative Code.

1.3 "**Affordable PDR Program**" means the Affordable PDR Program attached hereto as part of Exhibit D.

1.4 "**Agreement**" means this Development Agreement, the Exhibits and Schedules which are expressly incorporated herein by reference, and any amendments thereto.

1.5 "**Annual Review Date**" is defined in Section 8.1.

1.6 "**Applicable Impact Fees and Exactions**" is defined in Section 5.7.2.

1.7 "**Applicable Laws**" is defined in Section 5.2 (where not capitalized, "applicable Law" has its plain meaning and refers to Laws as otherwise defined herein).

1.8 "**Approvals**" means the Initial Approvals listed on Exhibit C and any Later Approvals at the time and to the extent they are included pursuant to Sections 5.1 and 5.3.

1.9 "**Assignment and Assumption Agreement**" is defined in Section 12.2.

1.10 "**Associated Community Benefit**" is defined in Section 4.1.

1.11 "**Board of Supervisors**" or "**Board**" means the Board of Supervisors of the City and County of San Francisco.

1.12 "**Building**" or "**Buildings**" means each of the new buildings to be constructed on the Project Site, as described in the Project description attached as Exhibit B.

1.13 "**CEQA**" is defined in Recital F.

1.14 "**CEQA Findings**" is defined in Recital G.

1.15 "**CEQA Guidelines**" is defined in Recital F.

1.16 "**Chapter 56**" is defined in Recital D.

1.17 "**City**" means the City as defined in the opening paragraph of this Agreement. Unless the context or text provides otherwise, references to the City mean the City acting by and through the Planning Director or, as necessary, the Planning Commission or the Board of Supervisors.

1.18 "**City Agency**" or "**City Agencies**" means the City departments, agencies, boards, commissions, and bureaus that execute or consent to this Agreement, or are controlled by persons or commissions that have executed or consented to this Agreement, that have subdivision or other permit, entitlement or approval authority or jurisdiction over development of the Project or any improvement located on or off the Project Site, including the City Administrator, Planning Department, SFPUC, OEWD, SFMTA, PW, and DBI, together with any successor City agency, department, board, or commission. If a City department has not approved or consented to this Agreement, this Agreement does not affect the jurisdiction under the City's Charter of that City department in connection with the issuance of a Later Approval. The City actions and proceedings subject to this Agreement shall be through the Planning Department, as well as affected City Agencies (and when required by applicable Law, the Board of Supervisors).

1.19 "**City Attorney's Office**" means the Office of the City Attorney of the City and County of San Francisco.

1.20 "**City Costs**" means the actual and reasonable costs incurred by a City Agency in preparing, adopting or amending this Agreement, in performing its obligations or defending its actions under this Agreement or otherwise contemplated by this Agreement, as determined on a customary time and materials basis, including reasonable attorneys' fees and costs but excluding work, hearings, costs or other activities contemplated or covered by Processing Fees; provided that City Costs shall not include any costs incurred by a City Agency in connection with a City Default or which are payable by the City under Section 9.6 when Developer is the prevailing party.

1.21 "**City Parties**" is defined in Section 4.6.

1.22 "**City Report**" is defined in Section 8.2.2.

1.23 "**City-Wide**" means all real property within the territorial limits of the City and County of San Francisco, not including any property owned or controlled by the United States or by the State of California and therefore not subject to City regulation.

1.24 "**CMA**" is defined in Section 12.1.

1.25 "**Commence Construction**", "**Commenced Construction**" or "**Commencement of Construction**" means groundbreaking in connection with the horizontal infrastructure, or, when used in reference to any Building, commencement of physical construction of the applicable Building foundation, but specifically excluding the demolition or partial demolition of existing structures.

1.26 "**Community Benefits**" is defined in Section 4.1.

1.27 "**Community Benefits Schedule**" means the description of the Associated Community Benefits and the Community Benefits Linkages Table attached to this Agreement as Exhibit N.

1.28 "**Complete**" and any variation thereof means, as applicable, that (i) a specified scope of work has been substantially completed in accordance with City-approved plans and specifications, (ii) with regard to any Public Improvement, the City Engineer determines the Public Improvement has been completed to their satisfaction in accordance with the Subdivision Code and any applicable Public Improvement Agreement and the Public Improvement is ready for its intended use, (iii) with regard to any Building, a TCO has been issued, (iv) with regard to an Associated Community Benefit that is a monetary payment or contribution, the payment or contribution has been satisfactorily made and verified by the City, and (v) with regard to an Associated Community Benefit that does not fall within Section 1.28(i)-(iv), Developer has completed its obligations to the City's reasonable satisfaction.

1.29 "**Conditional Use Authorization for a Planned Unit Development**" means that certain Conditional Use Authorization described specifically in Exhibit C.

1.30 "**Continuing Obligation**" is defined in Section 3.7.

1.31 "**Compliance Letter**" is defined in Section 8.2.1.

1.32 "**Curing Lender**" is defined in Section 10.5.1.

1.33 "**Dedication Area**" is defined in Section 3.4.7.

1.34 "**Default**" is defined in Section 9.3.

1.35 "**DBI**" means the Department of Building Inspection of the City and County of San Francisco.

1.36 "**Developer**" is defined in the opening paragraph of this Agreement, and shall also include (i) any Transferee as to the applicable Transferred Property, and (ii) any Mortgagee or assignee thereof that acquires title to any Foreclosed Property but only as to such Foreclosed Property.

1.37 "**Development Agreement Statute**" is defined in Recital D, as in effect as of the Operative Date.

1.38 "**Development Parcel**" means a parcel within the Project Site on which a Building or other improvements will be constructed, as set forth in an existing or future Subdivision Map.

1.39 "**Effective Date**" is defined in Section 2.1.

1.40 "**Enacting Ordinances**" is defined in Recital J.

1.41 "**Engineering Design**" is defined in Section 5.4.2.

1.42 "**Excusable Delay**" is defined in Section 11.4.2.

1.43 "**Existing Off-Site Conditions**" is defined in Section 3.4.4.

1.44 "**Existing Standards**" is defined in Section 5.2.

1.45 "**Existing Uses**" means all existing lawful uses of the existing land, buildings, and improvements (and including pre-existing uses that are non-conforming under the Planning Code) on the Project Site as of the Operative Date, as the same may be modified by the Approvals.

1.46 "**Federal or State Law Exception**" is defined in Section 5.8.1.

1.47 "**FEIR**" is defined in Recital G.

1.48 "**Finally Granted**" means (i) any and all applicable appeal periods for the filing of any administrative or judicial appeal challenging the issuance or effectiveness of any of the Approvals, this Agreement or the FEIR shall have expired and no such appeal shall have been filed, or if such an administrative or judicial appeal is filed, the Approvals, this Agreement or the FEIR, as applicable, shall have been upheld by a final decision in each such appeal without adverse effect on the applicable Approval, this Agreement or the FEIR and the entry of a final judgment, order or ruling upholding the applicable Approval, this Agreement or the FEIR, and (ii) if a referendum petition relating to this Agreement or the Approvals is timely and duly circulated and

filed, certified as valid, and the City holds an election, the date the election results on the ballot measure are certified by the Board of Supervisors in the manner provided by the Elections Code reflecting the final defeat or rejection of the referendum.

1.49 "**First Construction Document**" is defined in San Francisco Building Code Section 107A.13.1(a)(8).

1.50 "**First Extended Term**" is defined in Section 2.2.

1.51 "**First-Level City Contact**" is defined in Section 9.2.1.

1.52 "**Foreclosed Property**" is defined in Section 10.6.

1.53 "**Foreclosure**" means a foreclosure, a conveyance or other action in lieu thereof, or other remedial action to obtain title to all or part of the Project Site.

1.54 "**General Plan Consistency Findings**" is defined in Recital H.

1.55 "**Gross Floor Area**" is defined in the Planning Code as of the Effective Date.

1.56 "**Impact Fees and Exactions**" means any fees, contributions, special taxes, exactions, impositions, and dedications charged by the City, whether as of the date of this Agreement or at any time thereafter during the Term, in connection with the development of Projects, including but not limited to transportation and transit fees, open space, art, and child care requirements or in-lieu fees, dedications, housing (including affordable housing) requirements or fees, dedication or reservation requirements, and obligations for on-or off-site improvements. Impact Fees and Exactions shall not include the Mitigation Measures, Processing Fees, taxes or special assessments or school district fees, SFPUC Capacity Charges, and any fees, taxes, assessments, or impositions, imposed by any Non-City Agency, all of which shall be due and payable by Developer as and when due in accordance with applicable Laws.

1.57 "**Initial Approvals**" means the City approvals, entitlements, and permits listed on Exhibit C.

1.58 "**Initial Term**" is defined in Section 2.2.

1.59 "**Later Approval**" or "**Later Approvals**" means any land use approvals, entitlements, or permits from the City or any City Agency, other than the Initial Approvals, that are consistent with the Initial Approvals (except in the case of a Later Approval that properly and expressly amends an Initial Approval) and are necessary or advisable for the implementation of the Project, including design review approvals, demolition permits, grading permits, site permits,

building permits, sewer and water connections, major and minor encroachment permits, permit addenda or amendments, street and sidewalk modifications, street improvement permits, permits to alter, licenses, certificates of occupancy, transit stop relocation permits, improvement plans, Subdivision Maps, lot mergers, lot line adjustments, and re-subdivisions. A Later Approval shall also include any amendment to the Initial Approvals or an earlier obtained Later Approval that are sought by Developer and approved by the City in accordance with the standards set forth in this Agreement.

1.60 "**Law(s)**" means the Constitution and laws of the United States, the Constitution and laws of the State of California, the laws of the City and County of San Francisco, and any codes, statutes, rules, regulations, or executive mandates thereunder, and any effective state or federal court decision (including any order, injunction or writ) thereunder. The term "Laws" shall refer to any or all Laws as the context may require.

1.61 "**Law Adverse to City**" is defined in Section 5.8.4.

1.62 "**Law Adverse to Developer**" is defined in Section 5.8.4.

1.63 "**Litigation Extension(s)**" is defined in Section 11.5.1.

1.64 "**Losses**" is defined in Section 4.6.

1.65 "**Maker Space**" is defined in Exhibit D.

1.66 "**Material Change(s)**" means any modification that would (i) materially alter the rights, benefits or obligations of the City or Developer under this Agreement, including a material reduction in the Community Benefits or Impact Fees and Exactions applicable to the Project, (ii) modify the permitted uses of the Project Site from those permitted under the Approvals, or (iii) extend the Term.

1.67 "**Material IP Amendment**" is defined in Section 11.3.2.

1.68 "**Mitigation Measures**" means the mitigation measures (as defined by CEQA) applicable to the Project as set forth in the MMRP or that are necessary to mitigate adverse environmental impacts identified through the CEQA process as part of a Later Approval.

1.69 "**MMRP**" means that certain mitigation monitoring and reporting program attached as Exhibit F.

1.70 "**Mortgage**" means a mortgage, deed of trust or other lien on all or part of the Project Site to secure an obligation made by the applicable property owner.

1.71 "**Mortgagee**" means (i) any mortgagee or beneficiary under a Mortgage, and (ii) a person or entity that obtains title to all or part of the Project Site as a result of a Foreclosure.

1.72 "**Mortgagee's Default Notice**" is defined in Section 10.3.

1.73 "**Municipal Code**" means the San Francisco Municipal Code. All references to any part of the Municipal Code mean that part of the Municipal Code in effect on the Operative Date, as the Municipal Code may be modified by changes and updates that are adopted from time to time in accordance with Section 5.4 or by permitted New City Laws as set forth in Section 5.6.

1.74 "**New City Laws**" is defined in Section 5.6.

1.75 "**Non-City Agency**" means federal, state, and local governmental agencies that are independent of the City and not parties to this Agreement.

1.76 "**Non-City Regulatory Approval(s)**" is defined in Section 3.6.

1.77 "**Non-Material IP Amendment**" is defined in Section 11.3.2.

1.78 "**Notice of Pending Default**" is defined in Section 9.3.

1.79 "**OEWD**" means the San Francisco Office of Economic and Workforce Development.

1.80 "**Official Records**" means the official real estate records of the City and County of San Francisco, as maintained by the City's Assessor-Recorder's Office.

1.81 "**Operative Date**" is defined in Section 2.2.

1.82 "**Party**" and "**Parties**" is defined in the opening paragraph of this Agreement and also includes any party that becomes a party to this Agreement, such as a Transferee (each during its period of ownership of all or part of the Project Site).

1.83 "**PDR**" is defined in Recital A.

1.84 "**Pending Default**" is defined in Section 9.3.

1.85 "**Phase**" is defined in Section 3.1.

1.86 "**Planning Code**" means the San Francisco Planning Code.

1.87 "**Planning Commission**" means the Planning Commission of the City and County of San Francisco.

1.88 "**Planning Department**" means the Planning Department of the City and County of San Francisco.

1.89 "**Planning Director**" means the Director of Planning of the City and County of San Francisco.

1.90 "**Processing Fees**" means the standard fee imposed by the City upon the submission of an application for a permit or approval, which is not an Impact Fee or Exaction, in accordance with City practice on a City-Wide basis.

1.91 "**Project**" means the development project as described in Recital B and Exhibit B, together with Developer's rights and obligations under this Agreement.

1.92 "**Project Change**" means any modifications to the Project that (i) are inconsistent with the Project SUD, including changes to permitted uses, development standards, and parking ratios set forth therein, (ii) are inconsistent with or require amendments to the MMRP, or (iii) require a new or supplemental environmental impact report.

1.93 "**Project Site**" is defined in Recital A, and more particularly described in Exhibit A.

1.94 "**Project SUD**" means Planning Code Section 249.7, as adopted by the Board in Ordinance No. [____].

1.95 "**Public Health and Safety Exception**" is defined in Section 5.8.1.

1.96 "**Public Improvements**" means the facilities, both on and off the Project Site, to be improved, constructed and dedicated by Developer as specified in the Infrastructure Plan and, upon completion in accordance with this Agreement, accepted by the City. The Public Improvements include the Streetscape Improvements located in the entire width of the public right-of-way adjacent to the Project Site, and all infrastructure and public utilities within such streets (such as electricity, water and sewer lines but excluding any non-municipal utilities), and intersection improvements (including medians, curbs, signaling, traffic controls devices, signage, and striping). The Public Improvements also include infrastructure subject to review and approval by the SFPUC and the SFMTA, as specified in the Infrastructure Plan. The Public Improvements do not include any privately owned facilities or improvements in the public right-of-way.

1.97 "**Public Improvement Agreement**" means an agreement entered into between Developer and City for completion of Public Improvements pursuant to the City's Subdivision Code and Subdivision Regulations, or an equivalent agreement.

1.98 "**PW**" means San Francisco Public Works.

1.99 "**Second Extended Term**" is defined in Section 2.2.

1.100 "**SFMTA**" means the San Francisco Municipal Transportation Agency.

1.101 "**SFPUC**" means the San Francisco Public Utilities Commission.

1.102 "**SFPUC Capacity Charges**" means all water and sewer capacity and connection fees and charges payable to the SFPUC, as and when due in accordance with then-applicable City requirements.

1.103 "**Streets Sub-Area**" means the area shown in Exhibit A-2, generally consisting of the public right-of-ways surrounding the Project Site.

1.104 "**Streetscape Improvements**" means the streets, sidewalks, curbs, gutters, bicycle pathways (if any), general right-of-way configurations, parking and loading areas, and associated landscaping, all as set forth in the Infrastructure Plan attached to this Agreement as Exhibit P.

1.105 "**Subdivision Code**" means the San Francisco Subdivision Code.

1.106 "**Subdivision Map**" means any map that Developer submits for the Project Site with respect to the Project under the Subdivision Map Act and the Subdivision Code, which may include, but not be limited to, tentative or vesting tentative subdivision maps, final or vesting final subdivision maps and any tentative or final parcel map, or transfer map, including for condominium units, and including phased final maps to the extent authorized under an approved tentative subdivision map.

1.107 "**Subdivision Map Act**" means the California Subdivision Map Act, California Government Code Section 66410 *et seq*.

1.108 "**TCO**" means a first certificate of occupancy, including a temporary or final certificate of occupancy.

1.109 "**Tentative Street Improvement Permit**" is defined in Section 3.4.2.

1.110 "**Term**" is defined in Section 2.2.

1.111 "**Third-Party Challenge**" means any administrative, legal or equitable action or proceeding instituted by any party other than the City or Developer challenging the validity or performance of any provision of this Agreement, the Project, the Approvals, the adoption or certification of the FEIR or other actions taken pursuant to CEQA, or other approvals under Laws relating to the Project, any action taken by the City or Developer in furtherance of this Agreement, or any combination thereof relating to the Project or any portion thereof.

1.112 "**Transfer**," "**Transferee**" and "**Transferred Property**" have the meanings set forth in Section 12.1, and in all events exclude (i) a transfer of ownership or membership interests in Developer or any Transferee, (ii) grants of easement or of occupancy rights for existing or completed Buildings or other improvements (including space leases in Buildings), and (iii) the placement of a Mortgage on all or a portion of the Project Site.

1.113 "**Transportation Demand Management**" means the Project benefits described in Exhibit J-1.

1.114 "**Vested Elements**" is defined in Section 5.1.

1.115 "**Workforce Agreement**" means the Workforce Agreement attached as Exhibit I.

## 2. EFFECTIVE DATE; TERM

2.1 Effective Date. This Agreement shall take effect (the "**Effective Date**") on the first date upon which both of the following have occurred: (i) the full execution and delivery of this Agreement by the Parties; and (ii) the date the Enacting Ordinances are effective as described in the Enacting Ordinances.

2.2 Term. The initial term of this Agreement shall commence upon the date that the Enacting Ordinances are effective as described in the Enacting Ordinances (the "**Operative Date**") and shall continue in full force and effect for twenty (20) years thereafter unless extended or earlier terminated as provided herein ("**Initial Term**"). If Developer (i) Commences Construction of a Building during the Initial Term, (ii) delivers the applicable Associated Community Benefits identified in the Community Benefits Schedule, and (iii) is not then in Default under this Agreement, then Developer shall have the right to extend this Agreement for an additional five (5) years beyond the Initial Term (the "**First Extended Term**") by delivering to the City, at any time during the last year of the Initial Term, a notice of extension. The First Extended Term shall be effective automatically upon Developer's delivery of the extension notice unless Developer has not met the criteria in the foregoing sentence at the time it sends the notice, in which case the City may reject the notice by written notice to Developer, subject to Developer's notice and cure rights under this Agreement. Nothing in this Section 2.2 shall limit the City's rights and remedies pursuant to this Agreement in the event of Developer's nonperformance, including without limitation those in Administrative Code Chapter 56.

Developer shall have the potential ability to extend this Agreement for an additional five (5) years beyond the First Extended Term (the "**Second Extended Term**") by delivering to the City, at any time during the last year of the First Extended Term, a notice of extension. The decision to grant or deny the Second Extended Term shall be made by the Planning Director in their sole discretion, and Developer's protection from new Impact Fees and Exactions will be limited during the Second Extended Term as provided in Section 5.7.2. The term of this Agreement (the "**Term**") shall mean the Initial Term plus, if applicable, the First Extended Term and the Second Extended Term, unless earlier terminated as provided herein. The Term shall be extended for each day of a Litigation Extension. The term of (i) the Conditional Use Authorization for a Planned Unit Development, and (ii) the Design Standards and Guidelines shall be for the longer of the Term or the term otherwise allowed under Applicable Law. In addition, due to the unique characteristics of the Project (including that there is no anticipated subdivision, only two parcels, and two Buildings), the term of any design review application approval pursuant to the SUD shall be for the longer of the Term or the term otherwise allowed under Applicable Law. The term of any Subdivision Map shall be for the longer of the Term (as it relates to the applicable parcel) or the term otherwise allowed under the Subdivision Map Act.

## 3. GENERAL RIGHTS AND OBLIGATIONS

3.1 Development of the Project. Developer shall have the vested right to develop the Project in accordance with and subject to the provisions of this Agreement, and the City shall consider and process all Later Approvals for development of the Project in accordance with and subject to the provisions of this Agreement. The Project will be developed in phases (each, a "**Phase**"), which may overlap as set forth in the Approvals. The Parties acknowledge that Developer (i) has obtained all Approvals from the City required to Commence Construction of the Project, other than any required Later Approvals, and (ii) may proceed in accordance with this Agreement with the construction and, upon completion, use and occupancy of the Project as a matter of right, subject to the Project SUD, and the attainment of any required Later Approvals and any Non-City Approvals.

3.2 Workforce. Developer shall require project sponsors, contractors, consultants, subcontractors and subconsultants, as applicable, to undertake workforce development activities in both the construction and end use phases of the Project in accordance with the Workforce Agreement attached as Exhibit I.

3.3 Public Power. No later than forty-five (45) days prior to Developer's submittal for a Site Permit or Street Improvement Permit, Developer will provide the SFPUC with all Project information the SFPUC requires to determine the feasibility of providing SFPUC electric service to the Project Site. The SFPUC will complete a feasibility study and notify Developer whether it can feasibly provide SFPUC electric service within thirty (30) days after the date that Developer provides to the SFPUC all Project information needed to complete the feasibility study described in Administrative Code Section 99.2(b). Developer agrees that if the SFPUC determines it is feasible to provide electricity for the Project Site, then the SFPUC will be the exclusive power provider to the Project Site. The SFPUC power will be provided under the SFPUC's Rules and Regulations Governing Electric Service and at rates that are comparable to rates in San Francisco for comparable service from other providers.

3.4 Construction of Public Improvements.

3.4.1 No Cost to City. Developer shall undertake the design, development, and installation of the Public Improvements at no cost to the City, except for removal of those City owned encroachments as described in the Infrastructure Plan. Public Improvements shall be designed and constructed and shall include those improvements and facilities as reasonably required by the applicable City Agency that is required to accept, and in some cases operate and maintain, the Public Improvement, consistent with the Infrastructure Plan and in keeping with the then-current applicable Citywide standards and requirements of the City Agency, as if it were to design and construct the Public Improvement on its own at that time or as otherwise approved by PW or the applicable City Agency in accordance with this Agreement and the Subdivision Code. Without limiting the foregoing, Developer shall Complete all Public Improvements in accordance with the Infrastructure Plan and applicable Approvals in a good and diligent manner, without material defects, and in accordance with City-approved construction documents.

3.4.2 Tentative Approval of Street Improvement Permits. As described in Section 3.4.7, the Parties do not expect development of the Project to necessitate a subdivision of the Property pursuant to the Subdivision Map Act and have agreed upon the process for approval of a "**Tentative Street Improvement Permit**" as described in this Section 3.4.2 for the build out of the Streets Sub-Area and Public Improvements. Such process is intended to substantially replicate the requirements for approval of a Tentative Subdivision Map pursuant to the Subdivision

Map Act and the City's Subdivision Code, with respect to design, construction, and completion of public improvements. Developer shall submit a Street Improvement Permit application no later than submitting a building permit application or Phase application for each Building or Phase, and shall obtain a Tentative Street Improvement Permit from PW to identify the specific proposed Public Improvements required in connection with that Building or included in that Phase. Each Street Improvement Permit application submittal for a Building or Phase must substantially conform to (i) the Approvals, including the Infrastructure Plan, and (ii) materials that would otherwise be required of a Tentative Subdivision Map submittal for required Public Improvements pursuant to the Subdivision Code and Subdivision Regulations. At Developer's election, such submittal may propose issuance of separate Tentative Street Improvement Permits for different sub-phases, and may include reasonable requests for waiver, or deferral of, or exceptions to, certain standard requirements. PW shall diligently and expeditiously review and comment on the Street Improvement Permit submittal, in coordination with other City Agencies as applicable. In considering a Street Improvement Permit submittal, the City acknowledges and agrees that it has exercised its discretion in granting the Approvals, including the Infrastructure Plan, and any conditions imposed by the City must be consistent with such Approvals. After the determination that the Tentative Street Improvement Permit submittal is complete and in substantial conformance with the Approvals, the Director of PW shall conditionally approve a Tentative Street Improvement Permit for the relevant Phase of development and shall adopt conditions of approval for issuance of a Street Improvement Permit. No public hearing shall be required by PW prior to approval of a Tentative Street Improvement Permit.

3.4.3 Street Improvement Permit. Before the start of work on any Public Improvements for any Building or Phase, Developer shall obtain a Street Improvement Permit and enter into a Public Improvement Agreement with PW for the Public Improvements required in connection with that Building or included in that Phase, together with adequate security consistent with the Subdivision Code and the applicable Public Improvement Agreement (which may include bonds, letters of credit, or other security satisfactory to the City and meeting the requirements of the Subdivision Code). Prior to issuance of any final Street Improvement Permit with respect to the Project, Developer shall cause any then-existing Mortgagee to provide its authorized signature on such final Street Improvement Permit. At Developer's election, Developer may seek issuance

of separate Street Improvement Permits for different sub-phases, and may include reasonable requests for waiver or deferral of, or exceptions to, certain standard requirements.

3.4.4 Existing Off-Site Conditions. As described in the Infrastructure Plan, there exist various encroachments into the Streets Sub-Area from adjacent properties and nonconforming conditions on properties adjacent to the Streets Sub-Area that are not owned or controlled by Developer (the "**Existing Off-Site Conditions**"). In recognition of these conditions and Developer's commitment to complete the Public Improvements throughout the Streets Sub-Area, the City acknowledges that the Project as shown in the Infrastructure Plan may require certain exceptions from the standards in the Subdivision Regulations, as described in Exhibit V. Developer and City shall follow the process described in the Infrastructure Plan for the Existing Off-Site Conditions. For any waiver or exemption not described in Exhibit V, Developer shall comply with the City's existing processes to seek any necessary waivers or exemptions.

3.4.5 Regulatory Approvals. Developer shall obtain all necessary permits and approvals (including approval of all design and construction plans) from any responsible agencies having jurisdiction over each Public Improvement. Without limiting the foregoing, Developer shall obtain all necessary permits and approvals: (i) from the SFMTA of the plans and specifications for Public Improvements that are under SFMTA jurisdiction, (ii) from the SFPUC of the plans and specifications for Public Improvements that are under SFPUC jurisdiction, and (iii) from PW of the plans and specifications for all Streetscape Improvements in the public right-of-ways. In deciding whether to approve, conditionally approve, or deny a permit or approval, each City Agency is subject to the requirements of the Initial Approvals and this Agreement, including Sections 5.3 and 5.5.

3.4.6 Scope and Timing for Completion of Public Improvements. On or before issuance of the TCO for a new Building, Public Improvements that are required to serve that new Building (if any, as identified and except as otherwise provided in the Infrastructure Plan and the Community Benefits Schedule) must be Completed and either (i) accepted by the Board of Supervisors or (ii) if not accepted by the Board of Supervisors, Developer and the City must have entered into an agreement governing the use of and liability for the applicable Public Improvements until accepted by the Board of Supervisors that is reasonably acceptable to the PW Director with regard to Public Improvements within PW jurisdiction, the SFPUC General Manager with regard to Public Improvements within SFPUC jurisdiction, and the SFMTA Director of

Transportation with regard to Public Improvements within SFMTA jurisdiction. The Parties agree to work in good faith to enter into such agreements as may be needed to ensure that City's process for acceptance of Public Improvements does not delay the issuance of certificates of occupancy when the applicable Public Improvement is Completed and ready for its intended use. The Parties agree that it shall be deemed unreasonable for any City Agency to refuse to issue the certificate(s) of occupancy if the Parties have entered into an agreement described in Section 3.4.3(a)(ii) and all conditions in such agreement have been met. For avoidance of doubt, the streetscape and infrastructure improvements funded by the Market Zone Streetscape Funding provided by Developer pursuant to Exhibit D will be installed by PW pursuant to Exhibit J, and will not be required to be Completed prior to issuance of a TCO for a new Building.

3.4.7 Dedication and Acceptance of Fee Title and Public Improvements.

(a) Exempt Conveyance. The Parties acknowledge and agree that (i) the legal boundaries of the Project Site owned in fee title by Developer as of the Effective Date include portions of the public right-of-ways, and certain additional areas as shown within the "Assessor's Block Line" on Exhibit A-3 that are intended to become part of the public right-of-ways (collectively, the "**Dedication Area**"), (ii) in connection with development of the Public Improvements, Developer agrees to transfer to the City fee title to the Dedication Area, which shall substantially conform to the area described and depicted in Exhibit A-3, (iii) Developer has not applied for, and the Initial Approvals do not include approval of, any Subdivision Map, and (iv) Developer and City expect that conveyance of fee title to the Dedication Area will be processed by City as an "exempt conveyance" that will not require a Subdivision Map pursuant to the Subdivision Map Act and Appendix B, Section VIII of the Subdivision Regulations. As a condition to City's acceptance of fee title to the Dedication Area, Developer shall request and obtain a Certificate of Compliance from the City and County Surveyor for review and filing, and shall concurrently prepare and file a Record of Survey to memorialize the newly established boundaries of the Developer-owned parcels and provide evidence of their physical locations.

(b) Developer Obligations. In connection with issuance of a Street Improvement Permit, Developer shall provide the City with an offer of improvements of all Public Improvements within the applicable Phase, or in connection with an applicable Building, in accordance with the Subdivision Code, the applicable Public Improvement Agreement, and Subdivision Map or Tentative Street Improvement Permit conditions of approval (if any), and an

offer of dedication of fee title (or an easement, if acceptable to the City in its sole discretion) to the Dedication Area, substantially in the form of grant deed attached as Exhibit S. At any time after Completion, for all Public Improvements, Developer shall make a written request to the City to initiate acceptance of such Public Improvements and fee title in accordance with the Subdivision Code, the Public Improvement Agreement, and this Agreement. With any such request, Developer shall satisfy all prerequisites to and conditions of acceptance for such Public Improvements and fee title and shall submit all needed materials associated with the request. Following Developer's submittal of all required materials, each applicable City Agency having jurisdiction will diligently and expeditiously process the acceptance request and PW will introduce an acceptance ordinance and materials to the Board of Supervisors. As provided in the City's ordinance approving this Agreement, the Director of Property is authorized to accept or grant on behalf of the City any easements, licenses, or other agreements concerning real property, whether such easements, licenses, or agreements are temporary, interim, or permanent, that the Director of Property and the affected City Agency, in consultation with the City Attorney, determines are reasonably necessary in furtherance of implementing the Project, whether on or off the Project Site, and on terms acceptable to the Director of Property in the Director's sole discretion.

(c) Consideration for Transfers. Notwithstanding the provisions of Chapter 23 of the Administrative Code, no appraisal shall be required for the Developer's transfer of fee title in the Dedication Area to the City, or for the City's vacation of any right-of-way interest in the former alignment of La Salle Avenue, as described in subsection (d), provided that the acreage of the real property to be transferred in fee title by Developer to City is equal to or greater than the acreage of the real property interests to be vacated and quitclaimed by City. The City shall not be required to pay any additional consideration for any net gain in real property associated with such transfer.

(d) La Salle Avenue. City may have certain right-of-way and sewer easement rights in the former alignment of La Salle Avenue between Selby Street and Rankin Street within the Project Site, as depicted in the Infrastructure Plan, which may currently affect Developer's title in the Project Site. City acknowledges that in order for Developer to develop the Project as currently contemplated in this Agreement, it likely will be necessary for City to vacate or otherwise terminate such easements in La Salle Avenue. City agrees to cooperate and work in good faith with Developer to determine what access or rights of the public, if any,

City has in La Salle Avenue, to pursue a street vacation of rights of the public in La Salle Avenue if necessary to clear title, and to quitclaim any such interest to Developer, subject in all respects to the approval and any conditions of the Board of Supervisors. In addition, City agrees to cooperate and work in good faith with Developer to determine what sewer easement rights, if any, City has in La Salle Avenue, to negotiate terms of a resolution in good faith, and to pursue vacating and quitclaiming such sewer related rights in La Salle Avenue if necessary to clear title, subject in all respects to the approval and any conditions of the SFPUC and the Board of Supervisors.

3.5 Maintenance and Operation of Public Improvements. From and after the City's acceptance of the Public Improvements, the City shall maintain and operate the Public Improvements in accordance with customary City standards; provided that if City in its sole discretion approves any Public Improvements that do not comply with City standards, then City may condition its issuance of a Tentative Street Improvement Permit on Developer's agreement to maintain such non-standard Public Improvements.

3.6 Non-City Regulatory Approvals for Public Improvements. The Parties acknowledge that certain Public Improvements, most particularly those under or about the I-280 freeway structure above Selby Street, may require the approval of governmental agencies ("**Non-City Agencies**") that are independent of the City and not a Party to this Agreement. The Non-City Agencies may disapprove installation of such Public Improvements, making such installation impossible. Developer will use its commercially reasonable efforts to identify proposed modifications to Public Improvements, as applicable, to address the concerns of and obtain approval from such Non-City Agencies. Any such modifications shall be subject to approval by the City in its reasonable discretion, provided, however, that the City agrees that modifications which (i) substantially conform to the design of the Public Improvements approved by City through an approved set of street improvement plans or other City permit, and (ii) do not reduce the quality of materials to be used or increase the maintenance obligations or costs to the City, shall be deemed reasonable and approved by the City. The City will cooperate with reasonable requests by Developer to obtain permits, agreements, or entitlements from Non-City Agencies for each such improvement and as may be necessary or desirable to effectuate and implement the development of the Project in accordance with the Approvals (each, a "**Non-City Regulatory Approval**"). The City's commitment to Developer under this Section 3.6 is subject to the following conditions:

(a) Throughout the permit or approval process for any Non-City Regulatory Approval, Developer shall consult and coordinate with each affected City Agency in Developer's efforts to obtain the Non-City Regulatory Approval, and each such City Agency shall cooperate reasonably with Developer in Developer's efforts to obtain the Non-City Approval;

(b) Developer shall not agree to conditions or restrictions in any Non-City Regulatory Approval that could create: (1) any obligations on the part of any City Agency unless the City Agency agrees to assume such obligations at the time of acceptance of the Public Improvements, or (2) any restrictions on City-owned property (or property to be owned by City under this Agreement); unless in each instance, the City, including each affected City Agency, has previously approved the conditions or restrictions in writing and in the City's sole discretion; and

(c) Developer shall bear all costs associated with applying for, obtaining, and complying with any necessary Non-City Regulatory Approval and any and all conditions or restrictions imposed as part of a Non-City Regulatory Approval. Developer shall pay or otherwise discharge any fines, penalties, or corrective actions imposed as a result of Developer's failure to comply with any Non-City Regulatory Approval.

3.7 Continuing City Obligations. Certain Non-City Regulatory Approvals may include conditions that entail special maintenance or other obligations that continue after the City accepts the dedication of Public Improvements (each, a "**Continuing Obligation**"). Standard maintenance of Public Improvements, in keeping with City's existing practices, shall not be deemed a Continuing Obligation. Developer must notify all affected City Agencies in writing and include a clear description of any Continuing Obligation. Each affected City Agency must approve the Continuing Obligation in writing in its reasonable discretion before Developer agrees to the Non-City Regulatory Approval and the Continuing Obligation. Upon the City's acceptance of any Public Improvements that have a Continuing Obligation that was approved by the City as set forth above, the City will assume the Continuing Obligation and notify the applicable Non-City Agency.

## 4. PUBLIC BENEFITS; DEVELOPER OBLIGATIONS AND CONDITIONS TO DEVELOPER'S PERFORMANCE

4.1 Community Benefits Exceed Those Required by Existing Ordinances and Regulations. The Parties acknowledge and agree that the development of the Project in accordance with this Agreement provides a number of public benefits to the City beyond those achievable through existing Laws, including, but not limited to, those set forth in this Article 4 (the

"**Community Benefits**"). The City acknowledges and agrees that a number of the Community Benefits would not be otherwise achievable without the express agreement of Developer under this Agreement. Developer acknowledges and agrees that, as a result of the benefits to Developer under this Agreement, Developer has received good and valuable consideration for its provision of the Community Benefits, and the City would not be willing to enter into this Agreement without the Community Benefits. Payment or delivery of each of the Community Benefits is tied to a specific Building or other development milestone in connection with implementation of the Project, as described in the Community Benefits Schedule attached as Exhibit N to this Agreement or as described elsewhere in this Agreement (each, an "**Associated Community Benefit**"). Upon Developer's Commencement of Construction of a Building or reaching of a milestone indicated in the Community Benefits Schedule, Developer's obligation to perform the Associated Community Benefits tied to that Building shall survive the expiration or termination of this Agreement to the date of completion of the Associated Community Benefit. The timing for delivery or completion of the Associated Community Benefits and Public Improvements shall be as set forth in this Agreement, as further specified in the Community Benefits Schedule and the Infrastructure Plan. Time is of the essence with respect to the completion of the Associated Community Benefits and Public Improvements.

4.1.1 Community Benefits. Developer shall provide the following Associated Community Benefits as specified in Exhibit N:

(a) the Streetscape Improvements, as further described in Exhibit P;

(b) the Affordable PDR Program benefits and other small business, community, and PDR support, as further described in Exhibit D;

(c) the Workforce Agreement benefits, as further described in Exhibit I;

(d) the Transportation Demand Management benefits and other transportation-related support, as described in Exhibit J; and

(e) the Sustainability measures, as described in Exhibit L.

4.1.2 Performance of Community Benefits. Whenever this Agreement requires Completion of an Associated Community Benefit at or before the Completion of or receipt of TCO for a Building, the City may withhold a TCO for that Building until the required Associated

Community Benefit is Completed or, in the case of a Public Improvement, Developer has provided the City with adequate security for completion of such Associated Community Benefit in a commercially reasonable form (*e.g.*, a bond or letter of credit) as approved by the Planning Director and the head of the City Agency with jurisdiction over the type of Associated Community Benefit that is incomplete, in their reasonable discretion (following consultation with the City Attorney). In the case of an uncompleted Associated Community Benefit that is required to be Completed pursuant to the Community Benefits Schedule based on a milestone that is not a TCO for a Building or is not a Public Improvement, the City may withhold issuance of any Later Approval until (i) the required Associated Community Benefit is Completed, or (ii) in lieu of withholding such Later Approval, the Planning Director and the head of the City Agency with jurisdiction over the type of Associated Community Benefit that is incomplete, on behalf of the City and in their sole discretion, may enter into an agreement with Developer providing for Developer's Completion of the Associated Community Benefit and adequate security for such Completion. In determining the need for and reasonableness of any such security, the PW Director (for Associated Community Benefits that are Public Improvements) or the Planning Director (for Associated Community Benefits that are not Public Improvements) and the head of the appropriate City Agency shall consider any relevant existing or proposed security, such as any bonds required under the Subdivision Map Act.

4.2 Reliance on FEIR for Future Discretionary Approvals. The Parties acknowledge that the FEIR prepared for the Project complies with CEQA. The Parties further acknowledge that (i) the FEIR contains a thorough analysis of the Project and feasible alternatives, (ii) the Mitigation Measures have been adopted to eliminate or reduce to an acceptable level certain adverse environmental impacts of the Project, and (iii) the Board of Supervisors adopted CEQA Findings. Accordingly, the City does not intend to conduct any further environmental review or mitigation under CEQA for any aspect of the Project vested under this Agreement. The City shall rely on the FEIR, in accordance with applicable Laws, in all future discretionary actions related to the Project; provided that nothing shall prevent or limit the discretion of the City to conduct additional environmental review in connection with any Later Approvals to the extent that such additional environmental review is required by applicable Laws, including CEQA. For informational purposes, the Planning Department has prepared a document titled "SF Gateway Project Building Permit Application EIR Consistency Review Process," dated March 26, 2025 (as

may be subsequently revised), which provides a methodology for reviewing future building permit applications for tenants proposing tenant improvements to operate within the Project.

4.2.1 Compliance with CEQA Mitigation Measures. Developer shall comply with all Mitigation Measures imposed as applicable to the Project except for any Mitigation Measures that are expressly identified as the responsibility of a different party or entity. Without limiting the foregoing, Developer shall be responsible for the completion of or for causing the completion of all Mitigation Measures identified as the responsibility of the "owner" or the "project sponsor". The Parties expressly acknowledge that the FEIR and the associated MMRP are intended to be used in connection with each of the Later Approvals to the extent appropriate and permitted under applicable Law, as reasonably determined by the Planning Director. Nothing in this Agreement shall limit the ability of the City to impose conditions on any new, discretionary Later Approval resulting from Material Changes or Project Changes as such conditions are determined by the City to be necessary to mitigate adverse environmental impacts identified through the CEQA process and associated with the Material Changes or Project Changes, or otherwise to address significant environmental impacts as defined by CEQA created by an Approval; provided, however, any such conditions must be in accordance with applicable Law.

4.3 Nondiscrimination. In the performance of this Agreement, Developer agrees not to discriminate against any employee, City employee working with Developer's contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

4.4 City Cost Recovery.

4.4.1 Developer shall timely pay to the City all Impact Fees and Exactions applicable to the Project or the Project Site as set forth in Section 5.7.

4.4.2 Developer shall timely pay to the City all Processing Fees applicable to the processing or review of applications for the Initial Approvals and Later Approvals.

4.4.3 Developer shall pay to the City all City Costs incurred in connection with the drafting and negotiation of this Agreement, defending the Initial Approvals and Later Approvals, and in processing and issuing any Later Approvals or administering this Agreement (except for the costs that are covered by Processing Fees), within sixty (60) days following receipt of a written invoice complying with Section 4.4.4 from the City.

4.4.4 OEWD shall provide Developer on a quarterly basis (or such alternative period as agreed to by the Parties) a reasonably detailed statement showing City Costs incurred by OEWD, the City Agencies and the City Attorney's Office, including the hourly rates for each City staff member at that time, the total number of hours spent by each City staff member during the invoice period, any additional costs incurred by the City Agencies and a brief non-confidential description of the work completed (provided, for the City Attorney's Office, the billing statement will be reviewed and approved by OEWD but the cover invoice forwarded to Developer will not include a description of the work). OEWD will use reasonable efforts to provide an accounting of time and City Costs from the City Attorney's Office and each City Agency in each invoice; provided, however, if OEWD is unable to provide an accounting from one or more of such parties, then OEWD may send an invoice to Developer that does not include the charges of such party or parties without losing any right to include such charges in a future or supplemental invoice but subject to the eighteen (18) month deadline set forth below in this Section 4.4.4. Developer's obligation to pay the City Costs shall survive the termination or expiration of this Agreement. In no event shall Developer have any obligation to reimburse the City for any City Cost that is not invoiced to Developer within eighteen (18) months from the date the City Cost was incurred. The City will maintain records, in reasonable detail, with respect to any City Costs and upon written request of Developer, and to the extent not confidential, shall make such records available for inspection by Developer.

4.4.5 If Developer in good faith disputes any portion of an invoice, then within sixty (60) days following receipt of the invoice Developer shall provide notice of the amount disputed and the reason for the dispute, and the Parties shall use good faith efforts to reconcile the dispute as soon as practicable. Developer shall have no right to withhold the disputed amount. The Parties may agree to utilize the meet and confer process set forth in Section 9.2 to resolve any disputes related to a City Costs Invoice. If any dispute is not resolved within ninety

(90) days following Developer's notice to the City of the dispute, Developer may pursue all remedies at law or in equity to recover the disputed amount.

4.5 Prevailing Wages. Developer agrees that all persons performing labor in the construction of the Public Improvements and any work in the Streets Sub-Area as defined in Exhibit A-2 shall be paid not less than the highest prevailing rate of wages for the labor so performed consistent with the requirements of Section 6.22(e) of the Administrative Code, shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco, California, and Developer shall include this requirement in any construction contract entered into by Developer for any such improvements. Upon request, Developer and its contractors will provide to City any workforce payroll records as needed to confirm compliance with this Section. Without limiting the foregoing, Developer shall comply with all applicable state law requirements relating to the payment of prevailing wages, and to the extent there is any difference between the requirements of such state law requirements and Section 6.22(e) of the Administrative Code, the stricter requirements shall apply to the construction of the Public Improvements.

4.6 Indemnification of City. Developer shall indemnify, reimburse, and hold harmless the City and its officers, agents and employees (the "**City Parties**") from and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims ("**Losses**") arising or resulting directly or indirectly from (i) any third party claim arising from Developer's failure to perform any obligation under this Agreement, (ii) Developer's failure to comply with any Approval or Non-City Approval, (iii) the failure of any improvements constructed pursuant to the Approvals to comply with any federal or state laws, the Existing Standards or any permitted New City Laws, (iv) any accident, bodily injury, death, personal injury, or loss of or damage to property occurring on the Project Site (or the public right-of-way adjacent to the Project Site) in connection with the construction by Developer or its agents or contractors of any improvements pursuant to the Approvals or this Agreement, (v) a Third-Party Challenge instituted against the City or any of the City Parties, (vi) any dispute between Developer, its contractors or subcontractors relating to the construction of any part of the Project, and (vii) any dispute between Developer and any Transferee or any subsequent owner of any of the Project Site relating to any assignment of this Agreement or the obligations that run with the land, or any dispute between Developer and any Transferee or other person relating to which party is

responsible for performing certain obligations under this Agreement, each regardless of the negligence of and regardless of whether liability without fault is imposed or sought to be imposed on the City or any of the City Parties, except to the extent that any of the foregoing indemnification obligations is void or otherwise unenforceable under applicable Law, and except to the extent such Loss is the result of the negligence or willful misconduct of the City Parties. The foregoing indemnity shall include reasonable attorneys' fees and costs and the City's reasonable cost of investigating any claims against the City or the City Parties. All indemnifications set forth in this Agreement shall survive for a period lasting the longer of four (4) years after the expiration or termination of this Agreement or the expiration of the statute of limitations applicable to a particular third-party claim, to the extent such indemnification obligation arose from an event occurring before the expiration or termination of this Agreement. To the extent the indemnifications relate to Developer's obligations that survive the expiration or termination of this Agreement, the indemnifications shall survive for the term of the applicable obligation plus four (4) years.

## 5. VESTING AND CITY OBLIGATIONS

5.1 Vested Rights. By the Approvals, the City has made a policy decision that the Project, as described in and as may be modified in accordance with the Approvals, is in the best interests of the City and promotes the public health, safety and welfare. Developer shall have the vested right to develop the Project as set forth in the Approvals and this Agreement, including the following vested elements: the locations and numbers of Buildings proposed, the land uses, height and bulk limits, including the maximum density, intensity and gross square footages, the permitted uses, and the provisions for open space, vehicular access, loading, and parking (collectively, the "**Vested Elements**"; provided the Existing Uses on the Project Site shall also be included as Vested Elements). The Vested Elements are subject to and shall be governed by Applicable Laws. The expiration of any building permit or Approval shall not limit Developer's right to the Vested Elements, and Developer shall have the right to seek and obtain Later Approvals at any time during the Term, any of which shall be governed by Applicable Laws. Each Later Approval, once granted, shall be deemed an Approval for purposes of this Section 5.1.

5.1.1 Waiver of State Density Bonus Law and Similar Laws. The Parties acknowledge that various state and local laws, including but not limited to the State Density Bonus Law (California Government Code § 65915 *et seq*), the Affordable Housing Bonus Program

(Planning Code section 206 *et seq*.), and Planning Code Section 207, as they may be amended from time to time, generally allow additional residential and/or non-residential density and modifications to development requirements for residential or mixed-use developments in exchange for the inclusion of a percentage of on-site below market rate units, or the dedication of land suitable for the construction of on-site affordable housing units. By entering into this Agreement, and adopting the Approvals, City is allowing significantly more development than what is allowed under the pre-existing zoning and more than what would be allowed under pre-existing zoning in conjunction with the State Density Bonus Law, Affordable Housing Bonus Program or any other state or local commercial, industrial, or residential development bonus program. By entering into this Agreement, Developer voluntarily and intentionally waives its ability to use the State Density Bonus program, the Affordable Housing Bonus Program, and Planning Code Section 207, as they may be amended from time to time, or any other process or mechanism allowed under state or local law now or in the future, to increase, modify, expand or change the amount of development, both residential and non-residential, on the Project Site, from the Project as described in and regulated by this Agreement and the Approvals. Developer agrees to pursue development on the Project Site solely within the regulatory framework of the Approvals, with the understanding that the only allowed modifications, exceptions and variances to the Project are those pursuant to the parameters and processes explicitly established in the Project SUD, Design Standards and Guidelines, and Conditional Use Authorization for a Planned Unit Development for such modifications and changes, and that are approved at the sole discretion of the City. City would not be entering into this Agreement and approving this Project, including the Project SUD, Zoning Map amendments, and Vested Elements, were the Developer to be able to use any other development bonus in conjunction therewith, and City has negotiated the public benefits and other provisions of this Agreement based on the specific land use program as established in the Project SUD as adopted, including the Zoning Map amendments, inclusive of the modification processes allowed therein and as may be approved in the future by the City.

5.1.2 Applicability of AB 98. On January 1, 2025, Assembly Bill 98 (2024) became effective statewide, as codified at California Government Code section 65098 *et seq*. ("**AB 98**"). AB 98 prescribes statewide design and operational standards for proposed new or expanded developments that include "logistics uses," as defined in Government Code section 65098(d), beginning January 1, 2026. AB 98 provides that a logistics project that was "subject to

a commenced local entitlement process" prior to September 30, 2024 is not subject to AB 98, unless no "development activity" occurs within five years of entitlement approvals. The Parties acknowledge and agree that (i) the Project is proposed to include "logistics uses" within the meaning of AB 98 that may exceed 250,000 square feet, (ii) the Project was subject to a commenced local entitlement process prior to September 30, 2024 and therefore is not subject to the requirements of AB 98 unless no development activity occurs within five years of entitlement approvals, and (iii) unless AB 98 is amended or construed by a court with proper jurisdiction to the contrary, the City shall consider Developer's submittal of an application for a Site Permit or Street Improvement Permit to be conclusive evidence of development activity for purposes of AB 98. Notwithstanding the foregoing, the Parties also acknowledge and agree that the Project substantially complies with the design and operational criteria set forth in Government Code section 65098.1(a), including the requirements for a "Tier 1 21st century warehouse" as defined in section 65098(g).

5.2 Existing Standards. The City shall process, consider, and review all Later Approvals in accordance with (i) the Approvals, (ii) the San Francisco General Plan, the Municipal Code (including the Subdivision Code), and all other applicable City policies, rules and regulations, as each of the foregoing is in effect on the Operative Date ("**Existing Standards**"), as the same may be amended or updated in accordance with Section 5.4 or with permitted New City Laws as set forth in Section 5.6, (iii) California and federal law, as applicable, and (iv) this Agreement (collectively, "**Applicable Laws**"). The Enacting Ordinance includes express waivers and amendments to Chapter 56 consistent with this Agreement.

5.2.1 Code Waivers. Pursuant to the Enacting Ordinance and this Agreement, certain provisions of the San Francisco Municipal Code are waived.

5.2.2 No Implied Waiver of Codes. Except as expressly set forth in the Enacting Ordinance and this Agreement, nothing in this Agreement constitutes an implied waiver or exemption of the Subdivision Code or the Public Works Code. For any waiver or exemption other than those set forth in the Enacting Ordinance or this Agreement, Developer shall comply with the City's existing processes to seek any necessary waivers or exemptions. The City's failure to enforce any part of the Subdivision Code or Public Works Code shall not be deemed a waiver of its right to do so thereafter, but it shall not override the Approvals standards set forth in Sections 3.4.4, 5.2, 5.3, and 5.4.

5.2.3 General Plan Consistency Findings. The Parties acknowledge that the Project is consistent with the City's General Plan and the General Plan Consistency Findings are intended to support all Later Approvals that are consistent with the Approvals. To the maximum extent practicable, the Planning Department shall rely exclusively on the General Plan Consistency Findings when processing and reviewing all Later Approvals, including proposed Subdivision Maps and any other actions related to the Project requiring General Plan determinations; provided Developer acknowledges that the General Plan Consistency Findings do not limit the City's discretion in connection with any Later Approval that (a) requires new or revised General Plan consistency findings because of Material Changes, Project Changes, or amendments to any of the Approvals, or (b) is analyzed in the context of a future General Plan amendment that is a non-conflicting New City Law.

5.3 Criteria for Later Approvals. Developer shall be responsible for obtaining any required Later Approval before Commencement of Construction, or any demolition or partial demolition of existing structures, for which such Later Approval is required. The City, in granting the Approvals described in Exhibit C (the "**Initial Approvals**") and vesting the Project through this Agreement, is limiting its future discretion with respect to Later Approvals. The City shall not disapprove applications for Later Approvals based upon an item or element that is consistent with the Approvals and shall consider all such applications in accordance with its customary practices (subject to the requirements of this Agreement). The City may condition a Later Approval in a manner consistent with the Approvals or as necessary to bring the Later Approval into compliance with Applicable Laws. For any part of a Later Approval request that has not been previously reviewed or considered by the applicable City Agency (such as additional details or plans), the City Agency shall exercise its discretion consistent with Applicable Laws and otherwise in accordance with the City's customary practice and this Agreement. Nothing in this Agreement shall preclude the City from applying New City Laws for any development not within the definition of the "Project" under this Agreement.

5.4 Strict Building Code Compliance.

5.4.1 City-Wide Building Codes. Notwithstanding anything in this Agreement to the contrary, except as otherwise provided in Exhibit R (Applicable Impact Fees and Exactions, Exhibit V (List of Required Exceptions to Subdivision Regulations to Implement Infrastructure Plan), and Section 5.4.2, when considering any application for a Later Approval, the

City or the applicable City Agency shall apply the then-applicable provisions, requirements, rules, or regulations that are contained in the San Francisco Building Codes, including the Public Works Code (which includes the Stormwater Management Ordinance), Subdivision Code, Mechanical Code, Electrical Code, Green Building Code, Plumbing Code, Fire Code, or other uniform construction codes applicable on a City-Wide basis.

5.4.2 Sidewalks, Streets and Infrastructure. By entering into this Agreement, the City's Board of Supervisors and the City Agencies have reviewed and generally approved the Streetscape Improvements, as set forth in the Infrastructure Plan (including the plans incorporated therein), as consistent with the City's central policy objective to ensure street safety for all users while maintaining adequate clearances, including for fire apparatus vehicles and utilities. Nothing in this Section 5.4.2 limits the SFPUC's and/or PW's right to object to any right-of-way configuration if, after receiving detailed design documents and/or construction documents, the SFPUC or PW determines that changes to Existing Standards create a conflict with infrastructure shown in the Infrastructure Plan such that the required infrastructure cannot be installed to then-Existing Standards in the proposed right-of-ways, so long as such determination is made either (i) before approval of a Tentative Street Improvement Permit as set forth in Section 3.4.2, or (ii) after the issuance of such permit and based on changes to the design requested by the Developer or field conditions not accurately shown in the permit documentation that would prevent installation of the infrastructure as designed. Except as otherwise expressly provided in the Infrastructure Plan, nothing in this Section 5.4.2 limits the SFPUC's and/or PW's right to disapprove the treatment or condition the treatment of any existing permitted or unpermitted encroachments in the public right-of-way. Except as provided in the two foregoing sentences, no City Agency with jurisdiction may object to a Later Approval for any of the Buildings or Streetscape Improvements due to the proposed width or design of a sidewalk, pathway, or street, unless such objection is based upon the applicable City Agency's reserved authority to review Engineering Design for compliance with Applicable Laws or other authority under State law. In the case of such objection, then within five (5) business days of the objection being raised (whether raised formally or informally), representatives from Developer, PW, the Planning Department and the objecting City Agency shall meet and confer in good faith to attempt to find a mutually satisfactory resolution to the objection. The City Agencies and Developer agree to act in good faith to resolve the matter quickly and in a manner that does not conflict with Applicable Laws.

As used in this Agreement, "**Engineering Design**" means professional engineering work as set forth in the Professional Engineers Act, California Business and Professions Code Sections 6700 *et seq*.

5.4.3 Applicability of Utility Infrastructure Standards. Nothing in this Agreement will preclude the City Agencies from applying then-current standards and New City Laws for utility infrastructure for each Later Approval if (i) the standards for utility infrastructure as applied City-Wide are compatible with and would not require a material redesign to previously approved plans for the work, provided that such plans have been approved pursuant to issued and unexpired permits or are converted into issued permits within two (2) years of the plans having been approved, subject to extensions for Excusable Delay, and (ii) the standards are compatible with, and would not require in a material manner, any retrofit, modification (including the construction of new supplementary systems or improvements), removal, reconstruction, or redesign of what was previously built as part of the Project. If Developer claims that the City's request for changes to design or construction documents violates the preceding sentence, it will submit to the City reasonable documentation to substantiate its claim, including bids, cost estimates, or other supporting documentation. The Parties agree to meet and confer in accordance with Section 9.2 to resolve any dispute regarding the application of this Section. If the Parties do not agree following the meet and confer period, either Party may request mediation in accordance with Section 9.2.2, provided that the mediator selected must be a licensed engineer that meets standards applicable pursuant to the California Professional Engineers Act. In the event the Parties are unable to resolve the dispute pursuant to Section 9.2, then either Party may seek judicial relief for any dispute relating to the application of this Section.

5.5 Denial of a Later Approval. If the City denies any application for a Later Approval that implements a Building or Public Improvements, such denial must be consistent with Section 5.3 and Applicable Laws, and the City must specify in writing the reasons for such denial and suggest modifications required for approval of the application. Any such specified modifications shall be consistent with Applicable Laws, and City staff shall approve the application if it is subsequently resubmitted for City review and corrects or mitigates, to the City's reasonable satisfaction, the stated reasons for the earlier denial in a manner that is consistent and compliant with Applicable Laws and does not include new or additional information or materials

that give the City a reason to object to the application under the standards set forth in this Agreement.

5.6 New City Laws. All future changes to Existing Standards and any other Laws, plans or policies adopted by the City or adopted by voter initiative after the Operative Date ("**New City Laws**") shall apply to the Project and the Project Site except to the extent they conflict with this Agreement or the terms and conditions of the Approvals. In the event of such a conflict, the terms of this Agreement and the Approvals shall prevail, subject to the terms of Section 5.8. As used in this Section 5.6 and Section 5.4.3, the adjective "material" means a significant and adverse impact to the cost, time, or other term or phrase it modifies, as compared with what the cost, time, or other term or phrase it modifies would be without such impact.

5.6.1 Conflicting New City Laws. New City Laws shall be deemed to conflict with this Agreement and the Approvals if they:

(a) limit or reduce the density or intensity of the Project, or any part thereof; otherwise impose any density or square footage requirements; require any reduction in the square footage or number of proposed Buildings; change the location of proposed Buildings; change or reduce other improvements from that permitted under the Approvals; or alter the definition of Gross Floor Area;

(b) limit or reduce the height, bulk, or massing of the Project, or any part thereof, or otherwise require any reduction in the height, bulk, or massing of individual Buildings, including reduced building floorplates or increased modulation or articulation requirements than are permitted under the Approvals;

(c) limit, reduce, or change the amount of parking and loading spaces, or location of ramp configuration, vehicular access, parking or loading for the Project and Project Site from that permitted under the Approvals;

(d) limit any land uses for the Project and Project Site from those permitted under the Approvals or the Existing Uses;

(e) change or limit the Approvals or Existing Uses;

(f) materially delay, limit or control the rate, timing, phasing, or sequencing of the Project, including the demolition of existing buildings at the Project Site, except as described in this Agreement;

(g) require modifications to existing or proposed utility infrastructure unless permitted by Section 5.4.3 hereof;

(h) require the issuance of permits or approvals or impose new conditions to the issuance of permits or approvals by the City other than those required under the Existing Standards, except for permits or approvals that are (i) required on a City-Wide basis, (ii) relate to the construction of improvements, and (iii) do not prevent construction, materially and unreasonably delay construction, or materially and unreasonably increase the costs of design or construction of the Project as intended by this Agreement;

(i) limit or control the availability of public utilities, services or facilities, or any privileges or rights to public utilities, services, or facilities for the Project, excluding the City's ability to implement energy or water conservation standards or other resiliency or sustainability measures that are imposed on a City-Wide basis to similarly situated properties;

(j) materially and adversely limit the processing or procuring of applications and approvals of Later Approvals that are consistent with Approvals;

(k) increase the required square footage of the Affordable PDR Program, change the affordability levels for the Affordable PDR Program, control or limit common area dues or amenity charges, or place restrictions on the right to alienate, transfer or otherwise dispose of property as provided in the Affordable PDR Program contained in Exhibit D; or

(l) impose new or modified Impact Fees and Exactions on the Project as expressly prohibited by Section 5.7.2.

5.6.2 Subdivision Maps. Notwithstanding the process for obtaining a Tentative Street Improvement Permit described in Section 3.4.2, Developer shall have the right, from time to time and at any time, to file Subdivision Map applications (including phased final map applications and development-specific condominium map or plan applications) with respect to some or all of the Project Site in lieu of or after completing the process detailed in Section 3.4.2, and to subdivide, reconfigure, or merge parcels within the Project Site as may be necessary or desirable in order to develop a particular part of the Project as generally described in Exhibit B and depicted in Exhibit B-1. The specific boundaries of Development Parcels, if different from those existing at the Operative Date or as established via exempt conveyance in accordance with Section 3.4.7(a), shall be set by Developer and subject to approval by the City during such

subdivision process. Nothing in this Agreement shall authorize Developer to subdivide or use any of the Project Site for purposes of sale, lease or financing in any manner that conflicts with the Subdivision Map Act or with the Subdivision Code. If there are outstanding obligations in a Tentative Street Improvement Permit that relate to a parcel for which Developer later files a Subdivision Map application, then such obligations shall be incorporated into the applicable Subdivision Map and the Subdivision Map Act (including the City's Subdivision Code and Subdivision Regulations) shall address all such outstanding items. Prior to recording any final Subdivision Map with respect to the Project, Developer shall cause any then-existing Mortgagee to provide its authorized signature on such final Subdivision Map (or any other written approval permitted under Applicable Law.)

5.6.3 Developer Election of New City Laws. Developer may elect to have a New City Law that conflicts with this Agreement applied to the Project, or the Project Site (or in the case of a Transferee, to the portion of the Project Site owned by the Transferee), by giving the City written notice of its election to have a New City Law applied, in which case such New City Law shall be deemed to be an Existing Standard as to the Project (or portion thereof) or the Project Site (or portion thereof), as applicable; provided that the New City Law may not result in the reduction of an Associated Community Benefit. In addition, if the application of the New City Law (i) would constitute a change to the Infrastructure Plan or increase the liability or obligations of the City, then application of the New City Law will require the concurrence of any affected City Agency, and (ii) would be a Material Change, then application of the New City Law will require Board approval.

5.7 Fees and Exactions.

5.7.1 Generally. The Project shall only be subject to the Processing Fees and Impact Fees and Exactions as set forth in this Section 5.7 and Exhibit R (Applicable Impact Fees), and the City shall not impose any new Processing Fees or Impact Fees and Exactions on the development of the Project or impose new conditions or requirements for the right to develop the Project (including required contributions of land, public amenities or services) except as set forth in this Agreement. The Parties acknowledge that the provisions contained in this Section 5.7 are intended to implement the intent of the Parties that Developer have the right to develop the Project pursuant to specified and known criteria and rules, and that the City receive the benefits which will be conferred as a result of such development without abridging the right of the City to act in

accordance with its powers, duties and obligations, except as specifically provided in this Agreement.

5.7.2 Impact Fees and Exactions. During the Initial Term and the First Extended Term, no Impact Fees and Exactions shall apply to the Project or components thereof except for those Impact Fees and Exactions specifically set forth in Exhibit R (the "**Applicable Impact Fees and Exactions**"). Annual inflation adjustments at the rate specified in Planning Code Section 409 shall be applied to the Applicable Impact Fees and Exactions from the Operative Date until paid. The Project will be eligible for the Fee Deferral Program contained in Building Code Section 107A.13.3, pursuant to Planning Code Section 403 as it exists on the Operative Date, regardless of phase of development during the Term. Notwithstanding anything to the contrary in Planning Code Section 403, for any Building that has received a site permit on or before November 1, 2026, subject to extensions for Excusable Delay, and then receives a First Construction Document within thirty (30) months of site permit approval, a thirty three percent (33%) reduction of Applicable Impact Fees and Exactions shall be applied. The Parties acknowledge and agree that the Impact Fees and Exactions are subject to the Planning Department's final confirmation once the applicable final land uses and Gross Floor Area are determined. For avoidance of doubt, the provisions of Planning Code Section 402(e)(1)-(2) pertaining to modification, extension, or renewal of a development application shall not apply to the Project, and Planning Code Section 402(e)(4)(B) shall not be interpreted to allow for the Planning Department to assess applicable fees at the earlier of site or building permit issuance.

During the First Extended Term, the rates of the Impact Fees and Exactions shall be reset to the then-current Municipal Code requirements. During the Second Extended Term, if approved, (i) the rates of the Impact Fees and Exactions shall be reset to the then-current Municipal Code requirements, and (ii) Developer shall be subject to any new Impact Fees and Exactions that apply to the Project or the applicable portion thereof, so long as the new Impact Fee and Exaction is (*y*) generally applicable on a City-Wide basis for similar land uses or on a City-Wide basis for similarly situated properties, and (*z*) does not pertain to those items listed in Exhibit R of this Agreement.

5.7.3 Processing Fees. Developer shall pay all Processing Fees in effect, on a City-Wide basis, at the time that Developer applies for a Later Approval for which such Processing Fee is payable in connection with the applicable part of the Project.

5.7.4 SFPUC Capacity Charges. Developer shall pay all applicable SFPUC Capacity Charges when due at the rates in effect from time to time in connection with the construction of the Project.

5.8 Changes in Federal or State Laws.

5.8.1 City's Exceptions. Notwithstanding any provision in this Agreement to the contrary, each City Agency having jurisdiction over the Project shall exercise its discretion under this Agreement in a manner that is consistent with the public health and safety and shall at all times retain its respective authority to take any action that is necessary to protect the physical health and safety of the public (the "**Public Health and Safety Exception**") or reasonably calculated and narrowly drawn to comply with applicable changes in federal or state Law affecting the physical environment (the "**Federal or State Law Exception**"), including the authority to condition or deny a Later Approval or to adopt a new Law applicable to the Project so long as such condition or denial or new regulation (i)(a) is limited solely to addressing a specific and identifiable issue in each case required to protect the physical health and safety of the public, or (b) is required to comply with changes to federal or state law and in each case not for independent discretionary policy reasons that are inconsistent with the Approvals or this Agreement, and (ii) is generally applicable on a City-Wide basis for similar land uses or on a City-Wide basis for similarly situated properties and applied in an equitable and non-discriminatory manner. Developer retains the right to dispute any City reliance on the Public Health and Safety Exception or the Federal or State Law Exception. If the Parties are not able to reach agreement on such dispute following the meet and confer process in Section 9.2, then Developer or City may seek judicial relief with respect to the matter.

5.8.2 Changes in Federal or State Laws. If federal or state laws issued, enacted, promulgated, adopted, passed, approved, made, implemented, amended, or interpreted after the Operative Date have gone into effect and (i) preclude or prevent compliance with one or more provisions of the Approvals or this Agreement, or (ii) materially and adversely affect Developer's or the City's rights, benefits or obligations under this Agreement, then such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal or state law. In such event, this Agreement shall be modified only to the extent necessary or required to comply with such Law, subject to the provisions of Section 5.8.4, as applicable.

5.8.3 Changes to Development Agreement Statute. This Agreement has been entered into in reliance upon the provisions of the Development Agreement Statute. No amendment of or addition to the Development Agreement Statute that would affect the interpretation or enforceability of this Agreement or increase the obligations or diminish the rights of Developer hereunder, or increase the obligations or diminish the benefits to the City hereunder shall be applicable to this Agreement unless such amendment or addition is specifically required by Law or is mandated by a court of competent jurisdiction. If such amendment or change is permissive rather than mandatory, this Agreement shall not be affected.

5.8.4 Effect on Agreement. If any of the modifications, amendments or additions described in this Section 5.8 would materially and adversely affect the construction, development, use, operation, or occupancy of the Project as currently contemplated by the Approvals, or any material portion thereof, such that the Project, or the applicable portion thereof, becomes economically infeasible (a "**Law Adverse to Developer**"), then Developer shall notify the City and propose amendments or solutions that would maintain the benefit of the bargain (that is this Agreement) for both Parties. If any of the modifications, amendments or additions described in Section 5.8 would materially and adversely affect or limit the Community Benefits (a "**Law Adverse to City**"), then the City shall notify Developer and propose amendments or solutions that would maintain the benefit of the bargain (that is this Agreement) for both Parties. Upon receipt of a notice under this Section 5.8.4, the Parties agree to meet and confer in good faith for a period of not less than ninety (90) days in an attempt to resolve the issue. If the Parties cannot resolve the issue in ninety (90) days or such longer period as may be agreed to by the Parties, then the Parties shall mutually select a mediator at JAMS in San Francisco for nonbinding mediation for a period of not less than thirty (30) days. If the Parties remain unable to resolve the issue following such mediation, then either party shall have the right to seek available remedies at law or in equity to maintain the benefit of the bargain or alternatively to seek termination of this Agreement if the benefit of the bargain cannot be maintained in light of the Law Adverse to Developer or Law Adverse to City.

5.9 No Action to Impede Approvals. Except and only as required under Section 5.8, the City shall take no action under this Agreement nor impose any condition on the Project that would conflict with this Agreement or the Approvals. An action taken or condition

imposed shall be deemed to be in conflict with this Agreement or the Approvals if such actions or conditions result in the occurrence of one or more of the circumstances identified in Section 5.6.1.

5.10 Estoppel Certificates. Developer may, at any time, and from time to time, deliver notice to the Planning Director requesting that the Planning Director certify in writing to Developer, a potential Transferee, a potential lessee or ground lessee of a lease term of thirty-five (35) years or more, a potential lender to Developer or a Transferee, or a potential investor in Developer or a Transferee, that to the Planning Director's actual knowledge after inquiry to PW and OEWD: (i) this Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Agreement has not been amended or modified, or if so amended or modified, identifying the amendments or modifications and stating their date and providing a copy or referring to the recording information, (iii) Developer is not in Default in the performance of its obligations under this Agreement, or if in Default, describing the nature and extent of any such Defaults, and (iv) stating the findings of the City with respect to the most recent annual review performed pursuant to Section 8. If Developer requests that the City certify as to any additional matters, the City will confer and work expeditiously and in good faith with Developer to provide such certification that is reasonably satisfactory to Developer, provided that the Planning Director shall certify only as to his or her actual knowledge without duty of inquiry, and the City shall not have any obligation to certify as to any matters that are unreasonable, overly broad, inconsistent with this Agreement, involve legal conclusions, or are subjective in nature. The Planning Director, acting on behalf of the City, shall execute and return such certificate within thirty (30) days following receipt of the request.

5.11 Existing, Continuing, and Interim Uses. The Parties acknowledge that the Existing Uses are lawfully authorized uses and may continue as such uses may be modified by the Project, provided that any modification thereof not consistent with the Approvals is subject to Planning Code Section 178 and the applicable provisions of Section 5. Developer may install interim or temporary uses on the Project Site, which uses must be consistent with those uses allowed under the Project Site's zoning and the Approvals.

5.12 Taxes. Nothing in this Agreement limits the City's ability to impose new or increased taxes or special assessments, or any equivalent or substitute tax or assessment, provided (i) the City shall not institute, on its own initiative, proceedings for any new or increased special tax or special assessment for a land-secured financing district (including the special taxes

under the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq*.) but not including business improvement districts or community benefit districts formed by a vote of the affected property owners) that includes the Project Site unless the new district is City-Wide or Developer gives its prior written consent to or requests such proceedings, and (ii) the City shall not institute, on its own initiative, any tax or assessment targeted or directed at the Project, including any tax or assessment targeted solely at all or any part of the Project Site. Nothing in the foregoing prevents the City from imposing any tax or assessment against the Project Site, or any portion thereof, that is enacted in accordance with Law and applies to all similarly-situated property on a City-Wide basis.

**6. NO DEVELOPMENT OBLIGATION**

There is no requirement under this Agreement that Developer initiate or complete development of the Project, or any Phase or portion thereof. There is also no requirement that development be initiated or completed within any period of time or in any particular order, except that Developer must complete any Associated Community Benefits as set forth in Section 4.1 pursuant to the Community Benefits Schedule (Exhibit N) if such Associated Community Benefits obligation has been incurred. The development of the Project is subject to numerous factors that are not within the control of Developer or the City, such as availability of financing, interest rates, access to capital, and similar factors. Except as expressly required by this Agreement, the City acknowledges that Developer may develop the Project in such order and at such rate and times as Developer deems appropriate within the exercise of its sole and subjective business judgment. In *Pardee Construction Co. v. City of Camarillo*, 37 Cal.3d 465 (1984), the California Supreme Court ruled that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development and controlling the parties' agreement. It is the intent of the Parties to avoid such a result by acknowledging and providing for the timing of development of the Project in the manner set forth herein. The City acknowledges that such a right is consistent with the intent, purpose and understanding of the Parties to this Agreement, and that without such a right, Developer's development of the Project would be subject to the uncertainties sought to be avoided by the Development Agreement Statute, Chapter 56, and this Agreement. Notwithstanding the foregoing, the City retains authority to reject any Developer request for temporary or interim Public Improvements or deferral of the construction of the permanent Public Improvements and can require permanent Public Improvements with each

Phase, unless such temporary or interim Public Improvements are provided for in the Infrastructure Plan.

## 7. MUTUAL OBLIGATIONS

7.1 Notice of Fulfilled Associated Community Benefits, Revocation or Termination. Within thirty (30) days after any early revocation or termination of this Agreement (as to all or any part of the Project Site), the Parties agree to execute a written statement acknowledging such revocation or termination, signed by the appropriate agents of the City and Developer, and record such instrument in the Official Records. In addition, within thirty (30) days after Developer's request, when a Building or Phase and all of the Associated Community Benefits tied to that Building or Phase have been Completed, the City and Developer shall execute and record a Notice of Fulfilled Associated Community Benefits in the form attached as Exhibit H for the applicable Building or Phase.

7.2 General Cooperation; Agreement to Cooperate. The Parties agree to cooperate with one another to expeditiously implement the Project in accordance with the Initial Approvals, any Later Approvals and this Agreement, and to undertake and complete all actions or proceedings reasonably necessary or appropriate to ensure that the objectives of this Agreement, the Initial Approvals and any Later Approvals are implemented. Except for ordinary administrative costs of the City, nothing in this Agreement obligates the City to spend any sums of money or incur any costs other than City Costs or costs that Developer reimburses through the payment of Processing Fees. The Parties agree that the Planning Department will act as the City's lead agency to facilitate coordinated City review of applications for the Project.

7.3 Third-Party Challenge. Upon City's notification of a Third Party Challenge, Developer shall assist and cooperate with the City at Developer's own expense in connection with any such Third-Party Challenge. The City Attorney's Office may use its own legal staff or outside counsel in connection with defense of the Third-Party Challenge, at the City Attorney's sole discretion. Developer shall reimburse the City for its actual costs in defense of the action or proceeding, including but not limited to the time and expenses of the City Attorney's Office (at the non-discounted rates then charged by the City Attorney's Office) and any consultants; provided, however, Developer shall have the right to monthly invoices for all such costs.

7.3.1 To the extent that any such action or proceeding challenges, or a judgment is entered limiting, Developer's right to proceed with the Project or any material portion thereof (whether Commencement of Construction has occurred or not), including the City's actions taken pursuant to CEQA, Developer may elect to terminate this Agreement. Upon any such termination (or, upon the entry of a judgment terminating this Agreement, if earlier), the City and Developer shall jointly seek to have the Third-Party Challenge dismissed and Developer shall have no obligation to reimburse City defense costs that are incurred after the dismissal (other than, in the case of a partial termination by Developer, any defense costs with respect to the remaining portions of the Project). Notwithstanding the foregoing, if Developer conveys or transfers some but not all of the Project, or a party takes title to Foreclosed Property constituting only a portion of the Project Site, and, therefore, there is more than one party that assumes obligations of "Developer" under this Agreement, then only the Party holding the interest in such portion of the Project shall have the right to terminate this Agreement as to such portion of the Project (and only as to such portion), and no termination of this Agreement by such Party as to such Party's portion of the Project shall effect a termination of this Agreement as to any other portion of the Project.

7.3.2 The filing of any Third-Party Challenge shall not delay or stop the development, processing or construction of the Project or the issuance of Later Approvals unless the third party obtains a court order preventing the activity.

7.4 Good Faith and Fair Dealing. The Parties shall cooperate with each other and act in good faith in complying with the provisions of this Agreement and implementing the Initial Approvals and any Later Approvals.

7.5 Other Necessary Acts. Each Party shall use good faith efforts to take such further actions as may be reasonably necessary to carry out this Agreement, the Initial Approvals and any Later Approvals, in accordance with the terms of this Agreement (and subject to all applicable Laws) in order to provide and secure to each Party the full and complete enjoyment of its rights and privileges hereunder.

## 8. PERIODIC REVIEW OF DEVELOPER'S COMPLIANCE

8.1 Annual Review. Pursuant to Section 65865.1 of the Development Agreement Statute and Section 56.17 of the Administrative Code (as of the Operative Date), at the beginning of the second week of each January following the Operative Date and for so long as the Agreement is in effect (the "**Annual Review Date**"), the Planning Director shall commence a

review to ascertain whether Developer has, in good faith, complied with the Agreement. The failure to commence such review in January in any calendar year shall not waive the Planning Director's right to do so later in the calendar year, provided that the Planning Director shall conduct no more than one review each calendar year.

8.2 Review Procedure. In conducting the required annual reviews of Developer's compliance with this Agreement, the Planning Director shall follow the process set forth in this Section 8.2.

8.2.1 Required Information from Developer. Upon request by the Planning Director but not more than sixty (60) days or less than forty-five (45) days before the Annual Review Date, Developer shall provide a letter (a "**Compliance Letter**") to the Planning Director confirming, with appropriate backup documentation, Developer's compliance with this Agreement for the preceding calendar year, including, but not limited to, the status of Later Approvals that have been sought and/or granted, and compliance with the requirements regarding Community Benefits, Impact Fees and Exactions, and the environmental mitigation measures identified in the FEIR. The burden of proof, by substantial evidence, of compliance is upon Developer. The Planning Director may elect to waive Developer's obligation to provide backup documentation with a Compliance Letter if no significant construction work occurred on the Project during that year, or if such documentation is otherwise not deemed necessary by the Planning Director. The Planning Director shall post a copy of Developer's submittals on the Planning Department's website.

8.2.2 City Report. Within sixty (60) days after Developer submits such letter, the Planning Director shall review the information submitted by Developer and all other available evidence regarding Developer's compliance with this Agreement, and shall consult with applicable City Agencies as appropriate. All such available evidence, including final staff reports, shall, upon receipt by the City, be made available as soon as possible to Developer. The Planning Director shall notify Developer in writing whether Developer has complied with the terms of this Agreement (the "**City Report**"), and post the City Report on the Planning Department's website. If the Planning Director finds on the basis of substantial evidence that Developer has not complied in good faith with the terms and conditions of this Agreement, determines that the public interest would be served by further review, or if a member of the Planning Commission or Board of Supervisors requests further review, then the City shall conduct a public hearing and may pursue

available rights and remedies in accordance with this Agreement and Chapter 56. The City's failure to initiate or to timely complete the annual review shall not be a Default and shall not be deemed to be a waiver of the right to do so at a later date. All reasonable costs incurred by the City under this Section shall be included in the City Costs.

8.2.3 Effect on Transferees. If a Developer has effected one or more Transfers so that its interest in the Project Site is divided among multiple Developers at the time of an annual review, then that annual review shall be conducted separately with respect to each Developer, each Developer shall submit the materials required by this Article 8 with respect to the portion of the Project Site owned by such Developer, and the City review process will proceed as one for the entire Project. Notwithstanding the foregoing, the Planning Commission and Board of Supervisors shall make their determinations and take their actions separately with respect to each Developer pursuant to Chapter 56. If there are multiple Developers and the Board of Supervisors terminates, modifies or takes such other actions as may be specified in Chapter 56 and this Agreement in connection with a determination that a Developer has not complied with the terms and conditions of this Agreement, such action by the Planning Commission or Board of Supervisors shall be effective only as to the Party to whom the determination is made and the portions of the Project Site in which such Party has an interest.

8.2.4 Default. The rights and powers of the City under this Section 8.2 are in addition to, and shall not limit, the rights of the City to terminate or take other action under this Agreement on account of a Default by Developer.

## 9. ENFORCEMENT OF AGREEMENT; DEFAULT; REMEDIES

9.1 Enforcement. As of the date of this Agreement, the only Parties to this Agreement are the City and Developer. Except as expressly set forth in this Agreement (for successors, Transferees and Mortgagees), this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person or entity whatsoever.

9.2 Meet and Confer Process. Before sending a Notice of Pending Default in accordance with Section 9.3, the Parties shall attempt to resolve any dispute or disagreement over the interpretation or implementation of this Agreement (other than disputes regarding City Costs recovery which may be subject to this Section 9.2 if elected by the Parties pursuant to Section 4.4.5) or any failure to perform or fulfill any obligations under this Agreement by meeting and conferring in good faith at the designated City staff levels using the steps below; provided,

however, the meet and confer process shall not be required (i) for any failure to pay amounts due and owing under this Agreement, or (ii) if a delay in sending a notice pursuant to Section 9.3 would impair, prejudice or otherwise adversely affect a Party or its rights under this Agreement.

9.2.1 First Level. The initial City staff level to discuss any apparent default, dispute, or disagreement between the Parties that has not been resolved at the project staff level is: (i) for disputes related to matters under the jurisdiction of PW, the manager of the Infrastructure Task Force; (ii) for disputes related to matters under the jurisdiction of SFPUC, the appropriate manager; (iii) for disputes related to matters under the jurisdiction of the Planning Department, the principal planner; and (iv) for all other disputes, the assigned OEWD project manager (as applicable based on the matter, the "**First-Level City Contact**"). Developer's first-level contact is the project manager for the Project. Developer's first-level contact and the First-Level City Contact will use good faith efforts to attempt to resolve the matter within ten (10) business days following a request by the other Party. If the First-Level meeting set forth in this Section 9.2.1 does not occur within ten (10) business days following a request by either Party, or if the Parties are unable to resolve the matter within that timeframe, then the requesting Party may proceed with the Second-Level meeting process outlined in Section 9.2.2 below.

9.2.2 Second Level. If Developer's project manager and the First-Level City Contact are unable to resolve the matter as set forth above, the matter will be elevated to the following second-level City person: (i) for disputes related to matters under the jurisdiction of PW, the PW Director, (ii) for disputes related to matters under the jurisdiction of the SFPUC, the General Manager of SFPUC, (iii) for disputes related to matters under the jurisdiction of the Planning Department, the Planning Director, and (iv) for all other disputes, the OEWD Director or their designee (as applicable based on the matter, the "**Second-Level City Contact**"). Developer's second-level contact is the project manager's supervisor, or such other person designated by Developer in writing. Developer's second-level contact and the Second-Level City Contact will use good faith efforts to attempt to resolve the matter within ten (10) business days following the elevation of the matter to the Second Level. If the Second-Level meeting set forth in this Section 9.2.2 does not occur within ten (10) business days following a request by either Party, or if the Parties are unable to resolve the matter within that timeframe, then the requesting Party may proceed with the Third-Level meeting process outlined in Section 9.2.3 below.

9.2.3 Third Level. If Developer's second-level contact and Second-Level City Contact are unable to resolve the matter within the timing set forth above, the matter will be elevated to the City Administrator or other designee of the Mayor (the "**Third-Level City Contact**"). Developer and the Third-Level City Contact will use good faith efforts to attempt to resolve the matter within ten (10) business days following the elevation of the matter to the third level.

If, despite the good faith efforts of the requesting Party, a meeting with the Third-Level City Contact has not occurred within ten (10) business days of such request, or if the Parties are unable to resolve the matter within that timeframe, then such Party shall be deemed to have satisfied the requirements of this Section and may proceed in accordance with the issuance of a Notice of Pending Default under Section 9.3.

9.3 Default. The following shall constitute a "**Default**" under this Agreement: (i) the failure to make any payment within sixty (60) calendar days following notice that such payment was not made when due and demand for compliance; and (ii) the failure to perform or fulfill any other material term, provision, obligation, or covenant of this Agreement and the continuation of such failure for a period of sixty (60) calendar days following notice and demand for compliance (each such notice and demand for compliance shall be known as a "**Notice of Pending Default**," and each such failure as a "**Pending Default**" until the expiration of any applicable cure period.) Notwithstanding the foregoing, if any such non-monetary failure can be cured but the cure cannot reasonably be completed within sixty (60) days, then it shall not be considered a Default if a cure is commenced within said 60-day period and diligently prosecuted to completion thereafter. Any Notice of Pending Default given by a Party shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured (if at all). If before the end of the applicable cure period the failure that was the subject of a Notice of Pending Default has been cured to the reasonable satisfaction of the Party that delivered such notice, such Party shall issue a written acknowledgment to the other Party of the cure of such failure upon the request of the curing Party. Notwithstanding any other provision in this Agreement to the contrary, if Developer conveys or transfers some but not all of the Project or a party takes title to Foreclosed Property constituting only a portion of the Project, and, therefore there is more than one Party that assumes obligations of "Developer" under this Agreement, there shall be no cross-default between the separate Parties that assumed or retained Developer

obligations. Accordingly, a Default by one "Developer" shall not be a Default by any other "Developer" that owns or controls a different portion of the Project Site.

9.4 Remedies.

9.4.1 Specific Performance. Subject to, and as limited by, the provisions of Sections 6, 9.4.3, 9.4.4, and 9.5, in the event of a Default, the remedies available to a Party shall include specific performance of this Agreement in addition to any other remedy available at law or in equity.

9.4.2 Termination. Subject to the limitation set forth in Section 9.4.4, in the event of a Default, and, if the City is the non-defaulting Party, following a public hearing at the Board of Supervisors regarding such event of Default and proposed termination, the non-defaulting Party may elect to terminate this Agreement by sending a notice of termination to the other Party, which notice of termination shall state the Default. Any such termination shall be in accordance with Section 11.2, and shall be effective upon the date set forth in the notice of termination which shall in no event be earlier than sixty (60) calendar days following delivery of the notice. Consistent with Sections 9.3 and 12.3, there are no cross-defaults under this Agreement, and therefore if there is more than one "Developer" (as it relates to different parts of the Project Site), then any termination of this Agreement for Default will be limited to the Developer that sent or received the termination notice and its respective portion of the Project Site.

9.4.3 Limited Damages. The Parties have determined that except as set forth in this Section 9.4.3, (i) monetary damages are generally inappropriate, (ii) it would be extremely difficult and impractical to fix or determine the actual damages suffered by a Party as a result of a Default hereunder, and (iii) equitable remedies and remedies at law, not including damages but including specific performance and termination, are particularly appropriate remedies for enforcement of this Agreement. Consequently, Developer agrees that the City shall not be liable to Developer for damages under this Agreement, and the City agrees that Developer shall not be liable to the City for damages under this Agreement, and each covenants not to sue the other for or claim any damages under this Agreement and expressly waives its right to recover damages under this Agreement, except as follows: (1) either Party shall have the right to recover actual damages only (and not consequential, punitive or special damages, each of which is hereby expressly waived) for a Party's failure to pay sums to the other Party as and when due under this Agreement, (2) the City shall have the right to recover actual damages for Developer's failure to

make any payment due under any indemnity in this Agreement, (3) to the extent a court of competent jurisdiction determines that specific performance is not an available remedy with respect to a Default resulting from Developer's failure to perform an Associated Community Benefit, the City shall have the right to monetary damages equal to the costs that the City incurs or will incur to Complete the Associated Community Benefit as determined by the court, less any amounts available to the City from security held by the City for Developer's obligation, (4) either Party shall have the right to recover reasonable attorneys' fees and costs as set forth in Section 9.6, and (5) the City shall have the right to administrative penalties or liquidated damages if and only to the extent expressly stated in an Exhibit to this Agreement or in the applicable portion of the San Francisco Municipal Code incorporated into this Agreement. For purposes of the foregoing, "**actual damages**" means the actual amount of the sum due and owing under this Agreement, with interest as provided by Law, together with such judgment collection activities as may be ordered by the judgment, and no additional sums.

9.4.4 City Processing/Certificates of Occupancy. The City shall not be required to process any requests for approval or take other actions under this Agreement during any period in which payments due the City from Developer are not made within sixty (60) calendar days of Developer's receipt of City's invoice therefor; provided, however, if a Mortgagee elects to make such payment or Developer has conveyed or transferred some but not all of the Project or a party takes title to Foreclosed Property constituting only a portion of the Project, and, therefore, there is more than one party that assumes obligations of "Developer" under this Agreement, then the City shall continue to process requests and take other actions as to the other portions of the Project so long as the applicable Developer as to those portions is current on payments due to the City under this Agreement. The City shall have the right to withhold any (i) TCO for a Building, or (ii) Later Approval applicable to other non-TCO-based milestones described in the Community Benefits Schedule, until all of the Associated Community Benefits tied to that Building or milestone and required to be Completed are Completed in accordance with Section 4.1.2 and the Community Benefits Schedule. All of the Associated Community Benefits, including Public Improvements tied to a Building, must be Completed in accordance with the Community Benefits Schedule and the Infrastructure Plan (as applicable); provided, if the City issues a TCO or Later Approval before such items are Completed, then Developer shall work diligently and use

commercially reasonable efforts to Complete or cause Completion of such items following issuance.

9.5 Time Limits; Waiver; Remedies Cumulative. Failure by a Party to insist upon the strict or timely performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of any condition or failure of performance, including a Default, shall be effective or binding upon such Party unless made in writing by such Party, and no such waiver shall be implied from any omission by a Party to take any action with respect to such failure. No express written waiver shall affect any other condition, action or inaction, or cover any other period of time, other than any condition, action or inaction and/or period of time specified in such express waiver. One or more written waivers under any provision of this Agreement shall not be deemed to be a waiver of any subsequent condition, action or inaction, and the performance of the same or any other term or provision contained in this Agreement. Nothing in this Agreement shall limit or waive any other right or remedy available to a Party to seek injunctive relief or other expedited judicial and/or administrative relief to prevent irreparable harm.

9.6 Attorneys' Fees. Should legal action be brought by either Party against the other for a Default under this Agreement or to enforce any provision herein, the prevailing Party in such action shall be entitled to recover its reasonable attorneys' fees and costs. For purposes of this Agreement, "**reasonable attorneys' fees and costs**" means the reasonable fees and expenses of counsel to the Party, which may include printing, duplicating and other expenses, air freight charges, hiring of experts and consultants, and fees billed for law clerks, paralegals, librarians, and others not admitted to the bar but performing services under the supervision of an attorney. The term "**reasonable attorneys' fees and costs**" shall also include all such reasonable fees and expenses incurred with respect to appeals, mediation, arbitrations, and bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees and costs were incurred. For the purposes of this Agreement, the reasonable fees of attorneys of the City Attorney's Office 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 Office'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 City Attorney's Office.

## 10. FINANCING; RIGHTS OF MORTGAGEES

10.1 Developer's Right to Mortgage. Nothing in this Agreement limits the right of Developer to mortgage or otherwise encumber all or any portion of the Project Site for the benefit of any Mortgagee as security for one or more loans. Developer represents that, as of the Effective Date, there are no Mortgages on the Project. Prior to commencing construction under the First Construction Document for the Project, Developer shall cause any then-existing Mortgage(s), to be subordinated to this Agreement.

10.2 Mortgagee Not Obligated to Construct. Notwithstanding any of the provisions of this Agreement (except as set forth in this Section and Section 10.6), a Mortgagee, including any Mortgagee who obtains title to the Project Site or any part thereof as a result of a Foreclosure, shall in no way be obligated by the provisions of this Agreement to construct or complete the Project or any part thereof or to guarantee such construction or completion. The foregoing provisions shall not be applicable to any party who, after a Foreclosure, obtains title to some or all of the Project Site from or through the Mortgagee, or any other purchaser at a foreclosure sale other than the Mortgagee itself. Nothing in this Section or any other Section or provision of this Agreement shall be deemed or construed to permit or authorize any Mortgagee or any other person or entity to devote the Project Site or any part thereof to any uses other than uses consistent with this Agreement and the Approvals, and nothing in this Section shall be deemed to give any Mortgagee or any other person or entity the right to construct any improvements under this Agreement (other than as set forth above for required Associated Community Benefits or as needed to conserve or protect improvements or construction already made) unless or until such person or entity assumes Developer's obligations under this Agreement with respect to the Project Site or any part thereof that such Person obtains title to as a result of Foreclosure.

10.3 Copy of Notice of Default and Notice of Failure to Cure to Mortgagee. Whenever the City delivers a Notice of Pending Default to the Developer with respect to any Pending Default by the Developer in its obligations under this Agreement, the City shall at the same time forward a copy of such Notice of Pending Default to each Mortgagee having a Mortgage on the real property which is the subject of the Pending Default who has previously made a written request to the City therefor, at the last address of such Mortgagee specified by such Mortgagee in such notice. In addition, if such Pending Default remains uncured for the applicable cure period under this Agreement, the City shall deliver a notice of such failure to cure such breach or default

to each such Mortgagee at such applicable address (a "**Mortgagee's Default Notice**"). A delay or failure by the City to provide such Mortgagee's Default Notice required by this Section shall extend, for the number of days until notice is given, the time allowed to the Mortgagee for cure. In accordance with Section 2924b of the California Civil Code, the City requests that Mortgagee mail a copy of any notice of default and a copy of any notice of sale under any Mortgage to the City at the address for notices under this Agreement. Any Mortgagee relying on the protections set forth in this Article 10 shall promptly send to the City a copy of any notice of default and notice of sale.

10.3.1 Each Mortgagee is entitled to receive notices in accordance with Section 10.3 provided such Mortgagee has delivered a notice to the City in substantially the following form: "The undersigned does hereby certify that it is a Mortgagee, as such term is defined in that certain Development Agreement (the "Development Agreement") entered into by and between the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Planning Department, and Prologis, L.P., a Delaware limited partnership ("Developer"), to [Name of Mortgagee's borrower] ("Borrower") and holds a Mortgage of such Borrower's interest in [a portion of] the Project Site, a legal description of which is attached hereto as Exhibit A (the "Secured Property") and made a part hereof by this reference. The undersigned hereby requests that copies of notices of any Mortgagee's Default Notice (as such term is defined in the Development Agreement) from time to time given to Borrower by the City with respect to the Secured Property be sent to the undersigned at the following address: _____."

10.4 Mortgagee's Option to Cure Defaults. After receiving any Mortgagee's Default Notice referred to in Section 10.3, each Mortgagee shall have the right, at its option, to commence within the same period as the Developer to remedy or cause to be remedied any Pending Default, plus an additional period of: (a) sixty (60) days to cure a monetary Pending Default; and (b) one hundred twenty (120) days to cure a non-monetary Pending Default which is susceptible of cure by the Mortgagee without obtaining title to the applicable property, and during the pendency of such cure period, the City shall refrain from exercising any of its remedies with respect to the Pending Default. If a Pending Default is not cured within the applicable cure period, the City nonetheless shall refrain from exercising any of its remedies with respect to the Pending Default if, within the Mortgagee's applicable cure period: (i) the Mortgagee notifies the City that

it intends to pursue Foreclosure and proceeds with due diligence thereafter; and (ii) the Mortgagee commences Foreclosure proceedings within sixty (60) days after giving such notice, and thereafter diligently pursues such Foreclosure to completion; and (iii) after obtaining title, the Mortgagee diligently proceeds to cure those events of Pending Default: (A) which are required to be cured by the Mortgagee and are susceptible of cure by the Mortgagee, and (B) of which the Mortgagee has been given notice by the City. Any such Mortgagee or Transferee of a Mortgagee who shall properly complete the improvements relating to the Project Site or applicable part thereof shall be entitled, upon written request made to the Agency, to a Notice of Fulfilled Associated Community Benefits. Nothing in this Article 10 shall prevent City from suspending or discontinuing any City Agency's ongoing tasks under this Agreement pursuant to Section 9.4.4.

If a Mortgagee is prohibited by any process or injunction issued by any court by reason of any bankruptcy or insolvency proceeding involving Developer (or direct or indirect equity interests in Developer, as applicable) from commencing or prosecuting a Foreclosure, the times specified in this Section for commencing or prosecuting such Foreclosure shall be extended for the period of such prohibition, provided that Mortgagee shall have fully paid any past-due monetary obligations of Developer under this Agreement within the time period set forth in this Section, shall continue to pay currently such monetary obligations as and when the same fall due, and shall use commercially reasonable efforts to cause the timely lifting of such prohibition or injunction.

10.5 Multiple Mortgages.

10.5.1 If at any time there is more than one Mortgage constituting a lien on a single portion of the Project Site or any interest therein, the lien of the Mortgagee prior in time to all others or a Mortgagee that has obtained the written consent of all Mortgagees that are senior to such Mortgagee (the "**Curing Lender**") will be vested with the rights under Section 10.4 to the exclusion of the holder of any other Mortgage; provided that if the Curing Lender fails to exercise the rights set forth in Section 10.4, then the holder of a junior Mortgage that has provided notice to the City in accordance with Section 10.3.1 will succeed to the rights set forth in Section 10.4, as applicable, only if the holders of all Mortgages senior to it have either failed to exercise the rights set forth in Section 10.4, or designated such Mortgagee as the Curing Lender in a written notice to the City, as applicable.

10.5.2 A Curing Lender's failure to exercise its rights under Section 10.4, as applicable, or any delay in the response of any Mortgagee to any notice by the City will not

extend (i) any cure period, or (ii) Developer's or any Mortgagee's rights under this Article 10. For purposes of this Section 10.5.2, in the absence of an order of a court of competent jurisdiction that is served on the City, a title report prepared by a reputable title company licensed to do business in the State of California and having an office in San Francisco, setting forth the order of priorities of the liens of Mortgages on real property, may be relied upon by the City as conclusive evidence of priority.

10.6 Mortgagee's Obligations with Respect to the Property. Notwithstanding anything to the contrary in this Agreement, no Mortgagee shall have any obligations or other liabilities under this Agreement unless and until it (i) acquires title by any method to all or some portion of the Project Site (referred to hereafter as "**Foreclosed Property**"), and (ii) Commences Construction of any improvements under this Agreement (other than as needed to complete partially constructed improvements) with respect to the Foreclosed Property. In addition, no Mortgagee shall be subject to any construction schedule of performance or required construction completion dates (if any) applicable to the Foreclosed Property; provided that any Community Benefits Schedule requirements shall remain unchanged. A Mortgagee that, by Foreclosure under a Mortgage, acquires title to any Foreclosed Property shall take title subject to all of the terms and conditions of this Agreement, to the extent applicable to the Foreclosed Property, including any claims for payment or performance of obligations which are due as a condition to enjoying the benefits of this Agreement and shall have all of the rights and obligations of Developer under this Agreement as to the applicable Foreclosed Property, including completion of any applicable Associated Community Benefits under Section 4.1. Upon the occurrence and continuation of a Default by a Mortgagee or Transferee in the performance of any of the obligations to be performed by such Mortgagee or Transferee pursuant to this Agreement, the City shall be afforded all its remedies for such Default as provided in this Agreement.

10.7 No Impairment of Mortgage. No Default by Developer under this Agreement shall invalidate or defeat the lien of any Mortgagee. No Foreclosure of any Mortgage or other lien shall defeat, diminish, render invalid or unenforceable or otherwise impair Developer's rights or obligations under this Agreement or constitute a Default under this Agreement.

10.8 Cured Defaults. Upon the curing of any event of Pending Default by any Mortgagee within the time provided in this Article 10 the City's right to pursue any remedies with respect to the cured Pending Default shall terminate.

## 11. AMENDMENT; TERMINATION; EXTENSION OF TERM

11.1 Amendment or Termination. This Agreement may only be amended with the mutual written consent of the City and Developer; provided, however, that following a Transfer, the City and Developer or any Transferee may amend this Agreement as it affects Developer or the Transferee and the portion of the Project Site owned by Developer or the Transferee without affecting other portions of the Project Site or other Transferees. Other than upon the expiration of the Term and except as provided in Sections 2.2, 7.3.1, 9.4.2, and 11.2, this Agreement may only be terminated with the mutual written consent of the Parties. Any amendment to this Agreement that does not constitute a Material Change may be agreed to by the Planning Director (and, to the extent it affects any rights or obligations of a City Agency, with the approval of that City Agency). Any amendment that is a Material Change will require the approval of the Planning Director, the Planning Commission and the Board of Supervisors (and, to the extent it affects any rights or obligations of a City Agency, after consultation with that City Agency). The determination of whether a proposed change constitutes a Material Change shall be made, on City's behalf, by the Planning Director following consultation with the City Attorney and any affected City Agency.

11.2 Termination and Vesting. Any termination under this Agreement shall concurrently effect a termination of the Approvals with respect to the terminated portion of the Project Site, except as to (i) any Approval pertaining to a Building or Public Improvements that has Commenced Construction in reliance thereon, and (ii) any zoning or General Plan related Approval that remains in effect, unless and until amended by the City. In the event of any termination of this Agreement by Developer resulting from a Default by the City and except to the extent prevented by such City Default, Developer's obligation to Complete the Associated Community Benefits shall continue as to any Building that has Commenced Construction or other milestone pursuant to the Community Benefits Schedule that Developer has achieved, and all relevant and applicable provisions of this Agreement shall be deemed to be in effect as such provisions are reasonably necessary in the construction, interpretation or enforcement of this

Agreement as to any such surviving obligations. The City's and Developer's rights and obligations under this Section 11.2 shall survive the termination or expiration of this Agreement.

11.3 Amendment Exemptions.

11.3.1 Later Approvals and Project Changes. No issuance of a Later Approval, or amendment of an Approval or Later Approval, shall by itself require an amendment to this Agreement, and no Project Change shall by itself require an amendment to this Agreement. Upon issuance or approval, any such matter shall be deemed to be incorporated automatically into the Project and vested under this Agreement (subject to any conditions set forth in the amendment or Later Approval). Notwithstanding the foregoing, if there is any direct conflict between the terms of this Agreement and a Later Approval, or between this Agreement and any amendment to an Approval, then the Parties shall concurrently amend this Agreement (subject to all necessary approvals in accordance with this Agreement) in order to ensure the terms of this Agreement are consistent with the proposed Later Approval or the proposed amendment to an Approval. For avoidance of doubt, the Design Standards and Guidelines may be amended or modified per the procedures therein without requiring any amendment to this Agreement. The Planning Department and the Planning Commission, as applicable, shall have the right to approve changes to the Project as described in the Exhibits in keeping with its customary practices and the Approvals, and any such changes shall not be deemed to conflict with or require an amendment to this Agreement or the Approvals so long as they do not constitute a Material Change. Changes to the Project which are Project Changes may require modification of the Approvals (including, for example, the Project SUD), which may require legislative approval by the Board of Supervisors, but such changes will not require an amendment to this Agreement unless such change is also a Material Change. If the Parties do not amend this Agreement as set forth above when there is a direct conflict, however, then the terms of this Agreement shall prevail over any Later Approval or any amendment to an Approval or Later Approval that conflicts with this Agreement.

11.3.2 Infrastructure Plan Amendments. Any amendments to the Infrastructure Plan shall be in writing and executed by the Parties to this Agreement and by any affected City Agency. If the Planning Director, in consultation with the City Attorney, determines that a proposed Infrastructure Plan Amendment constitutes a Material Change pursuant to this Agreement, this Agreement shall also be amended as provided in Section 11.1. Amendments to the Infrastructure Plan (whether Material IP Amendments or Non-Material IP Amendments) shall

not require an amendment of this Agreement unless they constitute a Material Change to the Agreement.

(a) Material IP Amendments. If an amendment of the Infrastructure Plan is proposed, the City shall first determine whether or not it is a Material IP Amendment. A "**Material IP Amendment**" means any amendment to the Infrastructure Plan that would (i) materially increase the risk of a negative impact to the City's General Fund, as determined by the City's Controller; (ii) materially increase a City Agency's liability or obligations, or materially lessen the primary benefits to the City, as determined by the Mayor; or (iii) materially increase City's liability or the risk of a negative physical or engineering design impact with regard to any Public Improvements or the public right-of-way as determined by the City Engineer. The City's Controller, the Mayor, and the City Engineer shall issue their determinations in writing unless the City waives such requirement, and if any of them conclude that a proposed amendment is a Material IP Amendment then such proposed amendment shall be a Material IP Amendment. Approval of a Material IP Amendment will require approval by Developer, the Mayor, and any City Agency whose rights, obligations, or facilities would be affected by the proposed Material IP Amendment (by its Executive Director or equivalent position, or by its Commission if required by the Commission or by Law). The City may condition approval of a Material IP Amendment in any manner deemed appropriate to address any of the effects that led to a determination that the amendment was a Material IP Amendment.

(b) Non-Material IP Amendments. A "**Non-Material IP Amendment**" means (i) any amendment to the Infrastructure Plan that does not constitute a Material IP Amendment, (ii) any amendment to the Infrastructure Plan that is consistent with the Subdivision Code or regulations, and (iii) any other amendment to the Infrastructure Plan that does not constitute a Material IP Amendment. The City may condition approval of a Non-Material IP Amendment in any reasonable manner deemed appropriate to address any negative effects associated with the Non-Material IP Amendment. For clarity, the exception process in the Subdivision Code does not render an Infrastructure Plan amendment a "Non-Material IP Amendment" pursuant to Section 11.3.2(b)(ii) simply because PW is able to grant an exception to the Subdivision Code for such Infrastructure Plan amendment. Any Non-Material IP Amendment will require the approval in writing of Developer, the Planning Director, and the PW Director, with the consent of the Executive Director or equivalent position at any City Agency whose rights,

obligations, or facilities would be affected would be affected by the proposed Non-Material IP Amendment.

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

11.4.1 Litigation and Referendum Extension. If any litigation is filed challenging this Agreement or any of the Initial Approvals and it directly or indirectly delays this Agreement or any such Initial Approval, or if this Agreement or any of the Initial Approvals is suspended pending the outcome of an electoral vote on a referendum, then the Term of this Agreement and the effectiveness of the Initial Approvals (starting from the date of the initial grant of the Initial Approval) shall be extended for the number of days equal to the period starting from the commencement of the litigation or the suspension to the end of such litigation or suspension, or in the case of a referendum, until the referendum is resolved through certification of the election results or the formal withdrawal of the referendum (a "**Litigation Extension**"). The Parties shall document the start and end of a Litigation Extension in writing within thirty (30) days from the applicable dates.

11.4.2 "**Excusable Delay**" means the occurrence of an event beyond a Party's reasonable control which causes such Party's performance of an obligation to be delayed, interrupted or prevented, including, but not limited to: changes in federal or state saws; strikes or the substantial interruption of work because of labor disputes; inability to obtain materials; freight embargoes; moratoriums; civil commotion, war or acts of terrorism; inclement weather, fire, floods, earthquakes, or other acts of God; epidemics, pandemics, or quarantine restrictions; litigation; unforeseen site conditions (including archaeological resources or the presence of hazardous materials); or the failure of any governmental agency, public utility or communication service provider to issue a permit, authorization, consent or approval required to permit construction within the standard or customary time period for such issuing authority following Developer's submittal of a complete application for such permit, authorization, consent or approval, together with any required materials. Excusable Delay shall not include delays resulting from failure to obtain financing or have adequate funds, changes in market conditions, or the rejection of permit, authorization or approval requests based upon Developer's failure to satisfy the substantive requirements for the permit, authorization or approval request. In the event of Excusable Delay, the Parties agree that (i) the time periods for performance of the delayed Party's obligations impacted by the Excusable Delay shall be strictly limited to the period of such delay,

interruption or prevention and the delayed Party shall, to the extent commercially reasonable, act diligently and in good faith to remove the cause of the Excusable Delay or otherwise complete the delayed obligation, and (ii) following the Excusable Delay, a Party shall have all rights and remedies available under this Agreement, if the obligation is not completed within the time period as extended by the Excusable Delay. If an event which may lead to an Excusable Delay occurs, the delayed Party shall notify the other Party in writing of such occurrence as soon as possible after becoming aware that such event may result in an Excusable Delay, and the manner in which such occurrence is likely to substantially interfere with the ability of the delayed Party to perform under this Agreement. In no event shall the period applicable to an Excusable Delay commence before thirty (30) days prior to the date of delivery of the delayed Party's notice.

## 12. TRANSFER OR ASSIGNMENT; RELEASE; CONSTRUCTIVE NOTICE

12.1 Permitted Transfer of this Agreement. At any time, Developer shall have the right to convey, assign or transfer all of its right, title and interest in and to all or part of the Project Site (a "**Transfer**") to a party (including any Mortgagee) without the City's consent, provided that it also transfers to such party (the "**Transferee**") all, or a correspondingly appropriate portion of its interest, rights or obligations under this Agreement with respect to such portion of the Project Site together with any real property required to Complete the Associated Community Benefits for such transferred portion (the "**Transferred Property**"). Developer shall not, by Transfer, separate a portion of the Project Site from the Associated Community Benefits tied to that portion of the Project Site without the prior written consent of the Planning Director. Notwithstanding anything to the contrary in this Agreement, if Developer Transfers one or more parcels such that there are separate Developers within the Project Site, then the obligation to perform and Complete the Associated Community Benefits for a Building shall be the sole responsibility of the applicable Developer (*i.e.*, the person or entity that is the Developer for the Development Parcel on which the Building is located), in accordance with the requirements set forth in the Community Benefits Schedule; provided, however, that any ongoing obligations (such as landscaping maintenance) may be transferred to a commercial or other management association ("**CMA**") on commercially reasonable terms so long as the CMA has the financial capacity and ability to perform the obligations so transferred.

12.2 Notice of Transfer. Developer shall provide not less than ten (10) days' notice to the City before any proposed Transfer of its interests, rights and obligations under this

Agreement, together with a copy of the assignment and assumption agreement for the relevant Development Parcel or Parcels (the "**Assignment and Assumption Agreement**"), except that no advance notice shall be required for a Foreclosure by a Mortgagee. The Assignment and Assumption Agreement shall be in recordable form, in substantially the form attached as Exhibit G (including the indemnifications, the agreement and covenant not to challenge the enforceability of this Agreement, and not to sue the City for disputes between Developer and any Transferee) and any material changes to the attached form will be subject to the review and approval of the Director of Planning, not to be unreasonably withheld or delayed. The Director of Planning shall use good faith efforts to complete such review and grant or withhold approval within thirty (30) days after the Director of Planning's receipt of such material changes. Notwithstanding the foregoing, any Transfer of ongoing Community Benefit obligations to a CMA as set forth in Section 12.1 shall not require the transfer of land or any other real property interests to the CMA.

12.3 Release of Liability. Upon recordation of any Assignment and Assumption Agreement (following the City's approval of any material changes if required pursuant to Section 12.2 above), the assignor shall be released from any prospective liability or obligation under this Agreement related to the Transferred Property, as specified in the Assignment and Assumption Agreement, and the Transferee shall be deemed to be "Developer" under this Agreement with all rights and obligations related thereto with respect to the Transferred Property. Notwithstanding anything to the contrary contained in this Agreement, if a Transferee defaults under this Agreement, such default shall not constitute a Default by Developer or any other Transferee with respect to any other portion of the Project Site and shall not entitle the City to terminate or modify this Agreement with respect to such other portion of the Project Site, except as otherwise provided herein. Additionally, the annual review provided by Section 8 shall be conducted separately as to Developer and each Transferee and only as to those obligations that Developer or such Transferee has under this Agreement.

12.4 Responsibility for Performance. The City is entitled to enforce each and every such obligation assumed by each Transferee directly against the Transferee as if the Transferee were an original signatory to this Agreement with respect to such obligation. Accordingly, in any action by the City against a Transferee to enforce an obligation assumed by the Transferee, the Transferee shall not assert as a defense against the City's enforcement of performance of such obligation that such obligation (i) is attributable to Developer's breach of any

duty or obligation to the Transferee arising out of the Transfer or the Assignment and Assumption Agreement or any other agreement or transaction between Developer and the Transferee, or (ii) relates to the period before the Transfer. The Parties acknowledge and agree that a failure to fulfill a Mitigation Measure may, if not fulfilled, delay or prevent a different party's ability to start or Complete a specific Building or improvement under this Agreement if and to the extent the fulfillment of the Mitigation Measure is a condition to the other party's right to proceed, as described in the Mitigation Measure, and Developer and all Transferees assume this risk. Developer acknowledges and agrees that a failure to timely Complete an Associated Community Benefit may, if not Completed, delay or prevent a different party's ability to obtain a temporary or final certificate of occupancy for a specific Building or improvement under this Agreement if and to the extent the Completion of the Associated Community Benefit is a condition to such temporary or final certificate of occupancy pursuant to the Community Benefits Schedule, and Developer and all Transferees assume this risk.

12.5 Constructive Notice. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Project Site is, and shall be, constructively deemed to have consented to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Project Site. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Project Site and undertakes any development activities at the Project Site, is, and shall be, constructively deemed to have consented and agreed to, and is obligated by all of the terms and conditions of this Agreement (as such terms and conditions apply to the Project Site or applicable portion thereof), whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Project Site.

12.6 Rights of Developer. The provisions in this Article 12 shall not be deemed to prohibit or otherwise restrict Developer from (i) granting easements or licenses to facilitate development, operation, and use of the Project Site, (ii) encumbering the Project Site or any portion of the improvements thereon by any Mortgage, (iii) granting an occupancy leasehold interest in portions of the Project Site, (iv) entering into a joint venture agreement or similar partnership agreement to fulfill its obligations under this Agreement, or (v) transferring all or a portion of the

Project Site pursuant to a Foreclosure, and none of the foregoing shall constitute a Transfer for which the City's consent is required.

## 13. DEVELOPER REPRESENTATIONS AND WARRANTIES

13.1 Interest of Developer; Due Organization and Standing. Developer represents that it is the sole owner of the Project Site, with the right and authority to enter into this Agreement. Developer is a limited partnership, duly organized and validly existing and in good standing under the Laws of the State of Delaware. Developer has all requisite power to own its property and authority to conduct its business as presently conducted. Developer represents and warrants that there is no Mortgage, existing lien or encumbrance recorded against the Project Site that, upon Foreclosure or the exercise of remedies, would permit the beneficiary of the Mortgage, lien or encumbrance to eliminate or wipe out the obligations set forth in this Agreement that run with applicable land.

13.2 No Inability to Perform; Valid Execution. Developer represents and warrants that it is not a party to any other agreement that would conflict with Developer's obligations under this Agreement and it has no knowledge of any inability to perform its obligations under this Agreement. The execution and delivery of this Agreement and the agreements contemplated hereby by Developer have been duly and validly authorized by all necessary action. This Agreement will be a legal, valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.

13.3 Conflict of Interest. Through its execution of this Agreement, Developer acknowledges that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 *et seq*. and Section 1090 *et seq*. of the California Government Code, and certifies that it does not know of any facts which constitute a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the Term.

13.4 Notification of Limitations on Contributions. Through its execution of this Agreement, Developer 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, whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to (i) the City elective officer, (ii) a candidate for the office held by such individual, or (iii) 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 that contract or twelve (12) months after the date that contract is approved. San Francisco Ethics Commission Regulation 1.126-1 provides that negotiations are commenced when a prospective contractor first communicates with a City officer or employee about the possibility of obtaining a specific contract. This communication may occur in person, by telephone or in writing, and may be initiated by the prospective contractor or a City officer or employee. Negotiations are completed when a contract is finalized and signed by the City and the contractor. Negotiations are terminated when the City and/or the prospective contractor end the negotiation process before a final decision is made to award the contract.

Developer acknowledges that (i) the prohibition on contributions applies to Developer, each member of Developer's board of directors, Developer's chief executive officer, chief financial officer and chief operating officer, any person with an ownership interest of more than ten percent (10%) in Developer, any subcontractor listed in the contract, and any committee that is sponsored or controlled by Developer, and (ii) within thirty (30) days of the submission of a proposal for the contract, the City department seeking to enter into the contract must notify the Ethics Commission of the parties and any subcontractor to the contract. Additionally, Developer certifies it has informed each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126 by the time it submitted a proposal for the contract to the City, and has provided the names of the persons required to be informed to the City department seeking to enter into that contract within thirty (30) days of submitting its contract proposal to the City department receiving that submittal, and acknowledges the City department receiving that submittal was required to notify the Ethics Commission of those persons.

13.5 Other Documents. To the current, actual knowledge of Courtney Bell, Vice President of Development-Entitlements, after reasonable inquiry, no document furnished by Developer to the City with its application for this Agreement nor this Agreement contains any untrue statement of material fact or omits a material fact necessary to make the statements contained therein, or herein, not misleading under the circumstances under which any such statement shall have been made.

13.6 No Bankruptcy. Developer represents and warrants to the City that Developer has neither filed nor is the subject of any filing of a petition under the federal bankruptcy

law or any federal or state insolvency laws or Laws for composition of indebtedness or for the reorganization of debtors, and, to the best of Developer's knowledge, no such filing is threatened.

## 14. MISCELLANEOUS PROVISIONS

14.1 Entire Agreement. This Agreement, including the preamble paragraph, Recitals and Exhibits, and the agreements between the Parties specifically referenced in this Agreement, constitutes the entire agreement between the Parties with respect to the subject matter contained herein.

14.2 Incorporation of Exhibits. Except for the Initial Approvals which are listed in Exhibit C solely for the convenience of the Parties, each Exhibit to this Agreement is incorporated herein and made a part hereof as if set forth in full. Each reference to an Exhibit in this Agreement shall mean that Exhibit as it may be updated or amended from time to time in accordance with the terms of this Agreement.

14.3 Binding Covenants; Run With the Land. Pursuant to Section 65868.5 of the Development Agreement Statute, from and after recordation of this Agreement, all of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the Parties and, subject to the provisions of this Agreement, including Article 12, their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, and all persons or entities acquiring the Project Site, any lot, parcel or any portion thereof, or any interest therein, whether by sale, operation of law, or in any manner whatsoever, and shall inure to the benefit of the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns. Subject to the provisions of this Agreement, including Article 12, all provisions of this Agreement shall be enforceable during the Term as equitable servitudes and constitute covenants and benefits running with the land pursuant to applicable Law, including but not limited to California Civil Code Section 1468.

14.4 Applicable Law and Venue. This Agreement has been executed and delivered in and shall be interpreted, construed, and enforced in accordance with the Laws of the State of California. All rights and obligations of the Parties under this Agreement are to be performed in the City and County of San Francisco, and the City and County of San Francisco shall be the venue for any legal action or proceeding that may be brought, or arise out of, in connection with or by reason of this Agreement.

14.5 Construction of Agreement. The Parties have mutually negotiated the terms and conditions of this Agreement and its terms and provisions have been reviewed and revised by legal counsel for both the City and Developer. Accordingly, no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement. Language in this Agreement shall be construed as a whole and in accordance with its true meaning. The captions of the paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of construction. The word "include(s)" means "include(s) without limitation" and "include(s) but not limited to," and the word "including" means "including without limitation" and "including but not limited to" as the case may be. No listing of specific instances, items or examples in any way limits the scope or generality of any language in this Agreement. Each reference in this Agreement to this Agreement or any of the Approvals shall be deemed to refer to this Agreement or the Approvals as amended from time to time pursuant to the provisions of this Agreement, whether or not the particular reference refers to such possible amendment. In the event of a conflict between the provisions of this Agreement and Chapter 56, the provisions of this Agreement will govern and control.

14.6 Correction of Technical Errors. If by reason of inadvertence, and contrary to the intention of Developer and the City, errors are made in this Agreement in the identification or characterization of any title exception, in a legal description or the reference to or within any Exhibit with respect to a legal description, in the boundaries of any parcel (provided such boundary adjustments are relatively minor and do not result in a material change as determined by the Parties counsel), in any map or drawing that is an Exhibit, or in the typing of this Agreement or any of its exhibits, Developer and the City, by mutual agreement, may correct such error by memorandum executed by both of them and replacing the appropriate pages of this Agreement. No such memorandum or page replacement shall be deemed an amendment of this Agreement.

14.7 Project Is a Private Undertaking; No Joint Venture or Partnership. The Project proposed to be undertaken by Developer on the Project Site is a private development. The City has no interest in, responsibility for, or duty to third persons concerning any of said improvements. Developer shall exercise full dominion and control over the Project Site, subject only to the limitations and obligations of Developer contained in this Agreement. Nothing contained in this Agreement, or in any document executed in connection with this Agreement,

shall be construed as creating a joint venture or partnership between the City and Developer. Neither Party is acting as the agent of the other Party in any respect hereunder. Developer is not a state or governmental actor with respect to any activity conducted by Developer hereunder.

14.8 Recordation. Pursuant to the Development Agreement Statute and Chapter 56, the Clerk of the Board of Supervisors shall have a copy of this Agreement recorded in the Official Records within ten (10) days after the Effective Date of this Agreement or any amendment thereto, with costs to be borne by Developer.

14.9 Obligations Not Dischargeable in Bankruptcy. Developer's obligations under this Agreement are not dischargeable in bankruptcy.

14.10 Survival. Following expiration of the Term or earlier termination pursuant to the provisions of this Agreement, this Agreement shall be deemed terminated and of no further force and effect except for any provision which, by its express terms, survives the expiration or termination of this Agreement.

14.11 Signature in Counterparts. This Agreement may be executed in duplicate counterpart originals, each of which is deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

14.12 Notices. Any notice or communication required or authorized by this Agreement shall be in writing and may be delivered personally or by registered mail, return receipt requested. Notice, whether given by personal delivery or registered mail, shall be deemed to have been given and received upon the actual receipt by any of the addressees designated below as the person to whom notices are to be sent. Either Party to this Agreement may at any time, upon notice to the other Party, designate any other person or address in substitution of the person and address to which such notice or communication shall be given. For convenience of the Parties, copies of notices may also be given by email to the email address number set forth below or other email address as may be provided from time to time, but neither Party may give official or binding notice by email. Such notices or communications shall be given to the Parties at their addresses set forth below:

To City: Sarah Dennis Phillips
Director of Planning
San Francisco Planning Department
49 South Van Ness Avenue, Suite 1400
San Francisco, California 94103
email: _____

with a copy to: David Chiu
City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Real Estate/Finance,
San Francisco Gateway Project

To Developer: _____
_____
_____
email: _____
Attn: _____

with a copy to: _____
_____
_____
_____

14.13 Limitations on Actions. Pursuant to Section 56.19 of the Administrative Code, any decision of the Board of Supervisors made pursuant to Chapter 56 shall be final. Any court action or proceeding to attack, review, set aside, void, or annul any final decision or determination by the Board of Supervisors shall be commenced within ninety (90) days after such decision or determination is final and effective. Any court action or proceeding to attack, review, set aside, void or annul any final decision by (i) the Planning Director made pursuant to Administrative Code Section 56.15(d)(3) or (ii) the Planning Commission pursuant to Administrative Code Section 56.17(e) shall be commenced within ninety (90) days after said decision is final.

14.14 Severability. Except as is otherwise specifically provided for in this Agreement with respect to any Laws which conflict with this Agreement, if any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect unless enforcement of the remaining portions of this Agreement would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement.

14.15 MacBride Principles. The City 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 also urges San Francisco companies to do business with corporations that abide by the

MacBride Principles. Developer acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

14.16 Tropical Hardwood and Virgin Redwood. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

14.17 Sunshine. Developer understands and agrees that under the City's Sunshine Ordinance (Administrative Code, Chapter 67) and the California Public Records Act (California Government Code Section 250 *et seq*.), this Agreement and any and all records, information, and materials submitted to the City hereunder are public records subject to public disclosure. To the extent that Developer in good faith believes that any financial materials reasonably requested by the City constitutes a trade secret or confidential proprietary information protected from disclosure under the Sunshine Ordinance and other Laws, Developer shall mark any such materials as such. When a City official or employee receives a request for information that has been so marked or designated, the City may request further evidence or explanation from Developer. If the City determines that the information does not constitute a trade secret or proprietary information protected from disclosure, the City shall notify Developer of that conclusion and that the information will be released by a specified date in order to provide Developer an opportunity to obtain a court order prohibiting disclosure.

14.18 Non-Liability of City Officials and Others. Notwithstanding anything to the contrary in this Agreement, no individual board member, director, commissioner, officer, employee, official or agent of City or other City Parties shall be personally liable to Developer, its successors and assigns, in the event of any Default by City, or for any amount which may become due to Developer, its successors and assigns, under this Agreement.

14.19 Non-Liability of Developer Officers and Others. Notwithstanding anything to the contrary in this Agreement, no individual board member, director, officer, employee, official, partner, employee, or agent of Developer or any affiliate of Developer shall be personally liable to City, its successors and assigns, in the event of any Default by Developer, or for any amount which may become due to City, its successors and assigns, under this Agreement.

14.20 No Third Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
Sarah Dennis Phillips
Director of Planning

RECOMMENDED:

_____

By: _____
_____
Director of Public Works

Approved on _____, 20__
Board of Supervisors Ordinance No. _____

Approved as to form:

DAVID CHIU, City Attorney

By: _____
Elizabeth A. Dietrich
Deputy City Attorney

DEVELOPER:

Prologis, L.P.,
a Delaware limited partnership

By: _____

Name: _____

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 )
County of San Francisco )

On _____, before me, _____, a Notary Public, 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 _____

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, 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 _____

# EXHIBIT A

## PROJECT SITE

# EXHIBIT A-1

## DEVELOPER PROPERTY LEGAL DESCRIPTION

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

PARCEL A

PARCEL A AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS EVIDENCE BY DOCUMENT RECORDED AUGUST 13, 2014, AS INSTRUMENT NO. 2014-J926749-00, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF KIRKWOOD AVENUE (WIDTH VARIES) WITH THE CENTERLINE OF SELBY STREET (64.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF SELBY STREET S35°31'39"W 560.04 FEET TO THE CENTERLINE OF McKINNON AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF McKINNON AVENUE N54°28'21"W 664.00 FEET TO THE CENTERLINE OF TOLAND STREET (64.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF TOLAND STREET N35°31'39"E 560.04 FEET TO SAID CENTERLINE OF KIRKWOOD AVENUE; THENCE ALONG SAID CENTERLINE OF KIRKWOOD AVENUE S54°28'21"E 664.00 FEET TO THE POINT OF BEGINNING.

THE STREETS AND AVENUES REFERRED TO IN THE ABOVE DESCRIPTION ARE AS THEY EXISTED AT THE TIME OF SAID "RECORD OF SURVEY MAP OF MARINE CORPS SUPPLY FORWARDING ANNEX (ISLAIS CREEK), SAN FRANCISCO, CALIFORNIA" RECORDED APRIL 25, 1961, IN BOOK "T" OF MAPS, PAGES 6 AND 7 IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, PRIOR TO THE SUBSEQUENT VACATIONS THEREOF.

THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS BASED UPON THE CENTERLINE OF TOLAND STREET SHOWN AS "NORTH 35°31'39" EAST" ON SAID "RECORD OF SURVEY MAP OF MARINE CORPS SUPPLY FORWARDING ANNEX (ISLAIS CREEK)".

BEING ASSESSOR'S BLOCK NO. 5284A AND A PORTION OF KIRKWOOD AVENUE, SELBY STREET, McKINNON AVENUE AND TOLAND STREET.

PARCEL B

PARCEL B AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS EVIDENCE BY DOCUMENT RECORDED AUGUST 13, 2014, AS INSTRUMENT NO. 2014-J926749-00, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF KIRKWOOD AVENUE (WIDTH VARIES) WITH THE CENTERLINE OF SELBY STREET (64.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF KIRKWOOD AVENUE S54°28'21"E 664.00 FEET TO THE CENTERLINE OF RANKIN STREET (64.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF RANKIN STREET S35°31'39"W 560.04 FEET TO THE CENTERLINE OF MCKINNON AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF MCKINNON AVENUE N54°28'21"W 664.00 FEET TO SAID

CENTERLINE OF SELBY STREET; THENCE ALONG SAID CENTERLINE OF SELBY STREET N35°31'39"E 560.04 FEET TO THE POINT OF BEGINNING.

THE STREETS AND AVENUES REFERRED TO IN THE ABOVE DESCRIPTION ARE AS THEY EXISTED AT THE TIME OF SAID "RECORD OF SURVEY MAP OF MARINE CORPS SUPPLY FORWARDING ANNEX (ISLAIS CREEK), SAN FRANCISCO, CALIFORNIA" RECORDED APRIL 25, 1961, IN BOOK "T" OF MAPS, PAGES 6 AND 7 IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, PRIOR TO THE SUBSEQUENT VACATIONS THEREOF.

THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS BASED UPON THE CENTERLINE OF TOLAND STREET SHOWN AS "NORTH 35°31'39" EAST" ON SAID "RECORD OF SURVEY MAP OF MARINE CORPS SUPPLY FORWARDING ANNEX (ISLAIS CREEK)".

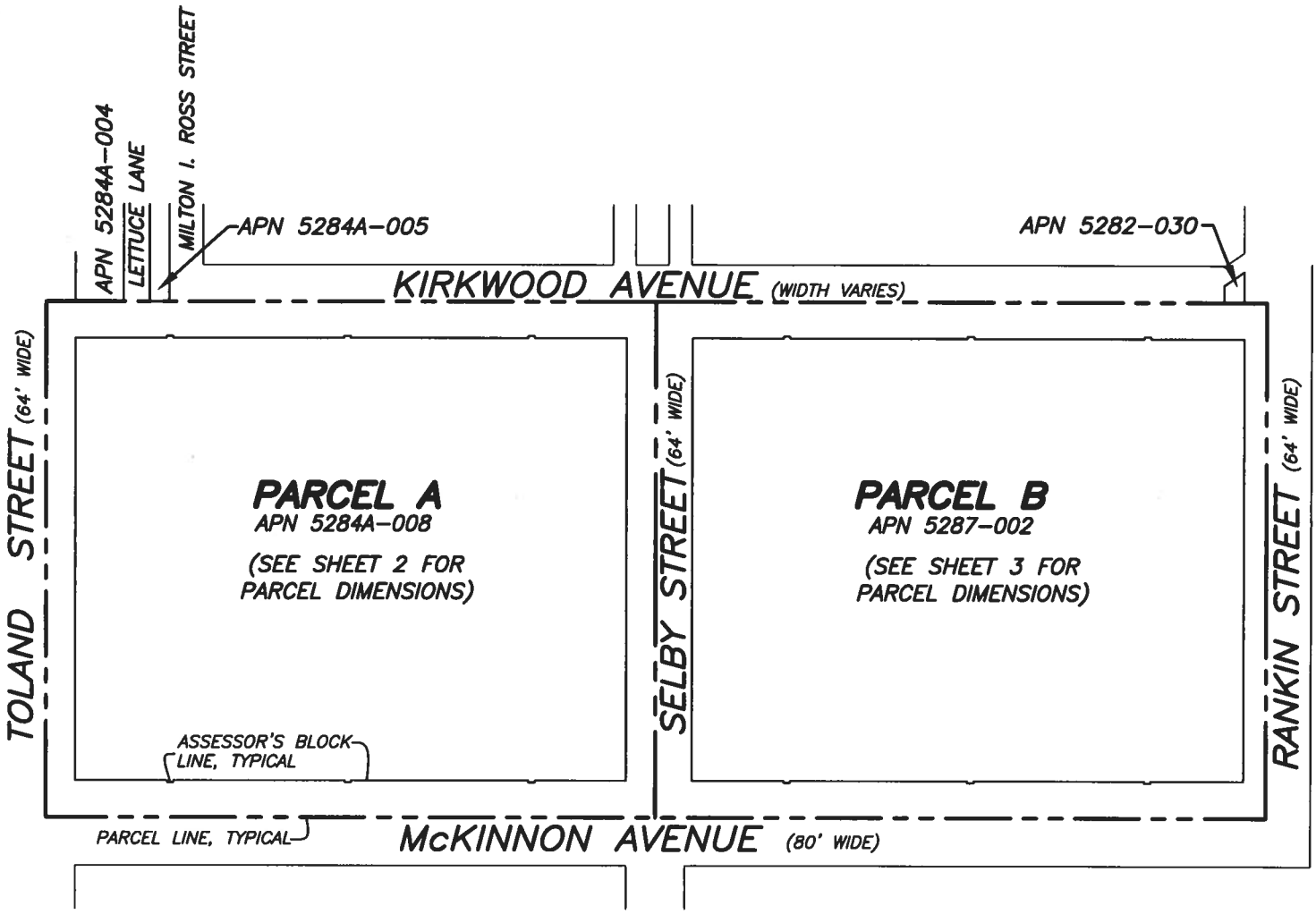
BEING ASSESSOR'S BLOCK NO. 5287 AND A PORTION OF KIRKWOOD AVENUE, RANKIN STREET, McKINNON AVENUE AND SELBY STREET.

THIS DESCRIPTION WAS PREPARED BY ME IN ACCORDANCE WITH THE PROFESSIONAL LAND SURVEYORS' ACT.

DRAFT FOR CITY REVIEW

_____ OCTOBER 18, 2024

BENJAMIN B. RON, PLS 5015




## LEGEND

APN ASSESSOR'S PARCEL NUMBER
P.O.B. POINT OF BEGINNING

## NOTE

DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

## STREET CENTERLINES

THE CENTERLINE OF STREETS AND AVENUES SHOWN HEREON ARE AS THEY EXISTED AT THE TIME OF THAT CERTAIN RECORD OF SURVEY FILED APRIL 25, 1961, IN BOOK "T" OF MAPS, PAGES 6 AND 7, S.F. COUNTY RECORDS.

## BASIS OF BEARINGS

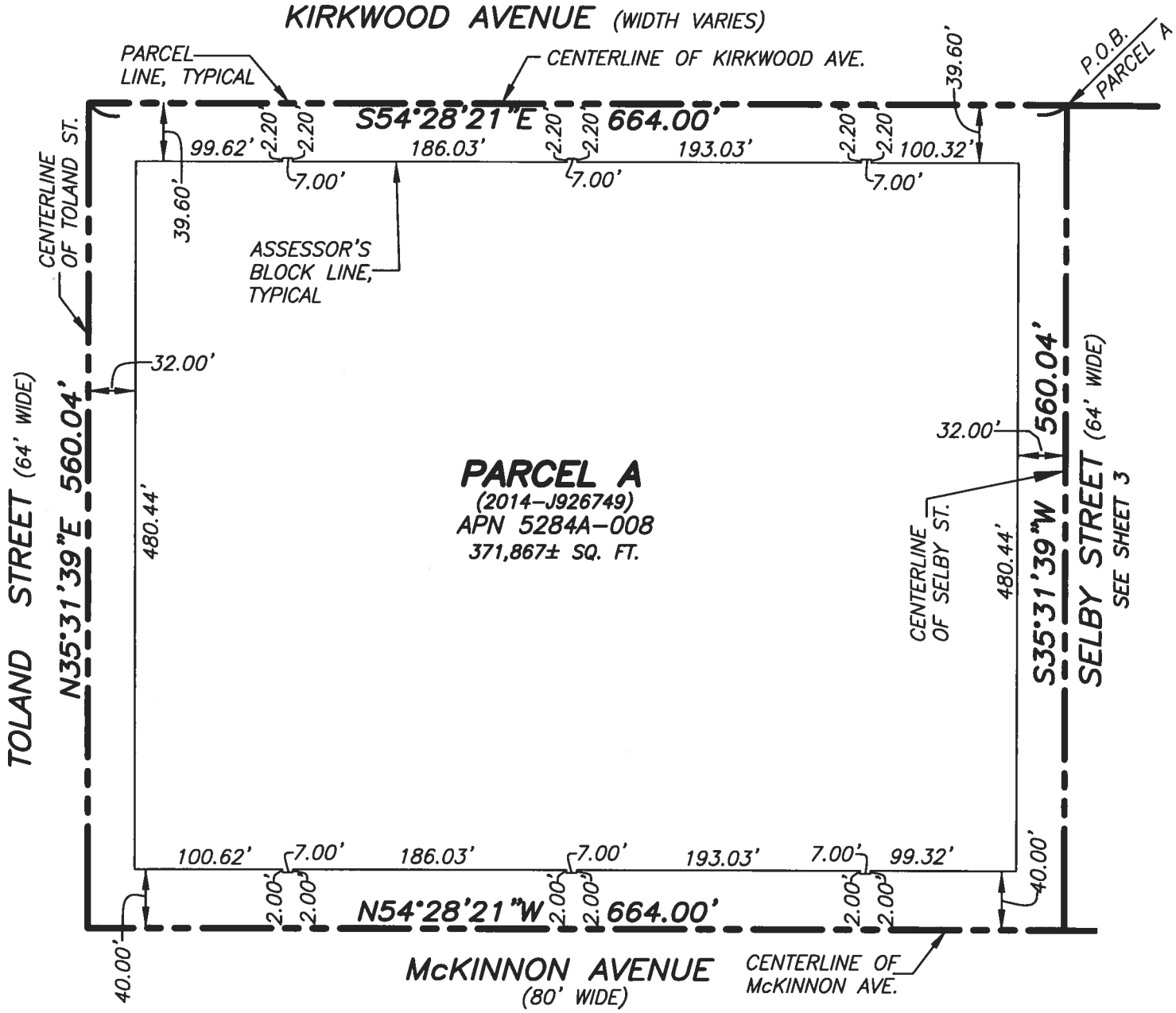
THE CENTERLINE OF TOLAND STREET IS TAKEN TO BE N35°31'39"E AS SHOWN ON THAT RECORD OF SURVEY FILED IN BOOK "T" OF MAPS, PAGES 6 & 7, S.F. COUNTY RECORDS.


# EXHIBIT A-1
# PLAT TO ACCOMPANY LEGAL DESCRIPTION

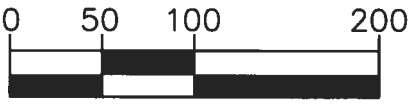
BY DR CHKD. BR DATE 10/18/24 NOT TO SCALE SHEET 1 OF 3 JOB NO. T-1467

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-7814_T-1467 EXHIBITS.dwg







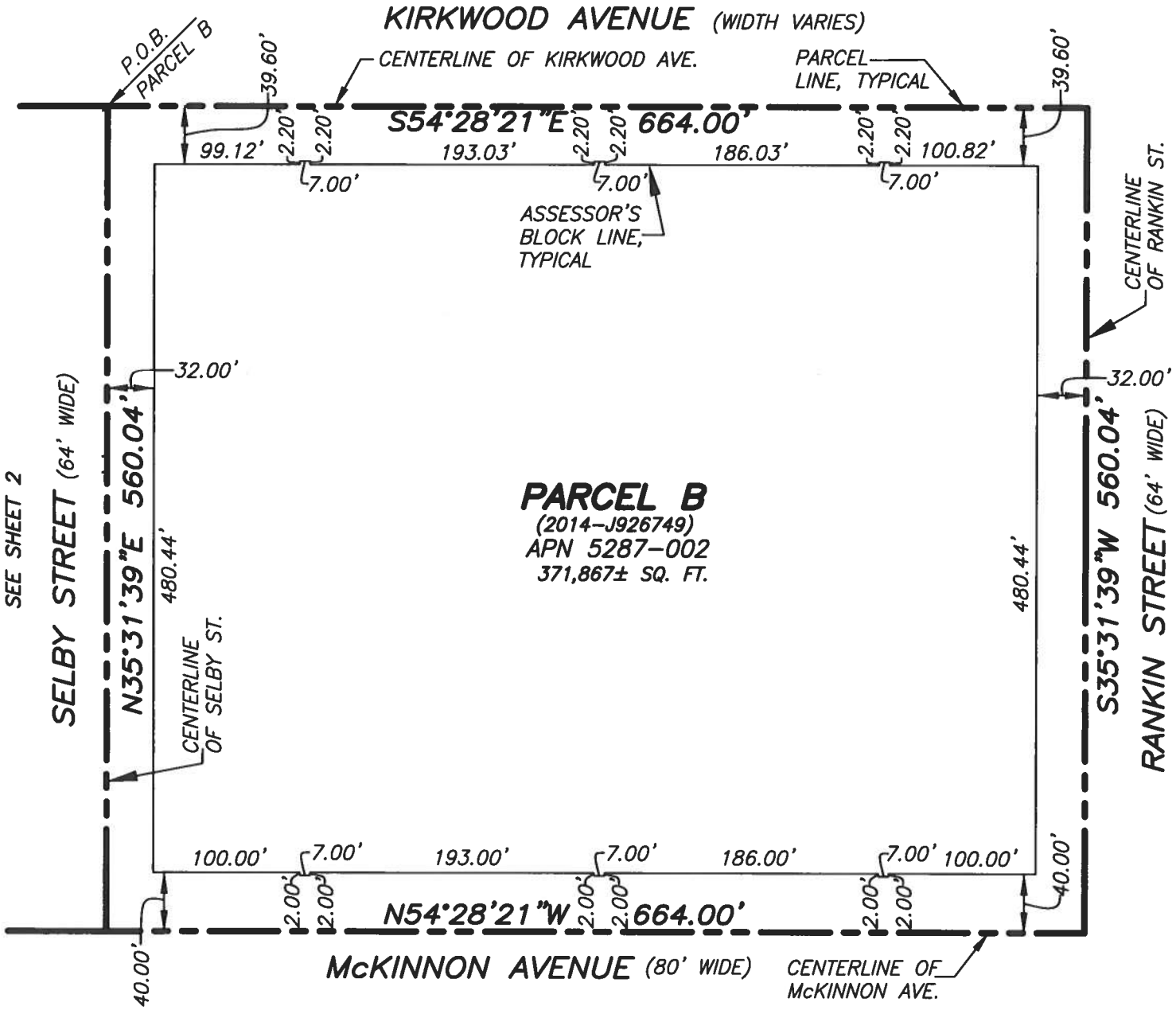

GRAPHIC SCALE

# EXHIBIT A-1
## PLAT TO ACCOMPANY LEGAL DESCRIPTION

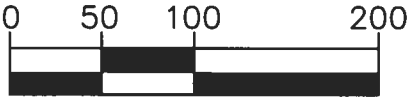
| BY | CHKD. | DATE | SCALE | SHEET | JOB NO. |
|---|---|---|---|---|---|
| DR | BR | 10/18/24 | 1"=100' | 2 OF 3 | T-1467 |


MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-7814_T-1467 EXHIBITS.dwg








GRAPHIC SCALE

# EXHIBIT A-1
## PLAT TO ACCOMPANY LEGAL DESCRIPTION

| BY | CHKD. | DATE | SCALE | SHEET | JOB NO. |
|---|---|---|---|---|---|
| DR | BR | 10/18/24 | 1"=100' | 3 OF 3 | T-1467 |


MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500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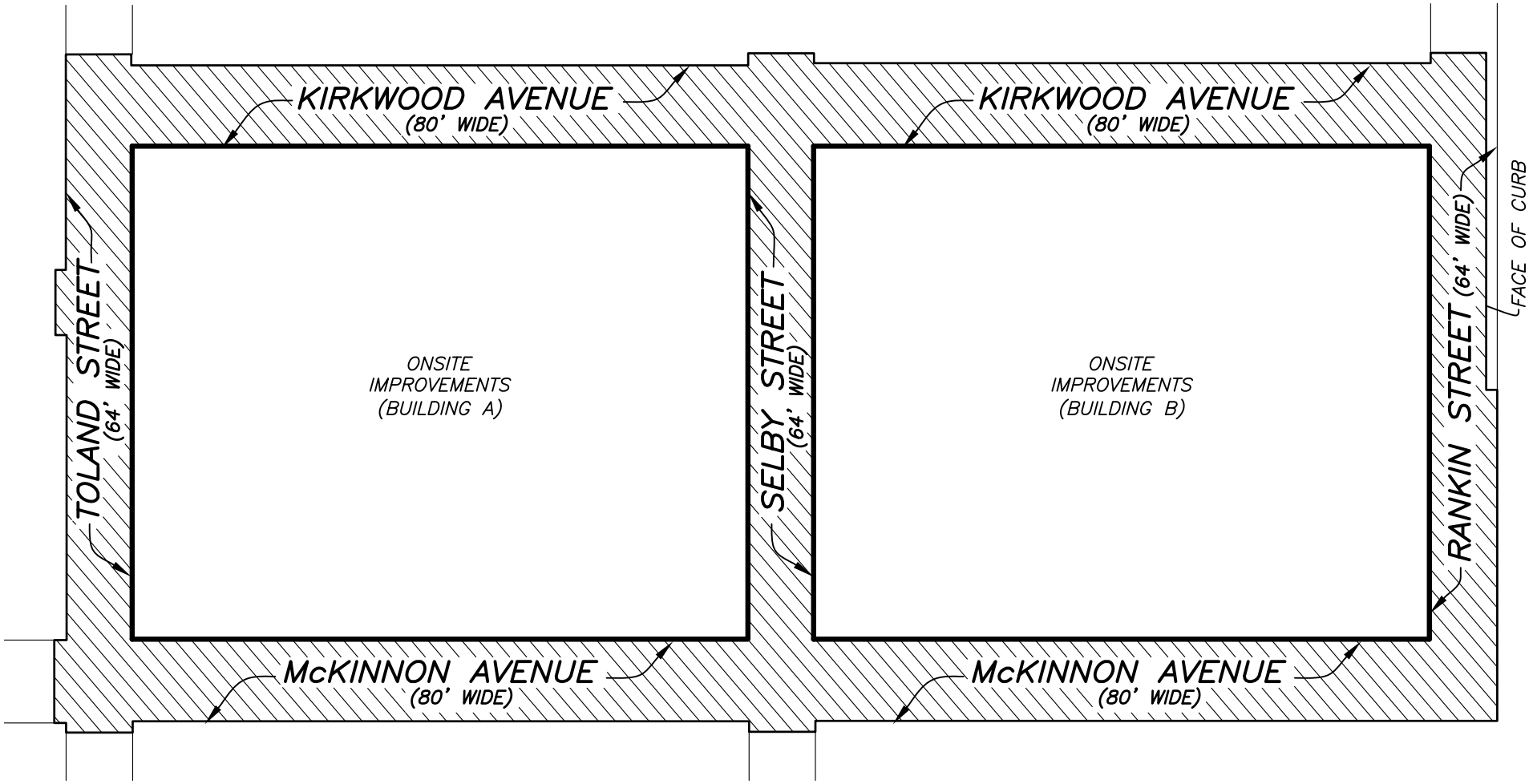



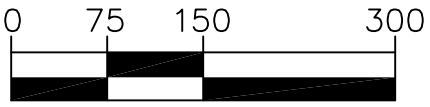


GRAPHIC SCALE

**LEGEND**

EXTENT OF OFFSITE IMPROVEMENTS

# EXHIBIT A–2
# EXTENT OF OFFSITE IMPROVEMENTS

| BY | JP | CHKD. | BR | DATE | 10/18/24 | SCALE | 1"=150' | SHEET | 1 OF 1 | JOB NO. | T–1467 |
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**MARTIN M. RON ASSOCIATES, INC.**
LAND SURVEYORS

859 HARRISON STREET
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(415) 543–4500

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# EXHIBIT A-3

## DEVELOPER OWNED ROW LEGAL DESCRIPTION & PLAN

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

PARCEL ONE

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF TOLAND STREET (64.00 FEET WIDE) WITH THE CENTERLINE OF McKINNON AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF TOLAND STREET NORTH 35°31'39" EAST 560.04 FEET TO THE CENTERLINE OF KIRKWOOD AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF KIRKWOOD AVENUE SOUTH 54°28'21" EAST 32.00 FEET TO THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF SAID TOLAND STREET; THENCE ALONG SAID NORTHEASTERLY PROLONGATION, ALONG SAID SOUTHEASTERLY LINE OF TOLAND STREET AND ALONG THE SOUTHWESTERLY PROLONGATION OF SAID SOUTHEASTERLY LINE OF TOLAND STREET SOUTH 35°31'39" WEST 560.04 FEET TO SAID CENTERLINE OF McKINNON AVENUE; THENCE ALONG SAID CENTERLINE OF McKINNON AVENUE NORTH 54°28'21" WEST 32.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF TOLAND STREET.

PARCEL TWO

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SELBY STREET (64.00 FEET WIDE) WITH THE CENTERLINE OF McKINNON AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF McKINNON AVENUE SOUTH 54°28'21" EAST 32.00 FEET TO THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF SAID SELBY STREET; THENCE ALONG SAID SOUTHWESTERLY PROLONGATION, ALONG SAID SOUTHEASTERLY LINE OF SELBY STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID SOUTHEASTERLY LINE OF SELBY STREET NORTH 35°31'39" EAST 560.04 FEET TO THE CENTERLINE OF KIRKWOOD AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF KIRKWOOD AVENUE NORTH 54°28'21" WEST 64.00 FEET TO THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF SAID SELBY STREET; THENCE ALONG SAID NORTHEASTERLY PROLONGATION, ALONG SAID NORTHWESTERLY LINE OF SELBY STREET AND ALONG THE SOUTHWESTERLY PROLONGATION OF SAID NORTHWESTERLY LINE OF SELBY STREET SOUTH 35°31'39" WEST 560.04 FEET TO SAID CENTERLINE OF McKINNON AVENUE; THENCE ALONG SAID CENTERLINE OF McKINNON AVENUE SOUTH 54°28'21" EAST 32.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SELBY STREET.

PARCEL THREE

BEGINNING AT A POINT ON THE CENTERLINE OF McKINNON AVENUE (80.00 FEET WIDE) DISTANT THEREON SOUTH 54°28'21" EAST 32.00 FEET FROM THE CENTERLINE OF TOLAND STREET (64.00 FEET WIDE), SAID POINT OF BEGINNING BEING ON THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF SAID TOLAND STREET; THENCE ALONG SAID CENTERLINE OF McKINNON AVENUE SOUTH 54°28'21" EAST 600.00 FEET TO THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF SELBY STREET (64.00 FEET WIDE); THENCE ALONG SAID SOUTHWESTERLY PROLONGATION NORTH 35°31'39" EAST 40.00 FEET TO THE NORTHEASTERLY LINE OF SAID McKINNON AVENUE; THENCE ALONG SAID NORTHEASTERLY LINE NORTH 54°28'21" WEST 600.00 FEET TO SAID SOUTHEASTERLY LINE OF TOLAND STREET; THENCE ALONG THE SOUTHWESTERLY PROLONGATION OF SAID SOUTHEASTERLY LINE OF TOLAND STREET SOUTH 35°31'39" WEST 40.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF McKINNON AVENUE AND A PORTION OF APN 5284A-008.

PARCEL FOUR

BEGINNING AT A POINT ON THE CENTERLINE OF KIRKWOOD AVENUE (80.00 FEET WIDE), DISTANT THEREON SOUTH 54°28'21" EAST 32.00 FEET FROM THE CENTERLINE OF TOLAND STREET (64.00 FEET WIDE), SAID POINT OF BEGINNING BEING ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF SAID TOLAND STREET; THENCE ALONG SAID CENTERLINE OF KIRKWOOD AVENUE SOUTH 54°28'21" EAST 600.00 FEET TO THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF SELBY STREET (64.00 FEET WIDE); THENCE ALONG SAID NORTHEASTERLY PROLONGATION SOUTH 35°31'39" WEST 40.00 FEET TO THE SOUTHWESTERLY LINE OF SAID KIRKWOOD AVENUE; THENCE ALONG SAID SOUTHWESTERLY LINE OF KIRKWOOD AVENUE NORTH 54°28'21" WEST 600.00 FEET TO SAID SOUTHEASTERLY LINE OF TOLAND STREET; THENCE ALONG THE NORTHEASTERLY PROLONGATION OF SAID SOUTHEASTERLY LINE OF TOLAND STREET NORTH 35°31'39" EAST 40.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF KIRKWOOD AVENUE AND A PORTION OF APN 5284A-008.

PARCEL FIVE

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF RANKIN STREET (64.00 FEET WIDE) WITH THE CENTERLINE OF McKINNON AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF RANKIN STREET NORTH 35°31'39" EAST 560.04 FEET TO THE CENTERLINE OF KIRKWOOD AVENUE (80.00 FEET WIDE); THENCE ALONG SAID CENTERLINE OF KIRKWOOD AVENUE NORTH 54°28'21" WEST 32.00 FEET TO THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF SAID RANKIN STREET; THENCE ALONG SAID NORTHEASTERLY PROLONGATION, ALONG SAID NORTHWESTERLY LINE OF RANKIN STREET AND ALONG THE SOUTHWESTERLY PROLONGATION OF SAID NORTHWESTERLY LINE OF RANKIN STREET SOUTH 35°31'39" WEST 560.04 FEET TO SAID CENTERLINE OF McKINNON AVENUE; THENCE ALONG SAID CENTERLINE OF McKINNON AVENUE SOUTH 54°28'21" EAST 32.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF RANKIN STREET.

PARCEL SIX

BEGINNING AT A POINT ON THE CENTERLINE OF McKINNON AVENUE (80.00 FEET WIDE) DISTANT THEREON SOUTH 54°28'21" EAST 32.00 FEET FROM THE CENTERLINE OF SELBY STREET (64.00 FEET WIDE), SAID POINT OF BEGINNING BEING ON THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF SAID SELBY STREET; THENCE ALONG SAID CENTERLINE OF McKINNON AVENUE SOUTH 54°28'21" EAST 600.00 FEET TO THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF RANKIN STREET (64.00 FEET WIDE); THENCE ALONG SAID SOUTHWESTERLY PROLONGATION NORTH 35°31'39" EAST 40.00 FEET TO THE NORTHEASTERLY LINE OF SAID McKINNON AVENUE; THENCE ALONG SAID NORTHEASTERLY LINE NORTH 54°28'21" WEST 600.00 FEET TO SAID SOUTHEASTERLY LINE OF SELBY STREET; THENCE ALONG THE SOUTHWESTERLY PROLONGATION OF SAID SOUTHEASTERLY LINE OF SELBY STREET SOUTH 35°31'39" WEST 40.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF McKINNON AVENUE AND A PORTION OF APN 5287-002.

PARCEL SEVEN

BEGINNING AT A POINT ON THE CENTERLINE OF KIRKWOOD AVENUE (80.00 FEET WIDE), DISTANT THEREON SOUTH 54°28'21" EAST 32.00 FEET FROM THE CENTERLINE OF SELBY STREET (64.00 FEET WIDE), SAID POINT OF BEGINNING BEING ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF SAID SELBY STREET; THENCE ALONG SAID CENTERLINE OF KIRKWOOD AVENUE SOUTH 54°28'21" EAST 600.00 FEET TO THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF RANKIN STREET (64.00 FEET WIDE); THENCE ALONG SAID NORTHEASTERLY PROLONGATION SOUTH 35°31'39" WEST 40.00 FEET TO THE SOUTHWESTERLY LINE OF SAID KIRKWOOD AVENUE; THENCE ALONG SAID SOUTHWESTERLY LINE OF KIRKWOOD AVENUE NORTH 54°28'21" WEST 600.00 FEET TO SAID SOUTHEASTERLY LINE OF SELBY STREET; THENCE ALONG THE NORTHEASTERLY PROLONGATION OF SAID SOUTHEASTERLY LINE OF SELBY STREET NORTH 35°31'39" EAST 40.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF KIRKWOOD AVENUE AND A PORTION OF APN 5287-002.

THE STREETS AND AVENUES REFERRED TO IN THE ABOVE DESCRIPTIONS ARE AS THEY EXISTED AT THE TIME OF SAID "RECORD OF SURVEY MAP OF MARINE CORPS SUPPLY FORWARDING ANNEX (ISLAIS CREEK), SAN FRANCISCO, CALIFORNIA" FILED FOR RECORD ON APRIL 25, 1961, IN BOOK "T" OF MAPS, AT PAGES 6 AND 7 IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, PRIOR TO THE SUBSEQUENT VACATIONS THEREOF.

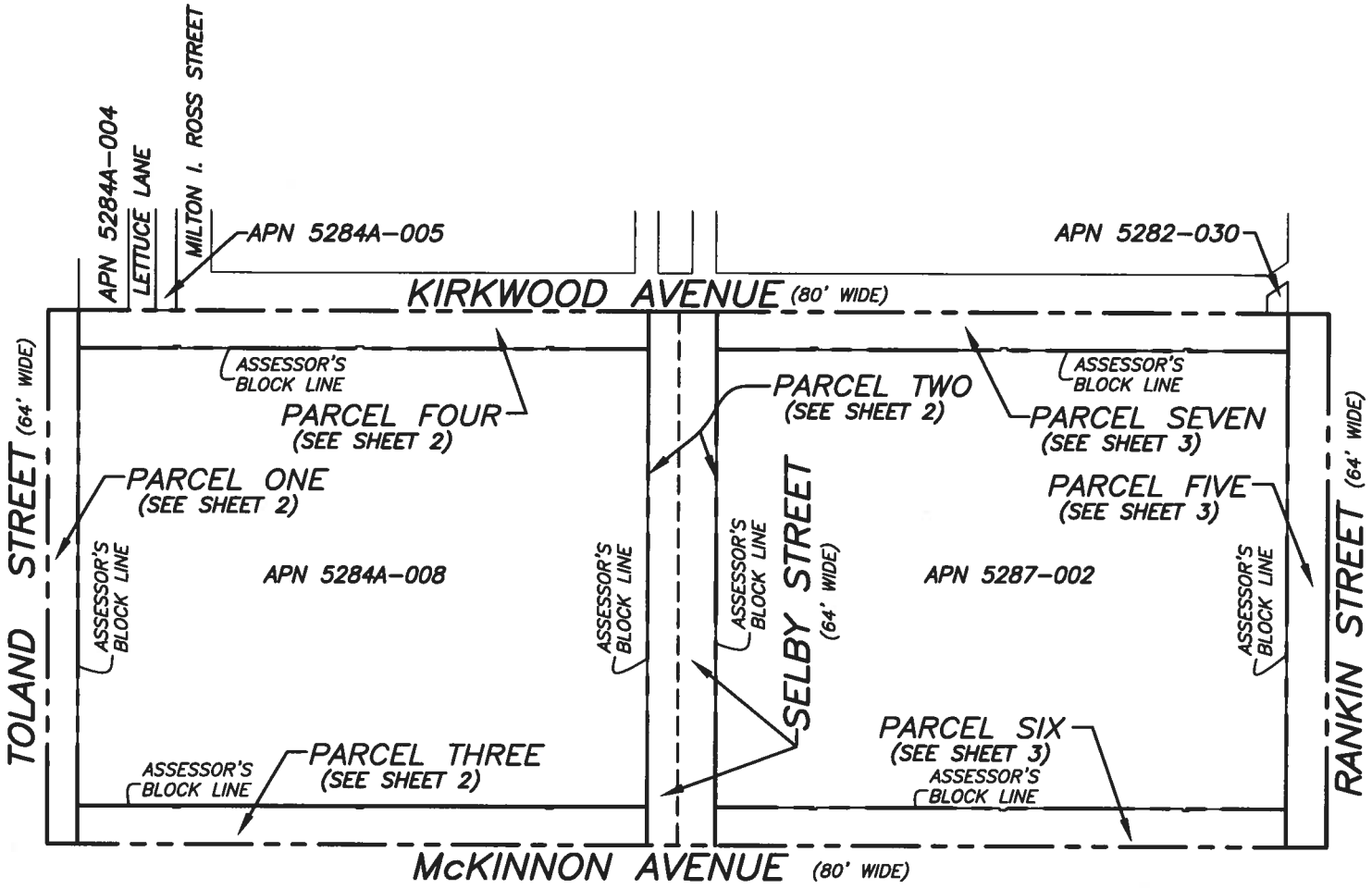
THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTIONS ARE BASED UPON THE CENTERLINE OF TOLAND STREET SHOWN AS "NORTH 35°31'39" EAST" ON SAID "RECORD OF SURVEY MAP OF MARINE CORPS SUPPLY FORWARDING ANNEX (ISLAIS CREEK)".

THIS DESCRIPTION WAS PREPARED BY ME IN ACCORDANCE WITH THE PROFESSIONAL LAND SURVEYORS' ACT.

DRAFT FOR CITY REVIEW

_____ OCTOBER 18, 2024

BENJAMIN B. RON, PLS 5015




## LEGEND

APN ASSESSOR'S PARCEL NUMBER
P.O.B. POINT OF BEGINNING
P. PARCEL
- - - - - - - - CENTERLINE OF SELBY STREET
— — — — PARCEL LINE

## NOTE

DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

## STREET CENTERLINES

THE CENTERLINE OF STREETS AND AVENUES SHOWN HEREON ARE AS THEY EXISTED AT THE TIME OF THAT CERTAIN RECORD OF SURVEY FILED APRIL 25, 1961, IN BOOK "T" OF MAPS, PAGES 6 AND 7, S.F. COUNTY RECORDS.

## BASIS OF BEARINGS

THE CENTERLINE OF TOLAND STREET IS TAKEN TO BE N35°31'39"E AS SHOWN ON THAT RECORD OF SURVEY FILED IN BOOK "T" OF MAPS, PAGES 6 & 7, S.F. COUNTY RECORDS.

NORTH

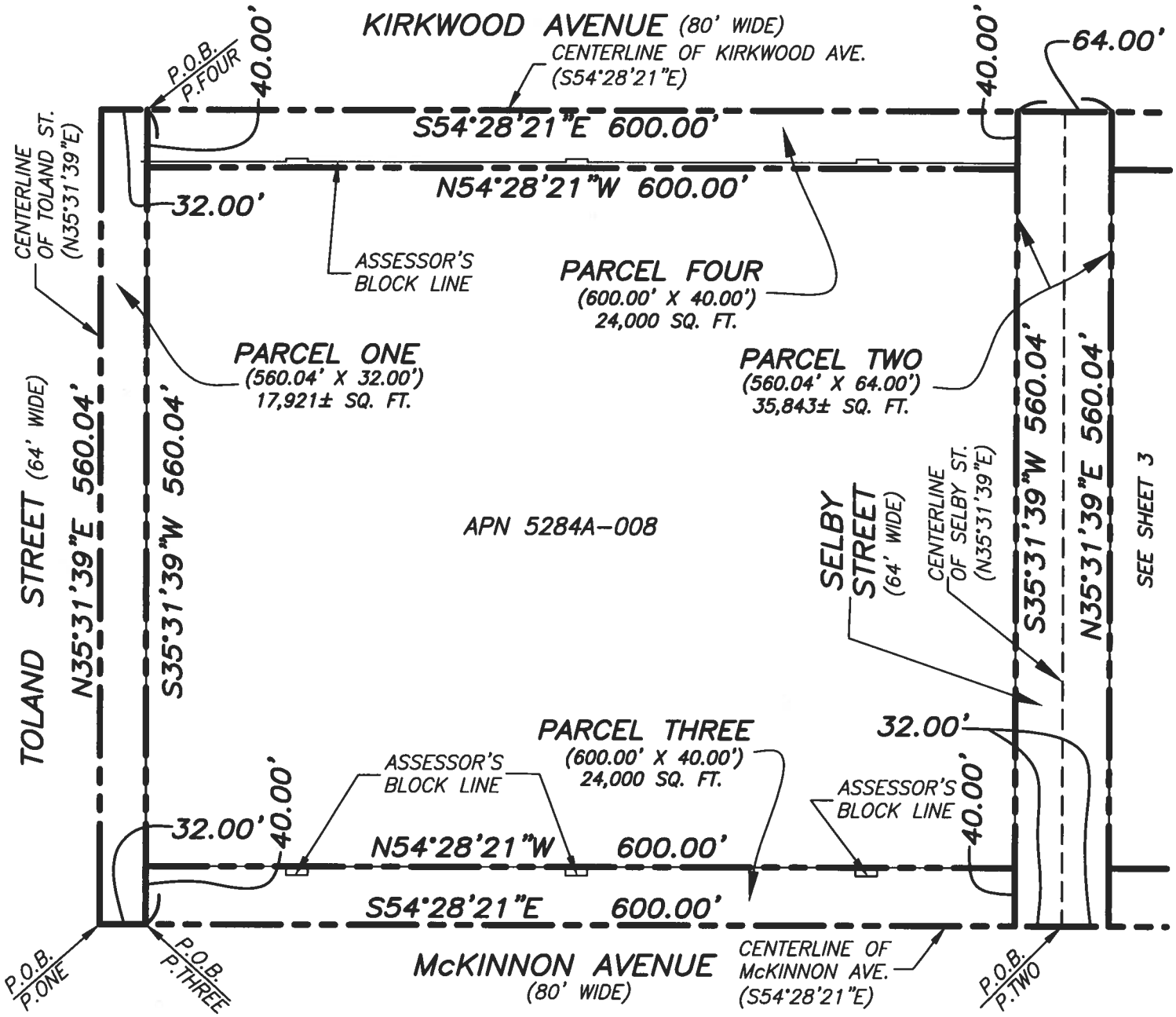
# EXHIBIT A-3
# PLAT TO ACCOMPANY LEGAL DESCRIPTION

BY DR CHKD. BR DATE 10/18/24 NOT TO SCALE SHEET 1 OF 3 JOB NO. T-1467

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500

S-7814_T-1467 EXHIBITS.dwg




NORTH

0 50 100 200

GRAPHIC SCALE

**NOTE**

PORTIONS OF APN 5284A-008 EXTEND INTO PARCELS THREE AND FOUR.

# EXHIBIT A-3
## PLAT TO ACCOMPANY LEGAL DESCRIPTION

| BY | DR | CHKD. | BR | DATE | 10/18/24 | SCALE | 1"=100' | SHEET | 2 OF 3 | JOB NO. | T-1467 |
|---|---|---|---|---|---|---|---|---|---|---|---|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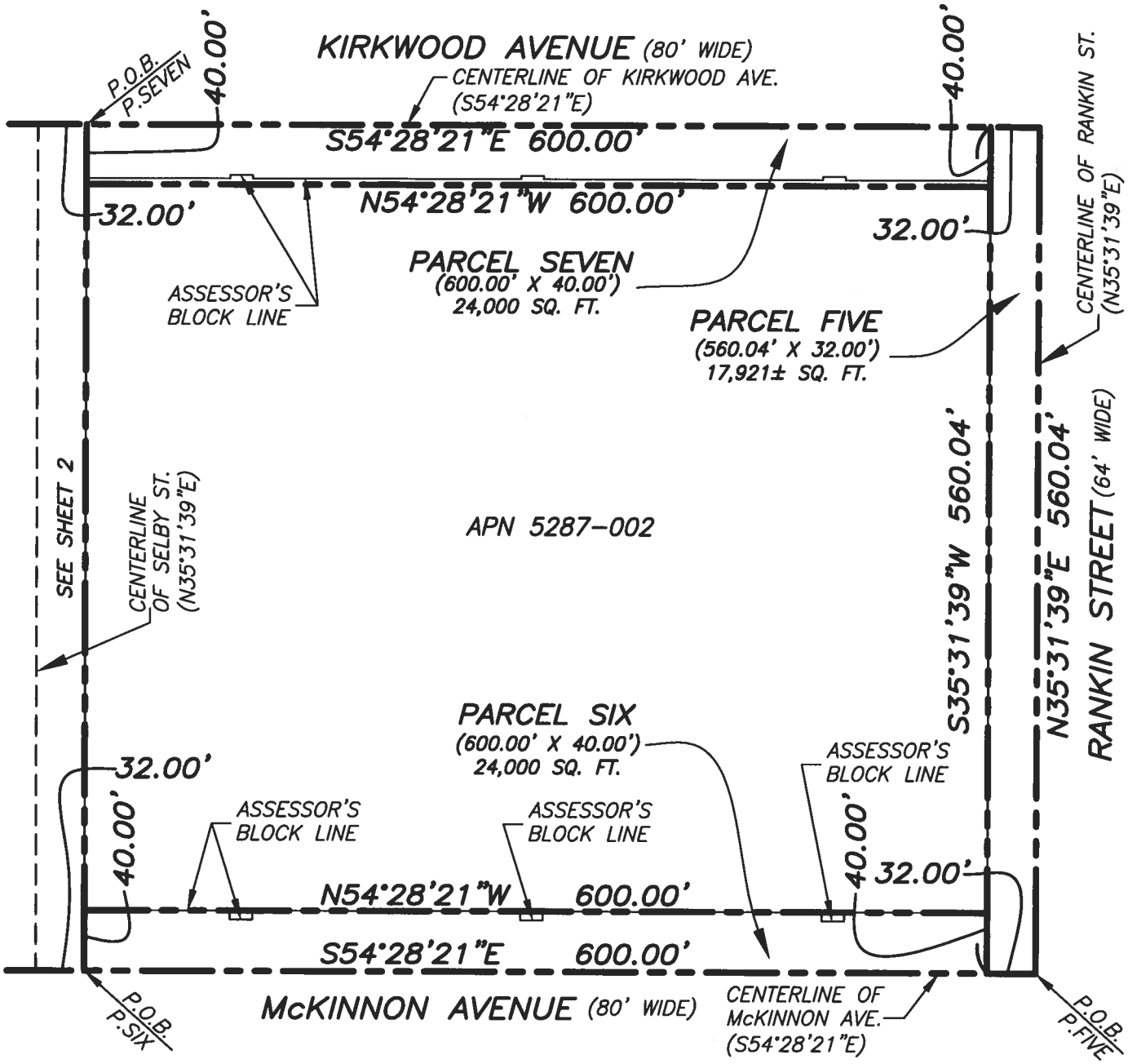


NORTH

0 50 100 200

GRAPHIC SCALE

**NOTE**

PORTIONS OF APN 5287-002 EXTEND INTO PARCELS SIX AND SEVEN.

# EXHIBIT A-3
## PLAT TO ACCOMPANY LEGAL DESCRIPTION

| BY | CHKD. | DATE | SCALE | SHEET | JOB NO. |
|---|---|---|---|---|---|
| DR | BR | 10/18/24 | 1"=100' | 3 OF 3 | T-1467 |


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S-7814_T-1467 EXHIBITS.dwg

# EXHIBIT B

## PROJECT DESCRIPTION SUMMARY

This Exhibit B provides a summary project description of the San Francisco Gateway Project, which is set forth in more detail in the Approvals listed in Exhibit C. In the event of any discrepancy between the Project as described in this summary and in the Approvals, the Approvals shall control. Unless otherwise specified in this Exhibit B, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit B is a part, by and between the City and County of San Francisco, a municipal corporation (the "**City**"), and Prologis L.P., a Delaware limited partnership ("**Developer**").

The Project will redevelop two parcels in a core industrial area of San Francisco, in the Bayview neighborhood, with two new multi-story production, distribution, and repair (PDR)[1] buildings. Developer's underlying objective is to develop a modern, flexible, and durable PDR facility for a diverse and evolving range of uses in a central urban environment.

**Project Site and Buildings**

The Project site consists of two parcels that combine for a total gross site area of approximately 743,800 square feet (17.1 gross total acres). Developer will demolish the four existing buildings on the Project site, which occupy approximately 448,000 gross square feet, and construct two three-story buildings (with active roof), sometimes referred to as Buildings A and B. Each building will be approximately 97 feet tall from curb level as measured per the Planning Code. Roof projections will be limited to allowable appurtenances including the stair and elevator rooftop penthouse, which will provide access, and a solar array that will also screen the roof while generating electricity for onsite use. Including these elements, the maximum building height will be approximately 115 feet. The two new buildings (including PDR space,[2] PDR support space including logistics yard and vehicular circulation, and ground-floor retail spaces) will total approximately 1,646,000 square feet of gross floor area, or 2,160,000 square feet including 514,000 square feet of active roofs.

Each building will include a combination of enclosed and partially enclosed spaces, with a multi-level vehicular system (including circulation and logistic yard areas) serving each level. In both buildings, all three levels of the PDR space will have direct vehicular access via a one-way ramp system for vehicles as large as tractor trailers. The roof level will provide a solar array and a screened, open-air multi-purpose deck that could be used for accessory parking and/or vehicle circulation.

---

[1] PDR use is a grouping of uses that includes, but is not limited to all industrial and agricultural uses, ambulance services, animal hospital, automotive service station, automotive repair, automotive wash, arts activities, business services, cat boarding, catering service, commercial storage, kennel, motor vehicle tow service, livery stable, parcel delivery service, public utilities yard, storage yard, trade office, trade shop, wholesale sales, and wholesale storage.

[2] Where used in this Exhibit B, references to "PDR space," "PDR building," or "PDR facility" shall also mean space for those uses that are principally or conditionally permitted by the Approvals (for example, laboratory uses that are not life science laboratories).

A site plan is attached as Exhibit B-1. The buildings' designs will conform to the adopted Design Standards and Guidelines.

**Project Uses**

The Project will provide space for several types of PDR and other uses, as permitted in the PDR-2 zoning district and Special Use District, including manufacturing and maker space, parcel delivery service (including last-mile delivery[3]), wholesale sales and storage, private parking garage,[4] and certain laboratory uses.[5] The Project will include at least 20,000 gross square feet of Maker Space, as defined in Exhibit D to the Agreement, and a total of up to 8,400 gross square feet of ground-floor retail space.

**Streetscape and Infrastructure Improvements**

The Project site does not have any existing sidewalks curbs or curb cuts. Pursuant to the Better Streets Plan, the Project will provide streetscape improvements to the streets immediately adjacent to the Project site. The area including the Project is classified as an industrial street type under this plan, and would require new sidewalks, street trees, stormwater control measures, and accessible curb ramps. The proposed Project will construct new sidewalks along the site's perimeter, including Selby Street, and will create up to seven new curb cuts for access to each new building (up to 14 curb cuts total).

In connection with the Development Agreement, the Project will include the improvements described in the EIR as the Expanded Streetscape Variant. Accordingly, the Project will improve the adjacent street segments, to the edge of the public right-of-way on the far side of each street, on Toland, Selby and Rankin Streets and Kirkwood and McKinnon Avenues to include new roadway surfaces, curb cuts, sidewalks, street trees, and other amenities and street elements in the area depicted in Exhibit A-2 (Streets Sub-Area Map) and as described in Exhibit P (Infrastructure Plan). The approval process for required permits and improvements made to areas not directly controlled by Developer is also set forth in Exhibit P.

Developer will plant approximately 124 street trees along the streets adjacent to the Project, and pay corresponding in-lieu fees for any remaining required trees that cannot be accommodated on site. The exact number of street trees will be determined as the detailed streetscape designs progress. Additionally, subject to the review and approval process described in Exhibit P, the Developer will plant up to an additional 108 street trees on the opposite sides of Toland and Rankin Streets and Kirkwood and McKinnon Avenues from the Project site, and will pay in-lieu fees for any required trees that cannot be accommodated in the public right-of-way. All street trees will be consistent with the Better Streets Plan, and subject to the review and approval by PW, Bureau of Urban Forestry. The nine street trees on the eastern sidewalk of Toland Street along the northern half of the building (from the Building A entrance to Kirkwood Street) will

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[3] Last-mile delivery is defined for the purposes herein as the movement of goods from a transportation hub to the final delivery destination (i.e., typically a personal residence or business).

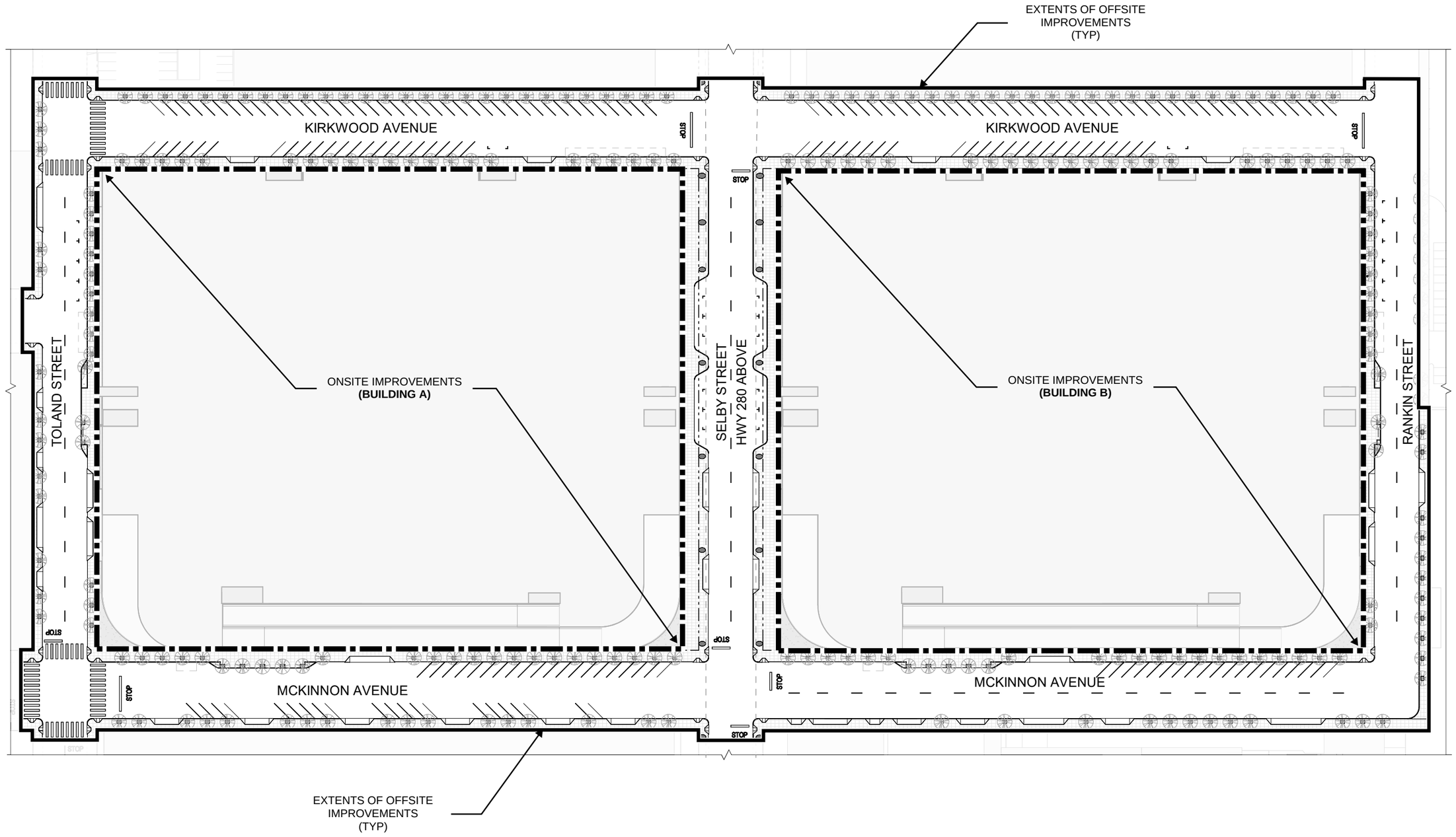
[4] Referred to as "fleet management" uses in the Project's EIR.

[5] Laboratory uses currently permitted in the PDR-2 zoning district do not include life sciences laboratories.

serve as wind mitigation measures; they will be approximately 25-foot-tall evergreen street trees with a 15-foot-diameter canopy.

**Sustainability and Resiliency Features and Other Public Benefits**

The proposed Project has been designed to be adaptable to future economic conditions by providing flexible PDR space that could accommodate an evolving mix of users and serve the changing needs in the city over time. Additionally, the Project will seek LEED Gold certification or higher, and will be designed to contain resilience and sustainability features such as a rooftop solar array which will serve as a screen of rooftop activities. Project sustainability features are detailed in Exhibit J (Transportation Plan) and Exhibit L (Sustainability). Additional Project public benefits are described in Exhibit N (Community Benefits Schedule).




Jackson Liles ARCHITECTURE

# SITE PLAN

FIGURE B-1

PROJECT DESCRIPTION

RN

B-1

1" = 100'-0"

09.23.24

SAN FRANCISCO GATEWAY

749 Toland St. / 2000 McKinnon Ave.
San Francisco, CA 94124

# EXHIBIT C

## LIST OF INITIAL APPROVALS

***Final Approval Actions by the City and County of San Francisco Board of Supervisors for the San Francisco Gateway Project***

1. **Ordinance [ ] (File No. 250427)**: Approving a Development Agreement for the San Francisco Gateway Development Project between the City and County of San Francisco and Prologis, L.P., a Delaware limited partnership; waiving or modifying certain provisions of the Planning Code and the Administrative Code; and adopting findings under the California Environmental Quality Act, and findings of consistency with the General Plan and Planning Code priority policies.

2. **Ordinance [ ] (File No. 250426)**: Amending the Planning Code and Special Use District Map to establish the San Francisco Gateway Special Use District (SUD); amending the Height and Bulk District Map; and adopting findings under the California Environmental Quality Act, and findings of consistency with the General Plan and Planning Code priority policies.

***Final and Related Approval Actions of City and County of San Francisco Planning Commission*** (referenced by Motion Number "M No." or Resolution Number "R No.")

1. **M No. [ ]**: Certifying the Final Environmental Impact Report for the San Francisco Gateway Project.

2. **M No. [ ]**: Adopting California Environmental Quality Act findings and a Mitigation Monitoring and Reporting Program.

3. **M No. [ ]:** Approving a Conditional Use Authorization for a Planned Unit Development for the San Francisco Gateway Project.

4. **M No. [ ]:** Approving the San Francisco Gateway Design Standards and Guidelines.

5. **R No. [ ]**: Recommending to the Board of Supervisors approval of amendments to the Planning Code and Special Use District Map to establish the San Francisco Gateway Special Use District (SUD) and to amend the Height and Bulk District Map.

6. **R No. [ ]**: Recommending to the Board of Supervisors approval of a Development Agreement between the City and Prologis, L.P., a Delaware limited partnership.

***Final and Related Approval Actions of Other City and County of San Francisco Boards, Commissions, and Departments:***

1. San Francisco Municipal Transportation Agency (SFMTA) **Resolution Number [ ]** consenting to a Development Agreement, including the Transportation Exhibit and Infrastructure Plan, between the City and Prologis, L.P, a Delaware limited partnership.

2. San Francisco Public Utilities Commission (SFPUC) **Resolution Number [ ]** consenting to a Development Agreement, including the Infrastructure Plan, between the City and Prologis, L.P, a Delaware limited partnership.

# EXHIBIT D

## COMMUNITY, SMALL BUSINESS AND PDR SUPPORT PLAN

This Exhibit D documents community benefits relating to support for community programs; production, distribution, and repair ("**PDR**") businesses; and other local small businesses and organizations, including the City's Third Street-focused programs in the Bayview, in connection with buildout of the San Francisco Gateway Project (the "**Project**"). Unless otherwise specified in this Exhibit D, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit D is a part, by and between the City and County of San Francisco, a municipal corporation ("**City**"), and Prologis L.P., a Delaware limited partnership ("**Developer**").

### A. Affordable PDR Program.

1. Maker Tenant Description. For the purposes of this Exhibit D, a "**Maker Tenant**" is a tenant that uses leased space at the Project Site for one or more of the following, all of which are principally permitted within the PDR-2 district: Light Manufacturing, Trade Shop, Agricultural and Beverage Processing 1, Catering, and Arts Activities.

2. Overview.

   - The Project will provide a minimum of ten thousand (10,000) rentable square feet of space for lease by Maker Tenants ("**Maker Space**") in the first Building of the Project, and a total minimum of twenty thousand (20,000) rentable square feet of space for lease by Maker Tenants by completion of the second Building of the Project.

   - Developer will provide funding to support affordable lease terms and tenant improvements for the Maker Tenants, the approximate present value of which is Seven Hundred Twenty-Five Thousand Dollars ($725,000).

   - The Affordable PDR Program will apply to the first sixty (60) months of occupancy for any Maker Tenant in a Maker Space at the Project. The sixty (60) month duration of the program does not include months when a Maker Space is not occupied by a Maker Tenant.

3. Lease Allowance. First, a "Market Rent Benchmark" will be established as described below for each Maker Space lease. Then a twenty-two percent (22%) straight-line discount will be applied to the Market Rent Benchmark for the entire term of the particular Maker Space lease to determine a total dollar value, which amount will be converted into an allowance ("**Lease Allowance**") that the particular Maker Tenant can elect to utilize in any of the following ways: rental rate discounts, free rent credits, tenant improvement allowance, and/or Prologis Essentials program allowance (collectively "**Lease Allowance Options**"), as described below.

a. Market Rent Benchmark. Developer will enlist a third-party to provide quarterly market reports for Maker Space in order to derive a benchmark market rent (the "**Market Rent Benchmark**"). The report will define Maker Space as small industrial spaces between three thousand and fifteen thousand (3,000 to 15,000) rentable square feet, will include a six- (6-) month trailing average of rates, and will define the market as an average of San Francisco Citywide and the Bayview Hunters Point submarket. Developer will share the third-party reports, along with the report drafter's qualifications, with the City's Office of Economic and Workforce Development for review and comment prior to marketing any Maker Space. The Market Rent Benchmark figure will be derived by taking the average of the two most recent quarterly reports.

An example, listed here for illustrative purposes only, of how Lease Allowance is calculated:

*Lease Allowance ($) = Market Rate Rent Benchmark ($/SF/mo.) * Leasable SF * Months of Lease Term * 22%*

*(where Market Rate Benchmark = $3.00/SF/mo., Unit leasable SF = 10,000 SF, and Lease term = 60 months)*

*Lease Allowance ($) = $3.00 * 10,000 * 60 * 0.22 = $396,000*

b. Lease Allowance Options for Maker Tenants. Once a Lease Allowance is calculated, each Maker Tenant may choose from one or more of the following options for how to utilize the Lease Allowance in order to best align with the unique needs of the Maker Tenant's business. The above example is carried through in each scenario below to demonstrate how the Lease Allowance can be applied.

   i. Additional Free Rent: Each Maker Tenant may add up to three (3) months of free rent, the value of which will be deducted from the Maker Tenant's Lease Allowance. In addition, Developer will provide each Maker Tenant with a standard one (1) month of initial free rent, which will not count toward the Lease Allowance.

   *In this example, Tenant elects two (2) additional months of free rent beyond the included standard one (1) month of initial free rent for a total of 3 months.*

   *Additional 2-month cost calculation: $3.00 Monthly Market Rent * 10,000 SF * 2 months = $60,000 of allowance used.*

   *Landlord will cover the cost of up to $90,000 ($30,000 standard initial free rent + $60,000 additional free rent)*

   ii. Additional Tenant Improvement Allowance: Each Maker Tenant may utilize its Lease Allowance for Tenant Improvements ("**TIs**"), the cost of

which will be deducted from its Lease Allowance. At the time TI scope is identified, Developer and Tenant will define and agree upon the cost. Developer may either perform the TIs to the Maker Tenant's specification or allow the Maker Tenant to complete the TI scope of work directly, to be reimbursed by the Developer. TI scopes to be performed by Developer that exceed the Maker Tenant's TI allowance may be negotiated at Developer's discretion. In addition, Developer will provide each Maker Tenant with a standard TI allowance of Ten Dollars ($10) per rentable square foot, which will not count toward the Lease Allowance.

*In this example, Tenant elects to use an additional $5/SF TI allowance beyond the standard $10/SF provided.*

*$5/SF additional TI allowance * 10,000 leasable SF = $50,000 of allowance used.*

*Landlord will cover the cost of up $150,000 of tenants TI build-out costs ($100,000 standard + $50,000 additional)*

iii. Essentials Program Allowance: Each Maker Tenant may utilize its Lease Allowance by expenditures through the Prologis Essentials Program, the value of which will be deducted from its Lease Allowance. The Prologis Essentials Program allows Developer's tenants to purchase operational solutions such as racking systems, material handling equipment, smart building technologies, automation solutions, and other operational solutions. The program allows tenants to leverage Developer's scale and extensive network of industry-leading partners to help Maker Tenants complete projects quickly and efficiently.

The goal of the Essentials Program is to provide Prologis tenants with convenient and highly competitively priced solutions. Tenants will have access to all the Essentials Program offerings at their lease commencement and throughout the duration of their lease; offerings can be purchased using the Lease Allowance or directly at any time during their occupancy. The purchase of offerings from the Prologis Essentials Program is entirely at Tenant's discretion.

Pricing and availability of these offerings is changing and growing frequently. Current offerings can be found at: https://www.prologis.com/essentials-solutions.
*In this example, Tenant elects to use $70,000 of Lease Allowance to purchase a small racking system available at a discount through the Essentials Program to manage their inventory.*

iv. Discounted Rent: Each Maker Tenant may utilize all or a portion of its Lease Allowance for a rental rate discount. The discount will be subtracted from the applicable Market Rent Benchmark. The total present value of

the rental rate discount provided through the lease term will be deducted from the Maker Tenant's Lease Allowance. Standard lease terms may apply, to be negotiated between Developer and Maker Tenant.

*In this example, Tenant elects to use the remaining allowance in the form of a monthly rent discount.*

*Remaining allowance = $216,000 [$396,000 - $60,000 (Additional Free Rent) - $50,000 (Additional TI) - $70,000 (Essentials Program racking system)]*

*Monthly discount calculation = $216,000 / 10,000 SF / 60-month term = $0.36/SF monthly rent discount*

c. Outreach. Developer will select and partner with a local organization to provide consultant services related to the design, construction, and leasing of the Project's Maker Space. Developer will seek to identify and lease the Maker Space to local Maker Tenants, with priority given to businesses based in the zip codes surrounding the Project site, including: 94107, 94124, 94103, 94110, 94112, and 94134. Developer, alongside the local organization providing leasing consulting, will make a good faith effort to find Maker Tenants for the Project's Maker Space, and for any Maker Space tenants to be based in the vicinity of the Project.

**B. Bayview Hunters Point Small Business and Community Organization Support.**

Developer will provide to City Seven Hundred Fifty Thousand Dollars ($750,000) in funding for grants and other programs to support small businesses and local organizations. Funding will be provided to OEWD's Community Economic Development division ("**CED**") to distribute through City's competitive solicitation process.

Current CED programs focus on strengthening San Francisco neighborhood business corridors, public spaces, and commercial centers by supporting programs and opportunities to champion small businesses, improve physical spaces, increase quality of life, and build community capacity. Funding will be distributed through grants and other programs to new and/or existing businesses and organizations in the area and CED will determine both the amount and type of each allocation, as well as the number of awardees. Priority will be given to businesses and organizations based in zip codes surrounding the Project site, including: 94107, 94124, 94103, 94110, 94112, and 94134.

Developer will provide funding for CED programs in three (3) installments of Two Hundred Fifty Thousand Dollars ($250,000), at the following milestones: (i) within sixty (60) days of the Initial Approvals becoming Finally Granted; (ii) prior to issuance of the first site permit addenda (or its equivalent if a site permit is not obtained) for the first Building in the Project;

and (iii) prior to issuance of the first site permit addenda (or its equivalent if a site permit is not obtained) for the second Building in the Project.

**C. Support for San Francisco's Market Zone**.

Developer will provide to City a total of Five Million Dollars ($5,000,000) in funding for City's "**Market Zone**", a critically important PDR neighborhood that includes the Project Site and is generally bounded by the Caltrain railway to the east, Oakdale Avenue to the south, Barneveld Avenue and the parcels north of Napoleon Street to the west, and Marin Street to the north, as depicted on Schedule D-1. Forming the heart of Bayview's northwest PDR district, the Market Zone is home to dozens of PDR businesses – with reach throughout the City and region. Numerous public utility and infrastructure-related operations are located within and surrounding the Market Zone. Developer's funding shall be allocated as follows:

1. Market Zone Infrastructure. Developer will provide to City Four Million Dollars ($4,000,000) which will be directed to PW to support future streetscape and infrastructure improvements in the Market Zone neighborhood. In addition to its capital contribution, Developer will continue to collaborate with other stakeholders in the area organized as the Market Zone Working Group. As part of this ongoing community engagement, Developer is sponsoring the production of a report assessing current and needed infrastructure in the Market Zone area. This report will be critical for future policy and budgetary proposals seeking to address neighborhood deficiencies in this economically important PDR hub. To further support Market Zone infrastructure, as part of the Agreement the City will allocate a portion of the Project's impact fees to support future streetscape and infrastructure improvements in the Market Zone neighborhood, as more fully described in Exhibit J (Transportation Plan) of the Agreement.

   Developer will provide funding for Market Zone infrastructure in two (2) installments of Two Million Dollars ($2,000,000) each, at the following milestones: (i) prior to the City's issuance of a final certificate of occupancy for the first Building within the Project or twenty-four (24) months after the City's issuance of any TCO for the first Building within the Project, whichever occurs first; and (ii) prior to the City's issuance of a final certificate of occupancy for the second Building within the Project or twenty-four (24) months after the City's issuance of any TCO for the second Building within the Project, whichever occurs first. For ease of reference, "**TCO**" means a first certificate of occupancy, including a temporary or final certificate of occupancy, as defined in Section 1.105 of the Agreement.

2. Support for SF Market Capital Needs. Developer will provide to City One Million Dollars ($1,000,000) which will be directed to OEWD to support capital improvements for the Reinvestment and Expansion Plan of the SF Market (also known as the San Francisco Wholesale Produce Market), which is located in the vicinity of the Project Site. The SF Market Reinvestment and Expansion Plan will support the essential work of the SF Market, which is a critical link in the City's and region's food distribution network, provides space for more than twenty small

businesses, supports over 650 direct jobs, and is officially designated as part of the City's critical infrastructure.

The SF Market Reinvestment and Expansion Plan is expected to include the following capital work:

a. 1900 Kirkwood Avenue. Includes the base building renovations, tenant improvements, and associated marshalling yard paving.

b. Site Perimeter Safety and Security. Work to follow the full vacation of Jerrold Avenue and will include fencing/gating and access control features.

c. Demolition of structures related to Final Map action and marshalling yard reconfiguration. Includes carport, portions of Building M, 455 Toland St., and Docks 1, 2 and 3.

d. 1901 Innes. Includes all aspects of 1) the partial or entire demolition of the existing warehouse structure at 1901 Innes Avenue, and 2) either a full renovation of the building or the construction of a new building, as determined by the SF Market and the City.

e. 2001 Innes. Includes all aspects of 1) the partial or entire demolition of the existing warehouse structure at 2001 Innes Avenue, and 2) either a full renovation of the building or the construction of a new building, as determined by the SF Market and the City.

Developer will provide funding for the SF Market Reinvestment and Expansion Plan in two (2) installments of Five Hundred Thousand Dollars ($500,000) at the following milestones: (i) within sixty (60) days of the Initial Approvals becoming Finally Granted; and (ii) prior to the City's issuance of a final certificate of occupancy for the first Building within the Project or twenty-four (240 months after the City's issuance of any TCO for the first Building within the Project, whichever occurs first.

**D. Healthy Food Retailer**.

Developer intends to offer space in the Project for a retail tenant that meets the Planning Code definition of a Healthy Food Retailer, and to provide funding for such tenant to participate in the City's Healthy Retail SF Program. Such a retail operator, if identified, would occupy some or all of the 8,500 rentable square feet of retail uses allowed under the Project's approvals. In the selection of a potential retail tenant priority will be given to retail proprietors based in zip codes in the vicinity of the Project site, including: 94107, 94124, 94103, 94110, 94112, and 94134.

**E. Art Installation Funding and Implementation**.

Developer will provide to City Two Hundred Fifty Thousand Dollars ($250,000) in funding for an art installation on the Project Site. Funding will go to the Mayor's Office of Housing and Community Development ("**MOHCD**") to support the design, creation, and installation

of an art piece on the Project Site, including costs associated with the artist's work, materials, and implementation processes. MOHCD will ensure that Bayview community stakeholders and organizations are engaged in the process to ensure the artwork is in alignment with the Project's objectives and cultural legacy of the neighborhood. Funds will be distributed through City's competitive solicitation process. The artist selection process will prioritize candidates who are either based in or have a demonstrated connection to the communities within the following zip codes: 94107, 94124, 94103, 94110, 94112, and 94134. The selected artist will coordinate directly with the Developer and its project team throughout the design, development, and installation of the artwork.

Developer's funding for the art installation and implementation will be provided in one installment of Two Hundred Fifty Thousand Dollars ($250,000) prior to the issuance of a site permit (or its equivalent if a site permit is not obtained) for the second Building in the Project.

**F. Early Education**.

Developer will provide to City Three Hundred Thousand Dollars ($300,000) in funding to support educational advancement. Funding will be directed to the Department of Children, Youth, and their Families ("**DCYF**") to support new and/or expand existing programs for high impact tutoring, learning loss recovery and literacy achievement. Funds will be used at schools within zip codes in the vicinity of the Project site including: 94107, 94124, 94103, 94110, 94112, and 94134.

Developer's funding will be provided in one installment of Three Hundred Thousand Dollars ($300,000) within sixty (60) days of the Initial Approvals becoming Finally Granted.

**G. Affordable Childcare Support**.

Developer will provide to City Three Hundred and Fifty Thousand Dollars ($350,000) in funding to build the capacity of, and increase access to, quality affordable childcare services for the Bayview community. Funding will be directed toward the Department of Early Childhood for programs that: (a) expand early educator training opportunities and pathways to training new educators, and offer additional skill-development to existing early educators, and/or (b) increase access to early education, especially for newborns to 3-year-olds, by investing in new or expanded childcare facilities. Programs that are funded by the Project will be active in zip codes in the vicinity of the Project site, including: 94107, 94124, 94103, 94110, 94112, and 94134.

Developer will provide its funding in two (2) installments of One Hundred Seventy-Five Thousand Dollars ($175,000) each, at the following milestones: (i) prior to the City's issuance of a final certificate of occupancy for the first Building within the Project or twenty-four (24) months after the City's issuance of any TCO for the first Building within the Project, whichever occurs first; and (ii) prior to the City's issuance of a final certificate of occupancy for the second Building within the Project or twenty-four (24) months after the City's issuance of any TCO for the second Building within the Project, whichever occurs first.

**SCHEDULE D-1**

**MARKET ZONE BOUNDARY**


Exhibit D-8

# EXHIBIT F

## MITIGATION MONITORING AND REPORTING PLAN

# ATTACHMENT B

San Francisco Planning

# AGREEMENT TO IMPLEMENT MITIGATION MONITORING AND REPORTING PROGRAM

| | | | |
|---|---|---|---|
| *Record No.:* | 2015-012491ENV | *Block/Lot:* | 5284A/008 and 5287/002 |
| *Project Title:* | 749 Toland Street and 2000 McKinnon Avenue/San Francisco Gateway Project | *Lot Size:* | 743,800 square feet |
| *BPA Nos:* | N/A | *Project Sponsor:* | Courtney Bell, Prologis Inc., (510) 661-4038 |
| *Zoning:* | PDR-2 – Production, Distribution, and Repair<br>65-J Height and Bulk District | *Lead Agency:* | San Francisco Planning Department |
| | | *Staff Contact:* | Tina Tam, Tina.Tam@sfgov.org, 628.652.7385<br>CPC.EnvironmentalMonitoring@sfgov.org |

The table below indicates when compliance with each mitigation measure must occur. Some mitigation measures span multiple phases. Substantive descriptions of each mitigation measure's requirements are provided on the following pages in the Mitigation Monitoring and Reporting Program.

**Please note that the city will not accept the building permit application for this project until a Pre-Construction Environmental Compliance Letter has been issued. If you have questions about the monitoring status of your project, please contact the staff listed above, or email CPC.EnvironmentalMonitoring@sfgov.org. Generally, if the mitigation measure has requirements prior to the start of construction (see the Period of Compliance Table below), these measures will require compliance prior to the issuance of the Pre-Construction Environmental Compliance Letter.**

| Adopted Mitigation Measure | Period of Compliance | | | Compliance with Mitigation Measure Completed? |
|---|---|---|---|---|
| | Prior to the Start of Construction* | During Construction** | Post-construction or Operational | |
| Mitigation Measure M-CR-2: Archeological Testing | X | X | | |
| Mitigation Measure M-TCR-1: Tribal Cultural Resources Interpretive Program | | X | X | |
| Mitigation Measure M-WI-1a: Wind Hazard Evaluation for Building Design and Streetscape Modifications | X | | | |
| Mitigation Measure M-WI-1b: Maintenance of Landscaping Features that Reduce Wind Hazards | | | X | |
| Mitigation Measure M-GE-5: Inadvertent Discovery of Paleontological Resources | X | X | | |
| Mitigation Measure M-NO-3a: Fixed-Source Noise Attenuation for Buildings A and B | X | | X | |
| Mitigation Measure M-NO-3b: Fixed-Source Noise Attenuation for Building Tenants | X | | X | |
| Mitigation Measure M-AQ-3a: Electrification of Yard Equipment | | | X | |

| Adopted Mitigation Measure | Period of Compliance | | | Compliance with Mitigation Measure Completed? |
|---|---|---|---|---|
| | Prior to the Start of Construction* | During Construction** | Post-construction or Operational | |
| Mitigation Measure M-AQ-3b: Electrification of Transportation Refrigeration Units | X | | X | |
| Mitigation Measure M-AQ-3c: Prohibition of Truck and Van Idling for More than Two Minutes | | | X | |
| Mitigation Measure M-AQ-3d: Limitation on Model Year of Visiting Trucks | | | X | |
| Mitigation Measure M-AQ-3e: Diesel Backup Generator Specifications | | | X | |
| Mitigation Measure M-AQ-3f: Limitation on Manufacturing and Maker Space Emissions | | | X | |
| Mitigation Measure M-AQ-3g: Compliance with CalGreen Tier 2 Green Building Standards | X | | X | |
| Mitigation Measure M-AQ-3h: Requirements for Off-Road Construction Equipment | X | X | | |
| Mitigation Measure M-AQ-3i: Development and Implementation of Operational Emission Management Plan | | | X | |

NOTES:

* Prior to any ground disturbing activities at the project site or subsequent construction activities. See mitigation measure text for details.

** Construction is broadly defined to include any physical activities associated with construction of a development project including, but not limited to: site preparation, clearing, demolition, excavation, shoring, foundation installation, and building construction.

_____ I agree to implement the attached mitigation measure(s) as a condition of project approval.

| Property Owner or Legal Agent (Signature) | Printed Name | Date |
|---|---|---|

**Note to sponsor:** Please contact Tina.Tam@sfgov.org and copy CPC.EnvironmentalMonitoring@sfgov.org to begin the environmental monitoring process prior to the submittal of your building permits to the San Francisco Department of Building Inspection. A building permit application cannot be submitted for this project until a Pre-Construction Environmental Compliance letter has been received.

ATTACHMENT B

# MITIGATION MONITORING AND REPORTING PROGRAM

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| **MITIGATION MEASURES AGREED TO BY PROJECT SPONSOR** | | | | |
| **CULTURAL RESOURCES** | | | | |
| **Mitigation Measure M-CR-2: Archeological Testing.**<br>**Archeological Testing.** Based on a reasonable presumption that archeological resources may be present in the project site, the following measures shall be undertaken to avoid any potentially significant adverse effects from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of an archeological consultant from the rotational qualified archeological consultants list maintained by the planning department. After the first project approval action or as directed by the environmental review officer, the project sponsor shall contact the department archeologist to obtain the names and contact information for the next three archeological consultants on the qualified archeological consultants list.<br>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. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the environmental review officer for review and comment and shall be considered draft reports subject to revision until final approval by the environmental review officer. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for a maximum of four weeks. At the direction of the environmental review officer, the 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 section 15064.5 (a)(c). | Project sponsor's qualified archeological consultant and construction contractor at the direction of the Environmental Review Officer | Prior to issuance of construction permits and throughout the construction period | Environmental Review Officer/Planning Department cultural resources staff | Considered complete after final Archeological Resources Report is approved by the Environmental Review Officer/Planning Department cultural resources staff |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| **Archeological Testing Program.** The purpose of the archeological testing program shall be to determine, to the extent possible, the presence or absence of archeological resources and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.<br>The archeological testing program shall be conducted in accordance with the approved archeological testing plan. The archeological consultant and the environmental review officer shall consult on the scope of the archeological testing plan, which shall be approved by the environmental review officer prior to commencing any project-related soil-disturbing activities. The archeological testing plan shall be submitted first and directly to the environmental review officer for review and comment and shall be considered a draft subject to revision until final approval by the environmental review officer. The archeologist shall implement the testing as specified in the approved archeological testing plan prior to and/or during construction.<br>The archeological testing plan shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project and lay out 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. The archeological testing plan shall also identify the testing method to be used, the depth or horizonal extent of testing, the locations recommended for testing, and the archeological monitoring requirements for construction soil disturbance, as warranted.<br>**Archeological Sensitivity Training.** If it is determined that the project would require ongoing archeological monitoring, the archeological consultant shall provide a training to the prime contractor; to any project subcontractor (including demolition, excavation, grading, foundation, pile driving, etc. firms); or utilities firm involved in soil-disturbing activities within the project site. The training shall advise all project contractors to be on the alert for evidence of the presence of the expected archeological | Project sponsor/ qualified archeological consultant at the direction of the Environmental Review Officer | After the first project approval action or as directed by the Environmental Review Officer and prior to issuance of construction permits and throughout the construction period | Environmental Review Officer/Planning Department cultural resources staff | Considered complete after approval of archeological testing program by the Environmental Review Officer |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| resource(s), how to identify the evidence of the expected resource(s), and the appropriate protocol in the event of apparent discovery of an | | | | |
| archeological resource by the construction crew. If the project site is determined to be sensitive for Native American archeological resources, a local Native American representative, at their discretion, shall provide a Native American cultural sensitivity training to all project contractors.<br>**Paleoenvironmental Analysis of Paleosols.** When a submerged paleosol is identified during the testing program, irrespective of whether cultural material is present, samples shall be extracted and processed for dating, flotation for paleobotanical analysis, and other applicable special analyses pertinent to identification of possible cultural soils and for environmental reconstruction. The archeological resources report, described below, shall include analysis of collected samples.<br>**Discovery Treatment Determination.** At the completion of the archeological testing program, the archeological consultant shall submit a written summary of the findings to the environmental review officer. The findings memorandum shall describe and identify each resource and provide an initial assessment of the integrity and significance of encountered archeological deposits.<br>If the environmental review officer, in consultation with the archeological consultant, determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, the environmental review officer, in consultation with the project sponsor, shall determine whether preservation of the resource in place is feasible. If so, the proposed project shall be redesigned to avoid any adverse effect on the significant archeological resource, and the archeological consultant shall prepare an archeological resource preservation plan, which shall be implemented by the project sponsor during construction. The consultant shall submit a draft archeological resource preservation plan to the planning department for review and approval.<br>If preservation in place is not feasible, a data recovery program shall be implemented, unless the environmental review officer determines that the archeological resource is of greater interpretive than research significance, and that interpretive use of the resource is feasible. The environmental | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| review officer, in consultation with the archeological consultant, shall also determine whether additional treatment is warranted, which may include additional testing and/or construction monitoring. | | | | |
| **Consultation with Descendant Communities.** On discovery of an archeological site associated with descendant Native Americans, the Overseas Chinese, or other potentially interested descendant group, the environmental review officer and an appropriate representative of the descendant group shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to offer recommendations to the environmental review officer 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 archeological resources report shall be provided to the representative of the descendant group. | | | | |
| **Archeological Data Recovery Plan.** An archeological data recovery program shall be conducted in accordance with an archeological data recovery plan if all three of the following apply: 1) a resource has potential to be significant, 2) preservation in place is not feasible, and 3) the environmental review officer determines that an archeological data recovery program is warranted. The archeological consultant, project sponsor, and environmental review officer shall meet and consult on the scope of the archeological data recovery plan prior to preparation of a draft archeological data recovery plan. The archeological consultant shall submit a draft archeological data recovery plan to the environmental review officer. The archeological data recovery plan shall identify how the proposed data recovery program shall preserve the significant information the archeological resource is expected to contain. That is, the archeological data recovery plan shall 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 | Project sponsor, archeological consultant, Environmental Review Officer, tribal representative (if requested) | After determination by the Environmental Review Officer that an archeological data recovery program is required | Planning Department cultural resources staff | Considered complete upon approval of final archeological data recovery program by the Environmental Review Officer |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | **Implementation Responsibility** | **Mitigation Schedule** | **Monitoring/Reporting Responsibility** | **Monitoring Actions/ Completion Criteria** |
| methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.<br>The scope of the archeological data recovery plan shall include the following elements: | | | | |
| • *Field Methods and Procedures:* descriptions of proposed field strategies, procedures, and operations<br>• *Cataloguing and Laboratory Analysis*: description of selected cataloguing system and artifact analysis procedures<br>• *Discard and Deaccession Policy*: description of and rationale for field and post-field discard and deaccession policies<br>• *Security Measures*: recommended security measures to protect the archeological resource from vandalism, looting, and unintentionally damaging activities<br>• *Final Report*: description of proposed report format and distribution of results<br>• *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<br>**Coordination of Archeological Data Recovery Investigations.** In cases in which the same resource has been or is being affected by another project for which data recovery has been conducted, is in progress, or is planned, to maximize the scientific and interpretive value of the data recovered from both archeological investigations, the following measures shall be implemented:<br>A) In cases where neither investigation has yet begun, both archeological consultants and the environmental review officer shall consult on coordinating and collaboration on archeological research design, data recovery methods, analytical methods, reporting, curation and interpretation to ensure consistent data recovery and treatment of the resource. | Project sponsor, archeological consultant, Environmental Review Officer, tribal representative (if requested) | After determination by the Environmental Review Officer that an archeological data recovery program is required | Planning Department cultural resources staff | Considered complete upon approval of final archeological data recovery program by the Environmental Review Officer |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| B) In cases where archeological data recovery investigation is already underway or has been completed for a prior project, the archeological consultant for the subsequent project shall consult with the archeological consultant for the prior project, if available; review prior treatment plans, findings, and reporting; inspect and assess existing archeological collections/inventories from the site prior to preparation of the archeological treatment plan for the subsequent discovery; and incorporate prior findings in the final report of the subsequent investigation. The objectives of this coordination and review of prior methods and findings shall be to identify refined research questions; determine appropriate data recovery methods and analyses; assess new findings relative to prior research findings; and integrate prior findings into subsequent reporting and interpretation. | | | | |
| **Human Remains and Funerary Objects.** The treatment of any human remains and funerary objects discovered during any soil-disturbing activity shall comply with applicable state laws, including Section 7050.5 of the Health and Safety Code and Public Resources Code 5097.98. If human remains or suspected human remains are encountered during construction, the contractor and project sponsor shall ensure that ground-disturbing work within 50 feet of the remains is halted immediately and shall arrange for the protection in place of the remains until appropriate treatment and disposition have been agreed upon and implemented in accordance with this section. Upon determining that the remains are human, the project archeologist shall immediately notify the Office of the Chief Medical Examiner of the City and County of San Francisco (Medical Examiner) of the find. The archeologist shall also immediately notify the environmental review officer and the project sponsor of the find. In the event of the Medical Examiner's determination that the human remains are Native American in origin, the Medical Examiner shall notify the California State Native American Heritage Commission within 24 hours. The Native American Heritage Commission shall immediately appoint and notify a most likely descendant. The most likely descendant shall complete his or her inspection of the remains and make recommendations or preferences for treatment within 48 hours of being granted access to the site. | Project sponsor, archeological consultant in consultation with the San Francisco Medical Examiner, Environmental Review Officer, and Native American Heritage Commission and most likely descendant as warranted | In the event that human remains are uncovered during the construction period | Planning Department cultural resources staff, Medical Examiner, and Native American Heritage Commission and most likely descendant as warranted | Considered complete on finding by the Environmental Review Officer that all state laws regarding human remains/burial objects have been adhered to, consultation with the most likely descendant is completed as warranted, and disposition of human remains, if any have been identified, has occurred as specified in burial agreement |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| If the remains cannot be permanently preserved in place, the land owner may consult with the project archeologist, project sponsor, and CEQA lead agency and shall consult with the most likely descendant on recovery of the remains and any scientific treatment alternatives. The land owner shall then make all reasonable efforts to develop a burial agreement with the most likely descendant, as expeditiously as possible, for the treatment and disposition, with appropriate dignity, of human remains and funerary | | | | |
| objects (as detailed in CEQA Guidelines section 15064.5(d)). In accordance with Public Resources Code 5097.98 (c)(1), the burial agreement shall address, as applicable and to the degree consistent with the wishes of the most likely descendant, the appropriate excavation, removal, recordation, scientific analysis, custodianship prior to reinterment or curation, and final disposition of the human remains and funerary objects. If the most likely descendant agrees to scientific analyses of the remains and/or funerary objects, the archeological consultant shall retain possession of the remains and funerary objects until completion of any such analyses, after which the remains and funerary objects shall be reinterred or curated as specified in the burial agreement.<br>Both parties are expected to make a concerted and good faith effort to arrive at an agreement, consistent with the provisions of Public Resources Code 5097.98. However, if the land owner and the most likely descendant are unable to reach an agreement, the land owner, environmental review officer, and project sponsor shall ensure that the remains and/or mortuary materials are stored securely and respectfully until they can be reinterred on the property, with appropriate dignity, in a location not subject to further or future subsurface disturbance, consistent with state law.<br>Treatment of historic-period human remains and/or funerary objects discovered during any soil-disturbing activity shall be in accordance with protocols laid out in the project archeological treatment document, and other relevant agreements established between the project sponsor, Medical Examiner, and environmental review officer. The project archeologist shall retain custody of the remains and associated materials while any scientific study scoped in the treatment document is conducted, | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| after which the remains shall be curated or respectfully reinterred by arrangement on a case-by-case basis. | | | | |
| **Cultural Resources Public Interpretation Plan.** The project archeological consultant shall submit a Cultural Resources Public Interpretation Plan (CRPIP) if a significant archeological resource is discovered during a project. As directed by the environmental review officer, a qualified design professional with demonstrated experience in displaying information and graphics to the public in a visually interesting manner, local artists, or community groups may also be required to assist the project archeological consultant in preparation of the CRPIP. If the resource to be interpreted is a tribal cultural resource, the CRPIP shall be prepared in consultation with and developed with the participation of Ohlone tribal representatives. The CRPIP shall describe the interpretive product(s), locations or distribution of interpretive materials or displays, the proposed content and materials, the producers or artists of the displays or installation, and a long-term maintenance program. The CRPIP shall be sent to the environmental review officer for review and approval. The CRPIP shall be implemented prior to occupancy of the project. | Consultant at the direction of the Environmental Review Officer will prepare Cultural Resources Public Interpretation Plan. Measures laid out in Cultural Resources Public Interpretation Plan are implemented by project sponsor and consultant. Native American representative (if warranted and requested) | Following completion of treatment and analysis of significant archeological resource by archeological consultant | Planning Department cultural resources staff | Cultural Resources Public Interpretation Plan is complete on review and approval by the Environmental Review Officer. Interpretive program is complete on notification to the Environmental Review Officer from the project sponsor that program has been implemented |
| **Archeological Resources Report.** Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the testing program to the environmental review officer. The archeological consultant shall submit a draft archeological resources report to the environmental review officer 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, and if applicable, discusses curation arrangements. Formal site recordation forms (CA DPR 523 series) shall be attached to the archeological resources report as an appendix.<br>Once approved by the environmental review officer, copies of the archeological resources report shall be distributed as follows: California Archeological Site Survey Northwest Information Center shall receive one copy, and the environmental review officer shall receive a copy of the | Archeological consultant at the direction of the Environmental Review Officer | Following completion of treatment by archeological consultant as determined by the Environmental Review Officer | Planning Department cultural resources staff | Complete on certification to the Environmental Review Officer that copies of the approved Archeological Resources Report have been distributed |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| transmittal of the archeological resources report to the Northwest Information Center. The environmental planning division of the planning department shall receive one bound hardcopy of the archeological | | | | |
| resources report. Digital files that shall be submitted to the environmental division include an unlocked, searchable PDF version of the archeological resources report, GIS shapefiles of the site and feature locations, 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. The PDF archeological resources report, GIS files, recordation forms, and/or nomination documentation should be submitted via USB or other stable storage device. If a descendant group was consulted during archeological treatment, a PDF of the archeological resources report shall be provided to the representative of the descendant group. | | | | |
| **Curation.** Significant archeological collections and paleoenvironmental samples of future research value shall be permanently curated at an established curatorial facility or Native American cultural material shall be returned to local Native American tribal representatives at their discretion. The facility shall be selected in consultation with the environmental review officer. Upon submittal of the collection for curation, the sponsor or archeologist shall provide a copy of the signed curatorial agreement to the environmental review officer. | Archeological consultant prepares collection for curation and project sponsor pays for curation costs | In the event a significant archeological resource is discovered and upon acceptance by the Environmental Review Officer of the Archeological Resources Report | Planning Department cultural resources staff | Considered complete upon acceptance of the collection by the curatorial facility or Native American tribal representative |
| **TRIBAL CULTURAL RESOURCES** | | | | |
| **Mitigation Measure M-TCR-1: Tribal Cultural Resources Interpretive Program.**<br>**Preservation in Place.** In the event of the discovery of a potential tribal cultural resource, the environmental review officer, the project sponsor, and the local Native American representative shall consult to determine whether preservation in place would be feasible and effective. Coordination shall take place with local Native American representatives, including the Association of Ramaytush Ohlone and other interested Ohlone parties. If it is determined that preservation-in-place of the tribal cultural resource would be both feasible and effective, then the project sponsor, the | Project sponsor, archeological consultant as relevant, and Environmental Review Officer, in consultation with the affiliated Native American tribal representatives | In the event of discovery of potential tribal cultural resource | Planning Department cultural resources staff | Considered complete upon project redesign and completion of tribal cultural resource preservation plan |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| archeological consultant as relevant, in consultation with the local Native American representative and environmental review officer, shall prepare a tribal cultural resource preservation plan, which shall be implemented by the project sponsor during construction. | | | | |
| **Interpretive Program.** The project sponsor, archeological and/or design consultant, as relevant, in consultation with local Native American representatives (including the Association of Ramaytush Ohlone), shall prepare a Tribal Cultural Resources Public Interpretation Plan (TCRIP) to guide the Tribal Cultural Resource interpretive program in coordination with the project sponsor and planning department cultural resources staff. The TCRIP may be prepared in tandem with the CRPIP if required. The TCRIP shall be submitted to environmental review officer for review and approval prior to implementation of the program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, cultural displays, educational panels, or other interpretive elements agreed upon by the environmental review officer, sponsor, and local Native American representatives. Upon approval of the TCRIP and prior to project occupancy, the interpretive program shall be implemented by the project sponsor. The environmental review officer and project sponsor shall work with the tribal representative to identify the scope of work to fulfill the requirements of this mitigation measure, which may include participation in preparation and review of deliverables (e.g., plans, interpretive materials, artwork). Tribal representatives shall be compensated for their work as identified in the agreed upon scope of work. | Project sponsor in consultation with the tribal representative | After determination that preservation in place is not feasible, and subsequent to archeological data recovery, if required. | Planning Department cultural resources staff | Complete upon sponsor verification to the Environmental Review Officer that interpretive program was implemented |
| **WIND RESOURCES** | | | | |
| **Mitigation Measure M-WI-1a: Wind Hazard Evaluation for Building Design and Streetscape Modifications.** If the proposed project's design, including the wind mitigation measures (M-WI-1b), is modified in any way that could affect ground-level wind conditions, the new design shall be evaluated by a qualified wind expert to determine the potential for the modified project to result in a new wind hazard exceedance (defined as the one-hour wind hazard criterion of 26 miles per hour equivalent wind speed). The evaluation may require wind tunnel testing by the qualified expert to determine whether the modified | Project sponsor and qualified wind expert | Prior to issuance of construction permits if the proposed project's design, including the wind mitigation measures (M-WI-1b), is modified in any way that could affect | Planning department and Development Performance Coordinator | Considered complete upon approval of the wind analysis and construction of building with wind baffling measures |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| project would result in an exceedance of the wind hazard criterion. If the modified project could exceed the wind hazard criterion, the project buildings shall be shaped (e.g., by including setbacks or using other building design techniques) or other wind-baffling measures shall be implemented, so that the project does not result in an exceedance of the one-hour wind hazard criterion of 26 miles per hour equivalent wind speed. | | ground-level wind conditions | | |
| **Mitigation Measure M-WI-1b: Maintenance of Landscaping Features that Reduce Wind Hazards.**<br>The project sponsor shall maintain, for the life of the proposed project buildings, all landscaping features required to ensure that the proposed project does not result in an exceedance of the one-hour wind hazard criterion of 26 miles per hour equivalent wind speed. These features include installation of nine evergreen street trees, each approximately 25 feet tall with a 15-foot-diameter canopy, along the eastern sidewalk of Toland Street or any landscaping features required pursuant to Mitigation Measure M-WI-1a: Wind Hazard Evaluation for Building Design and Streetscape Modifications. | Project sponsor | During construction and ongoing and in perpetuity for the lifetime of the building | Planning Department and Development Performance Coordinator, in coordination with San Francisco Public Works | Ongoing and in perpetuity for the lifetime of the building |
| **GEOLOGY AND SOILS** | | | | |
| **Mitigation Measure M-GE-5: Inadvertent Discovery of Paleontological Resources.**<br>**Worker Environmental Awareness Training.** Prior to commencing construction, the project sponsor shall engage a paleontologist meeting the standards of the Society of Vertebrate Paleontology to conduct training for all onsite construction workers regarding paleontological resources and the contents of the paleontological resources alert sheet, as provided by the planning department. The paleontological resources alert sheet shall be prominently displayed at the construction site, during ground-disturbing activities.<br>In addition, the project sponsor (through a designated representative) shall inform construction personnel of the immediate stop work procedures and contact information to be followed if bones or other potential fossils are unearthed at the project site, and the laws and regulations protecting paleontological resources. As new workers arrive at the project site for ground-disturbing activities, they shall be trained by the construction supervisor. | Project sponsor, qualified paleontologist | Prior to the start of construction and ongoing throughout ground-disturbing activities | Environmental Review Officer and Development Performance Coordinator | Ongoing during construction. Considered complete once ground-disturbing activities are complete or once the Environmental Review Officer approves the Paleontological Resources Report, if required. |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| The paleontologist shall submit a letter confirming the timing of the worker training to the planning department. The letter shall confirm the project's location, the date of training, the location of the informational handout display, and the number of participants. The letter shall be transmitted to the planning department within five business days of conducting the training. | | | | |
| **Discovery of Unanticipated Paleontological Resources.** In the event of the inadvertent discovery of a paleontological resource during construction, excavations within 25 feet of the find shall temporarily be halted until the discovery is examined by a qualified paleontologist (as defined by the Society of Vertebrate Paleontology). Work in the sensitive area shall resume only when deemed appropriate by the qualified paleontologist, in consultation with the planning department.<br>The qualified paleontologist shall determine: 1) whether the discovery is scientifically significant; 2) the necessity for involving other agencies and stakeholders; 3) the significance of the resource; and 4) methods for resource recovery. If a paleontological resource assessment results in a determination that the resource is not scientifically important, this conclusion shall be documented in a paleontological evaluation letter to demonstrate compliance with applicable statutory requirements. The paleontological evaluation letter shall be submitted to the planning department for review within 30 days of the discovery.<br>If a paleontological resource is determined to be of scientific importance and there are no feasible avoidance measures, a paleontological mitigation program must be prepared by the qualified paleontologist engaged by the project sponsor. The mitigation program shall include measures to fully document and recover the resource and shall be approved by the planning department. Ground-disturbing activities in the project area shall resume and be monitored, as determined by the qualified paleontologist in collaboration with the planning department, for the duration of such activities.<br>The mitigation program shall include: 1) procedures for construction monitoring at the project site; 2) fossil preparation and identification procedures; 3) curation into an appropriate repository; and 4) preparation of a paleontological resources report at the conclusion of ground-disturbing activities. The report shall include dates of field work, results of monitoring, | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| fossil identifications to the lowest possible taxonomic level, analysis of the fossil collection, a discussion of the scientific significance of the fossil collection, conclusions, locality forms, an itemized list of specimens, and a repository receipt from the curation facility. The project sponsor shall be responsible for the preparation and implementation of the mitigation program, in addition to any costs necessary to prepare and identify collected | | | | |
| fossils, and for any curation fees charged by the paleontological repository. The mitigation program shall be submitted to the planning department for review within 10 business days of the discovery. The paleontology report shall be submitted to the planning department for review within 30 business days from conclusion of ground-disturbing activities, or as negotiated following consultation with the planning department. | | | | |
| **NOISE AND VIBRATION** | | | | |
| **Mitigation Measure M-NO-3a: Fixed-Source Noise Attenuation for Buildings A and B**<br>Prior to the issuance of the relevant building permit for improvements that include fixed mechanical equipment in buildings A and/or B, the project sponsor shall demonstrate that the project meets the noise limits in article 29, section 2909(b). Specifically, the project sponsor shall demonstrate that fixed-mechanical equipment does not exceed 8 dBA above the ambient noise level at any property plane. The noise level limits for each property plane are as follows, but may be updated based on empirical measurements conducted at a later date as approved by the city:<br>• Property plane along Toland Street, Selby Street, and McKinnon Avenue: 59 dBA, $L_{eq}$<br>• Property plane along Rankin Street: 58 dBA, $L_{eq}$<br>• Property plane along Kirkwood Avenue: 60 dBA, $L_{eq}$<br>Feasible noise reduction measures to achieve the property plane thresholds identified above may include, but are not limited to, a combination of the following:<br>• **Ventilation Routing and Relocation:** Route or direct the ventilation units to exhaust away from the adjacent land uses (i.e., outside the | Project sponsor, qualified acoustical or engineering consultant | Prior to issuance of a building permit for improvements that include fixed mechanical equipment | Planning Department and Development Performance Coordinator | Considered complete after planning department approval of the analysis completed by an acoustical consultant and issuance of the building permit |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| property planes) and toward I-280. Relocate ventilation units away from the building edge and to a more-central location in each logistics yard.<br>• **Acoustically Treated Ducting:** Implement an acoustically lined duct to the exhaust of each logistics yard fan in a manner that maintains the above ventilation routing requirement.<br>• **Project Rooftop HVAC System:** Implement one of the following two options for rooftop HVAC unit noise reduction: | | | | |
| ○ Install a 12-foot-tall noise barrier surrounding each of the six rooftop unit areas; or<br>○ Centralize all rooftop HVAC units at the rooftop center and install a 14-foot-tall barrier around the centralized unit area.<br>Alternatively, or in addition, the project sponsor also may implement quieter ventilation fan units, quieter HVAC units, duct silencers at the outlet of the ventilation systems, and/or acoustical louvers at ventilation system terminations at the two building edges to achieve compliance with the article 29, section 2909(b) requirement. The final design of the rooftop HVAC units and logistics yard ventilation system shall be analyzed and assessed for article 29, section 2909(b) compliance by an acoustical consultant as a requirement for building permit approval.<br>Upon installation of the proposed project's mechanical equipment, the project sponsor shall take noise measurements of the equipment to ensure that the equipment complies with article 29, section 2909(b). Noise measurements shall be provided to the planning department prior to receipt of a certificate of occupancy. Should noise measurements indicate that the project's fixed-source mechanical equipment noise does not comply with article 29, section 2909(b), the project sponsor, with analysis from an acoustical consultant, shall install additional noise attenuation measures necessary to meet the article 29, section 2909(b) requirement. Any additional noise attenuation measures shall be approved by the planning department; installed; and verified to meet the article 29, section 2909(b) requirement. | | | | |
| **Mitigation Measure M-NO-3b: Fixed-Source Noise Attenuation for Building Tenants**<br>Prior to the issuance of a building permit that allows for the installation of fixed sources that generate noise (e.g., mechanical systems), the project sponsor's acoustical consultant shall demonstrate that the project meets the noise limits | Project sponsor, qualified acoustical or engineering consultant | Prior to issuance of a building permit for installation of fixed sources that generate noise | Planning Department and Development Performance Coordinator | Considered complete after planning department approval of the analysis completed by an |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| in article 29 section 2909(b) (8 dBA above the ambient noise level at any property plane) and 2909(d) (45 dBA between the hours of 10 p.m. and 7 a.m., and 55 dBA between the hours of 7 a.m. and 10 p.m., with windows open—except where building ventilation is achieved through mechanical systems that allow windows to remain closed). All recommendations in the acoustical analysis necessary to ensure that noise sources would meet the noise limits in article 29 section 2909(b) and 2909(d) shall be incorporated into the building design and operations. Acoustical treatments may include, but are not limited to: | | | | acoustical consultant and issuance of the building permit |
| • enclosing noise-generating mechanical equipment;<br>• installing relatively quiet models of air handlers, exhaust fans, and other mechanical equipment;<br>• using mufflers or silencers on equipment exhaust fans;<br>• orienting or shielding equipment to protect noise-sensitive receptors to the greatest extent feasible;<br>• increasing the distance between noise-generating equipment and noise-sensitive receptors; and<br>• placing barriers around the equipment to facilitate the attenuation of noise.<br>The project sponsor shall provide noise measurements of the installed equipment at the department's request. Should noise measurements indicate that the above-listed performance standards in article 29 that are provided above are not met, the project sponsor shall install additional noise attenuation measures necessary to ensure that the performance standards are met. | | | | |
| **AIR QUALITY** | | | | |
| **Mitigation Measure M-AQ-3a: Electrification of Yard Equipment**<br>The project sponsor shall stipulate in tenant lease agreements that all yard equipment, such as forklifts, be electric to reduce $NO_X$ emissions from these sources. | Project sponsor | Prior to tenant occupancy. Ongoing during operations, and in perpetuity for the lifetime of the building | Planning Department and Development Performance Coordinator | Ongoing and in perpetuity for the lifetime of the building |
| **Mitigation Measure M-AQ-3b: Electrification of Transportation Refrigeration Units**<br>The project sponsor shall require that all transportation refrigeration units operating on the project site be electric or alternative zero-emissions technology, including hydrogen fuel cell transport refrigeration and cryogenic transport refrigeration, to reduce emissions of $NO_X$ without substantially | Project sponsor | Prior to issuance of a building permit for improvements that include dock doors or other infrastructure for electrification. | Planning Department and Development Performance Coordinator | Ongoing and in perpetuity for the lifetime of the building |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| increasing other emissions. Any electric or hybrid transportation refrigeration units shall be charged via the grid power (i.e., not an idling truck or diesel engine). The project design shall also include necessary infrastructure; for example, requiring all dock doors serving transportation refrigeration units to be equipped with charging infrastructure to accommodate the necessary plug-in requirements for electric transportation refrigeration units while docked or otherwise idling, as well as the electrical capacity to support the onsite power demand associated with electric transportation refrigeration unit charging requirements. | | Ongoing during operations, and in perpetuity for the lifetime of the building | | |
| **Mitigation Measure M-AQ-3c: Prohibition of Truck and Van Idling for More than Two Minutes**<br>The project sponsor shall require that onsite idling of all visiting gasoline- or diesel-powered vans and trucks not exceed two minutes, and that appropriate signage and training for onsite workers and truck drivers be provided to support effective implementation of this limit. | Project sponsor | Prior to tenant occupancy. Ongoing during operations and in perpetuity for the lifetime of the building | Planning Department and Development Performance Coordinator | Ongoing and in perpetuity for the lifetime of the building |
| **Mitigation Measure M-AQ-3d: Limitation on Model Year of Visiting Trucks**<br>The project sponsor shall require any gasoline- or diesel-powered vehicle, whether owned or operated by tenant(s), that enters or operates on the project site and has a gross vehicle weight rating greater than 14,000 pounds, have a model year dated no more than nine years upon the completion of project construction activities (e.g., should construction be completed in year 2026, visiting trucks must be model year 2017 or newer). | Project sponsor | Prior to tenant occupancy. Ongoing during operations, and in perpetuity for the lifetime of the building | Planning Department and Development Performance Coordinator | Ongoing and in perpetuity for the lifetime of the building |
| **Mitigation Measure M-AQ-3e: Diesel Backup Generator Specifications**<br>The project sponsor shall ensure that the diesel backup generators meet or exceed the air board's Tier 4 final off-road emission standards. Additionally, once operational, the diesel backup generators shall be maintained in good working order for the life of the equipment, and any future replacement of the diesel backup generators shall be required to be consistent with these emissions specifications. The project sponsor shall ensure that records of the testing schedule for the diesel backup generator are maintained for the life of the diesel backup generators. If the planning department requests additional information about these tests, the project sponsor shall provide the information within three months. | Project sponsor | Prior to tenant occupancy. Ongoing during operations and in perpetuity for the lifetime of the building | Planning Department and Development Performance Coordinator | Equipment specifications portion considered complete when equipment specifications approved by the Environmental Review Officer.<br>Maintenance is ongoing and records are subject to |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
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| | | | | Planning Department review upon request. |
| **Mitigation Measure M-AQ3-f: Limitation on Manufacturing and Maker Space Emissions**<br>The project sponsor shall prohibit the use of stationary equipment sources, such as boilers, whose combined emissions for the manufacturing and maker space uses would exceed 10 pounds per day in $NO_X$ emissions. | Project sponsor | Prior to tenant occupancy. Ongoing during operations, and in perpetuity for the lifetime of the building | Planning Department and Development Performance Coordinator | Ongoing and in perpetuity for the lifetime of the building |

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| **Mitigation Measure M-AQ-3g: Compliance with CalGreen Tier 2 Green Building Standards**<br>Prior to the issuance of building permits for any project building, the project sponsor shall demonstrate compliance with the Tier 2 voluntary green building standards related to designated parking for clean air vehicles, electric vehicle charging, and bicycle parking in the 2022 California Green Building Standards (CalGreen) with July 2024 Supplement, or the mandatory requirements of the most recently adopted version of the city building code, whichever are more stringent. The installation of all electric vehicle charging equipment shall be included on the project drawings submitted for the site permit(s) and construction addenda, as appropriate, or on other documentation submitted to the city. | Project sponsor | Prior to issuance of a building permit. | Planning Department and Development Performance Coordinator | Considered complete after review of project drawings or other documentation confirming compliance and the issuance of a building permit |
| **Mitigation Measure M-AQ-3h: Requirements for Off-Road Construction Equipment**<br>The project sponsor shall comply with the following:<br>A. Engine Requirements<br>1. The project sponsor shall require that the construction contractor use electric-powered construction equipment for all equipment that is readily available as plug-in or battery-electric equipment, to the maximum extent feasible during each construction phase and activity. Electric equipment may include, but is not limited to, concrete/ industrial saws, sweepers/scrubbers, aerial lifts, welders, air compressors, fixed cranes, forklifts, cement and mortar mixers, pressure washers, and pumps. Where access to alternative sources of power is available (i.e., grid power), portable diesel engines (e.g., generators) shall be prohibited. If grid power is not available, alternative power such as battery storage or hydrogen fuel cells shall be used, if available. If such alternative power is not available, portable diesel engines shall meet Tier 4 Final off-road emissions standards. | Project sponsor and construction contractor(s) | Prior to issuance of a building permit. Ongoing during operations. | Planning Department and Development Performance Coordinator | Considered complete upon Environmental Review Officer review and acceptance of a signed construction emissions minimization plan, implementation of the plan, and submittal of final report summarizing use of construction equipment pursuant to the plan, and issuance of a final certificate of occupancy |

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| 2. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either U.S. EPA's or air board's Tier 4 Final off-road emission standards. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than two minutes at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions and safe operating conditions). The contractor shall post legible and visible signs in English, Spanish, and Chinese in designated queuing areas and at the construction site to remind operators of the two-minute idling limit.<br>3. The project sponsor shall instruct construction workers and equipment operators in the maintenance and tuning of construction equipment and require that such workers and operators properly maintain and tune equipment in accordance with manufacturer specifications.<br>B. Waivers<br>The planning department's environmental review officer (ERO) or designee may waive the alternative source of power requirement of subsection (A)(1) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the contractor must use the next cleanest piece of off-road equipment, or another alternative that results in comparable $NO_X$ reductions.<br>C. Construction Emissions Minimization Plan<br>Before starting onsite construction activities, the contractor shall submit a construction emissions minimization plan (plan) to the ERO for review and approval. The plan shall state, in reasonable detail, how the contractor will meet the engine requirements of section A. | | | | |

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| 1. The plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include but is not limited to equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (tier rating), horsepower, engine serial number, and expected fuel use and hours of operation. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used.<br>2. The project sponsor shall ensure that all applicable requirements of the plan have been incorporated into the contract specifications. The plan shall include a certification statement that the project sponsor agrees to comply fully with the plan.<br>3. The project sponsor shall make the plan available to the public for review on site during working hours. The project sponsor shall post at the construction site a legible and visible sign summarizing the plan. The sign shall also state that the public may ask to inspect the plan for the project at any time during working hours and shall explain how to request to inspect the plan. The project sponsor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right-of-way.<br>D. Monitoring<br>After start of construction activities, the contractor shall submit reports every six months to the ERO or designee, documenting compliance with the plan. After completion of construction activities and prior to receiving a final certificate of occupancy, the project sponsor shall submit to the ERO a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the plan. | | | | |

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| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| **Mitigation Measure M-AQ-3i: Development and Implementation of Operational Emission Management Plan**<br>The project sponsor shall develop and implement an Operational Emissions Management Plan (OEMP) that shall demonstrate that the project's net operational $NO_X$ emissions do not exceed the performance standard of 54 pounds per day and 10 tons per year. "Net operational $NO_x$ emissions" refers to the $NO_X$ emissions generated by the proposed project minus the $NO_x$ emissions occurring at the site as of 2017 that would be removed with implementation of the proposed project. The OEMP shall consist of the components described in this mitigation measure. Development, implementation, and reporting of the OEMP shall follow the timeline and appropriate triggers set forth below. The project sponsor shall identify one or more individuals who shall be responsible for overseeing implementation of the OEMP and shall work directly with the ERO or designee to ensure that implementation meets the following requirements and demonstrates attainment of the performance standard.<br>A. Performance Standard<br>The OEMP and related emissions assessments/operational emissions reports, as required below, shall be developed by the project sponsor and approved by the ERO or designee, and shall demonstrate that the proposed project does not exceed the performance standard of a net increase of $NO_X$ emissions consistent with the air district thresholds of 54 pounds per day and 10 tons per year. | Project sponsor | Prior to occupancy by each PDR tenant: complete emissions assessment.<br>Ongoing during operations: prior to one or more tenants occupying a combined total of 500,000 square feet of floor area, and subsequently prior to executing a new lease agreement with a PDR tenant in perpetuity for the lifetime of the building. | Environmental Review Officer and Development Performance Coordinator | Considered complete when the first of either of the two milestones identified in Section C.8 of the mitigation measure is reached:<br>1. 10 years after commencement of operations pursuant to the initial approved OEMP, or<br>2. Three sequential annual reports demonstrating to the satisfaction of the Environmental Review Officer that the project's actual reported emissions have remained below the performance standard.<br>3. Obligations for preparation of emissions assessments and implementation of control measures shall continue in perpetuity unless the Environmental Review Officer |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| | | | | determines otherwise. |
| B. Emissions Assessment<br>Prior to occupancy for each PDR tenant, the project sponsor shall require the tenant to conduct an emissions assessment. Prior to the requirement to submit an OEMP, the project sponsor shall retain all emissions assessments from individual tenants. The emissions assessment shall include:<br>1. A brief description of proposed tenant activities that are reasonably expected to generate $NO_X$ emissions, and written confirmation that the tenant can and will comply with Mitigation Measures M-AQ-3a through M-AQ-3g as applicable, including compliance with requirements to provide periodic reporting and necessary evidence that the tenant is implementing the applicable measures after the start of occupancy.<br>2. Estimates of expected $NO_X$ emissions in annual tons and average pounds per day for all activities associated with the tenant's use (inclusive of onsite and offsite mobile emission sources). Emission estimation methods shall generally follow the approach used in this EIR and in Appendix F, Air Quality Supporting Information, taking into account current air board- or air district-recommended emissions factors (vehicle types, model year, fleet mix, etc.), or another agreed-upon method (subject to approval by the ERO or designee and provided that such method is supported by substantial evidence).<br>3. The tenant's estimated expected $NO_X$ emissions shall be itemized for each of the following sources and summed for a total of all emissions in terms of the maximum potential annual emission (tons per year) and average daily emissions (pounds per day):<br>• stationary sources such as generators and specialized equipment;<br>• estimated mobile source emissions accounting for offsite travel and onsite activity; and<br>• other emissions sources, such as area sources. | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| C. Operational Emissions Management Plan<br>The project sponsor shall submit an OEMP to the ERO or designee for review and approval prior to one or more tenants in the project site occupying a combined total of 500,000 square feet of floor area. The OEMP shall describe, in reasonable detail, how the sum of all tenants' and total project $NO_X$ emissions will not exceed the performance standard. Specifically, the OEMP shall include the following:<br>1. Responsibility. The OEMP will identify one or more individuals who shall be responsible to oversee implementation, monitoring, and reporting for the OEMP.<br>2. Reporting Template. The OEMP will identify, in reasonable detail, the format template and required contents of the operational emissions reports (described further below).<br>3. Emissions Assessments. Emissions assessments will be performed for each proposed tenant in the project, as described above.<br>4. Total Emissions Estimate. The project's performance will be documented in relation to the performance standard of daily and annual $NO_X$ emissions, taking into account all tenancies/operations at the project site.<br>5. Additional Emissions Reduction Measures. If the total emissions estimate described above is projected to result in an exceedance of the $NO_X$ performance standard, the OEMP shall identify additional specific operational emissions reduction measures to lessen the project's emissions to a level that does not exceed the performance standard. To ensure that the proposed project $NO_X$ emissions do not exceed the performance standard, these measures shall be implemented prior to any operational activities that were projected to exceed that standard. To the extent that the identified emissions reductions can be quantified, the OEMP shall quantify the expected reductions. The OEMP shall quantitatively demonstrate that total project operations meet the daily and annual $NO_X$ performance standard. To the extent that required emissions reduction and reporting measures are applicable to individual tenants, the OEMP shall provide that these measures be incorporated into lease terms for | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| individual tenants of the project. Such operational emission reduction measures may include, but are not limited to, the following: | | | | |
| • modification of project operations, including through the use of different equipment, limitations on types of tenants/uses, or limitations on the size or intensity of specific uses;<br>• implementation of specific fleet performance metrics, including electric vehicle and zero-emission vehicle standards; minimum model year requirements that are more stringent than those required by Mitigation Measure M-AQ-3d; or achievement of regulatory requirements ahead of compliance schedules;<br>• reductions in onsite or offsite worker vehicle trips, including through implementation of additional travel demand management (TDM) measures such as providing contributions or incentives for sustainable transportation;<br>• funding or completing projects in coordination with community groups, as applicable, to directly reduce or eliminate sources of existing $NO_x$ emissions not generated by the project, with emission reduction projects occurring in the following locations in order of priority to the extent available: (1) in the neighborhood surrounding the project site (i.e., Bayview Hunters Point); (2) in the city of San Francisco; and (3) in the air basin; and<br>• other emission reduction measures that become feasible due to advances in technology, economic changes, or other factors during the lifetime of the project.<br>6. Updates. The OEMP shall be updated and resubmitted to the ERO or designee for review and approval prior to occupancy by any subsequent PDR tenant until the reporting period has concluded, as described below in the "Monitoring and Reporting" section of this mitigation measure. Additionally, each tenant shall verify periodically that its emissions assessment remains accurate, and at least: (1) upon a substantial change in the tenant operations, and (2) every other year. | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| 7. Exceptions. The following list identifies allowable exceptions for certain uses to provide an emissions assessment and for the need to update the OEMP upon a change in tenancy at the project site.<br>• Retail uses less than 8,400 square feet and manufacturing and maker uses less than 35,000 square feet shall not be required to submit an emissions assessment unless they include any stationary source(s) that would result in $NO_X$ emissions and would require permitting by the air district. Although uses below the identified square footages are not required to submit emissions assessments, the total project operational emissions, which are calculated (by summing all tenant emissions assessments) and compared against the performance standard for all project operations, shall include 1.3 pounds per day of $NO_X$ for retail uses totaling up to 8,400 square feet and 12.2 pounds per day of $NO_X$ from manufacturing and maker uses totaling up to 35,000 square feet. Should an individual retail or manufacturing and maker tenant or the cumulative total of multiple retail or manufacturing and maker uses exceed the square footages for each respective use or include any stationary source(s) that would result in $NO_X$ emissions and would require permitting by the air district, an emissions assessment must be prepared for that tenant's operations to be included in the total project site operational emissions estimate for the project site.<br>• The termination of a proposed or existing tenancy, or the substitution of any terminated use with a new use that is equally or less intensive based on an updated emissions assessment of estimated $NO_X$ emissions, shall not trigger a requirement to submit an updated OEMP as long as any requirements in the former plan remain relevant and in effect. | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| 8. Monitoring and Reporting. After the start of operations under an approved OEMP, the project sponsor shall submit annual operational emissions reports to the ERO, documenting compliance with the OEMP.<br>Each report shall include a summary of compliance with operational controls for all applicable activities completed in the period covered by the annual report. If the project has complied with all required operational controls and no emissions-generating activity levels increase, then no further estimation of emissions is required.<br>If any operational controls are modified or if an increase in emissions-generating activity levels has occurred, then the report shall include an estimate of $NO_X$ emissions for the relevant emissions source. For example, if generators were operated for more hours during the reporting period than allotted in the OEMP, then the report shall include actual generator emissions, summarized from logs. In all cases, the reporting shall demonstrate that the project does not exceed the $NO_X$ performance standard through implementation of the additional emissions reduction measures or other equivalent measures, subject to approval by the ERO or designee.<br>The reporting period for this measure shall conclude at the earlier of (1) 10 years after commencement of operations pursuant to the initial approved OEMP, or (2) the project sponsor submitting three sequential annual reports demonstrating, to the satisfaction of the ERO or designee, that the project's actual reported emissions have not exceeded the performance standard, as described above. If the total $NO_X$ emissions from the emissions assessments for all tenants indicate an increase or change in tenancy that would materially increase the net operational $NO_X$ emissions to a level that would approach or exceed the performance standard, the requirements for the OEMP would be reinstated. | | | | |

| Adopted Mitigation Measure | Monitoring and Reporting Program[a] | | | |
|---|---|---|---|---|
| | Implementation Responsibility | Mitigation Schedule | Monitoring/Reporting Responsibility | Monitoring Actions/ Completion Criteria |
| The obligations for the preparation of emissions assessments and implementation of control measures to limit $NO_X$ emissions to not exceed the performance standard shall remain in effect for the life of the project, subject to periodic review and monitoring by the ERO or designee. If the ERO or designee determines, on the basis of substantial evidence, that it is no longer necessary for the project sponsor to complete emissions assessments to meet the performance standard, the ERO or designee may temporarily or permanently waive the assessment requirement. | | | | |

NOTES:

[a]Definitions of MMRP Column Headings:

*Adopted Mitigation Measure:* Full text of the mitigation measure(s) copied verbatim from the final CEQA document.

*Implementation Responsibility:* Entity who is responsible for implementing the mitigation measure. The SF Gateway project sponsor may also include the project sponsor's contractor/consultant.

*Mitigation Schedule:* Identifies milestones for when the actions in the mitigation measure need to be implemented.

*Monitoring/Reporting Responsibility:* Identifies who is responsible for monitoring compliance with the mitigation measure and any reporting responsibilities. In most cases it is the Planning Department who is responsible for monitoring compliance with the mitigation measure. If a department or agency other than the planning department is identified as responsible for monitoring, there should be an expressed agreement between the planning department and that other department/ agency. In most cases the SF Gateway project sponsor, their contractor, or consultant are responsible for any reporting requirements.

*Monitoring Actions/Completion Criteria:* Identifies the milestone at which the mitigation measure is considered complete. This may also identify requirements for verifying compliance.

# EXHIBIT G

## FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

RECORDING REQUESTED BY THE
CLERK OF THE BOARD OF SUPERVISORS
OF THE CITY AND COUNTY OF SAN FRANCISCO

AND WHEN RECORDED RETURN TO:

Angela Calvillo
Clerk of the Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt. Code § 27383)

Block _____, Lot ___

Situs Address: _____

SPACE ABOVE FOR RECORDER'S USE

## ASSIGNMENT AND ASSUMPTION AGREEMENT

## RELATIVE TO DEVELOPMENT AGREEMENT FOR SAN FRANCISCO GATEWAY PROJECT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (hereinafter, the "**Assignment**") is entered into as of this ___ day of _____, 20__, by and between _____, a _____ ("**Assignor**") and _____, a _____("**Assignee**"). Assignor and Assignee each are also referred to herein as a "**Party**" and collectively as the "**Parties**".

## RECITALS

A. On _____, Assignor and the City and County of San Francisco, a political subdivision and municipal corporation of the State of California (the "**City**"), entered into that certain Development Agreement (as the same may have been any may be further amended, restated or otherwise modified, the "**Development Agreement**") dated as of _____, 20__, for reference purposes, with respect to certain real property owned by Assignor, as such property is more particularly described in the Development Agreement (the "**Project Site**"). The Development Agreement was recorded in the Official Records of the City and County of San Francisco ("**Official Records**") on _____as Document No. _____.

[*add recital to document any previous transfer of the Transferred Property, with recording information*]

B. Pursuant to Section 12.1 of the Development Agreement, Developer (as defined therein) has the right to Transfer all or a portion of its right, title, and interest in and to all or part of the Project Site to any person without City's consent; provided Developer contemporaneously transfers to the Transferee all of its rights, obligations, and interest under the Development Agreement with respect to the transferred portion of Project Site [(excluding any Retained Rights and Obligations)], as more particularly described therein.

C. Pursuant to Section 12.3 of the Development Agreement, upon the execution and delivery of this Assignment, Developer as Assignor shall be automatically released from any prospective liability or obligation under the Development Agreement [(excluding only the Retained Rights and Obligations (as defined below))], related to such Transferred Property, as more particularly described therein.

D. Assignor is "Developer" under the Development Agreement with respect to the [entire][portion of the] Project Site as more particularly identified and described on Exhibit A attached hereto (hereafter the "**Transferred Property**").

E. The Transferred Property has been legally subdivided into transferable property pursuant to Final Map No. __, recorded in the Official Records of San Francisco County on ___ as Document No. ___.

F. Contemporaneously herewith, Assignor has transferred to Assignee Assignor's right, title and interest in and to the Transferred Property.

G. Assignor desires to assign and Assignee desires to assume Assignor's rights, interest, and obligations as Developer under the Development Agreement with respect to and as related to the Transferred Property [(excluding only the Retained Rights and Obligations)], as more particularly described below.

**ASSIGNMENT AND ASSUMPTION**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Incorporation of Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Defined Terms. Initially capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Development Agreement.

3. Assignment of Development Agreement. Subject to the terms and conditions of this Assignment, Assignor hereby assigns to Assignee, effective as of Assignor's conveyance of the Transferred Property to Assignee (the "**Assignment Effective Date**"), all of Assignor's rights, obligations, and interest under the Development Agreement with respect to the Transferred Property, including any Associated Community Benefits that are tied to the Transferred Property and Mitigation Measures applicable to the Transferred Property[, including without limitation those more particularly described on Exhibit B][, but excluding only those certain rights, obligations and interests with respect to the Transferred Property described on Exhibit C

(collectively, the "**Retained Rights and Obligations**")] (collectively, the "**Assigned Rights and Obligations**"). Assignor retains all of Assignor's rights, obligations and interest under the Development Agreement, [including the Retained Rights and Obligations,] other than the Assigned Rights and Obligations.

4. Assumption of Development Agreement. Subject to the terms and conditions of this Assignment, Assignee hereby assumes, as of the Assignment Effective Date, the Assigned Rights and Obligations and agrees to observe and fully perform all of the duties and obligations of Assignor under the Development Agreement with respect to the Assigned Rights and Obligations and to be subject to all of the terms and conditions of the Development Agreement with respect to the Assigned Rights and Obligations. Assignee assumes no right, title, and interest under the Development Agreement other than the Assigned Rights and Obligations, and has no liability or obligation under the Development Agreement other than the Assigned Obligations. Assignor and Assignee acknowledge and agree that, from and after the Assignment Effective Date, Assignee shall be the "Developer" under the Development Agreement with respect to the Transferred Property and the Assigned Rights and Obligations.

5. Reaffirmation of Indemnifications. Assignee hereby consents to and expressly reaffirms any and all indemnifications of the City set forth in the Development Agreement to the extent applicable to the Transferred Property [(except to the extent relating to Retained Rights and Obligations)] or the Assigned Rights and Obligations, including without limitation Section 4.6 (Indemnification of City) of the Development Agreement.

6. Community, Small Business and PDR Support Plan. Assignee has read and understands the obligations set forth in the Community, Small Business and PDR Support Plan, Exhibit D to the Development Agreement, as they relate to the Transferred Property. Without limiting the foregoing, Assignee agrees to the terms and provisions of the Community, Small Business and PDR Support Plan. Assignee understands that the City would not have been willing to enter into the Development Agreement without the provisions of the Community, Small Business and PDR Support Plan.

7. Assignee's Covenants. Assignee hereby covenants and agrees that: (a) Assignee shall not challenge the enforceability of any provision or requirement of the Development Agreement; and (b) Assignee shall not sue the City in connection with any and all disputes solely between Assignor and Assignee arising from this Assignment or the Development Agreement, including any failure to complete all or any part of the Project by any party.

8. Binding on Successors. All of the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

9. Notices. The notice address for Assignee under Section 14.12 of the Development Agreement shall be:

_____
_____
_____
Attn:_____

With copy to:

_____
_____
_____
Attn:_____

10. Counterparts. This Assignment may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument.

11. General Provisions.

a. Governing Law; Venue. This Assignment and the legal relations of the parties hereto shall be governed by and construed and enforced in accordance with the laws of the State of California, without regard to its principles of conflicts of law. All rights and obligations of the Parties under this Assignment are to be performed in the City and County of San Francisco, and the City and County of San Francisco shall be the venue for any legal action or proceeding that may be brought, or arise out of, in connection with or by reason of this Assignment.

b. No Waiver. The waiver or failure to enforce any provision of this Assignment shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

c. Further Assurances. Each Party shall execute and deliver such other certificates, agreements and documents and take such other actions as may be reasonably required to consummate or implement the transactions contemplated by this Assignment provided the same does not increase such Party's obligations and liabilities or reduce such Party's rights under this Assignment and/or the Development Agreement other than to a de minimis extent.

d. Severability. If any term, provision, covenant or condition of this Assignment is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Assignment shall continue in full force and effect, except to the extent that enforcement of the remaining provisions of this Assignment would be unreasonable or grossly inequitable under all the circumstances or would frustrate the fundamental purpose of this Assignment or the Development Agreement.

e. Attorneys' Fees. Should legal action be brought by Assignor or Assignee against the other for a default under this Assignment or to enforce any provision herein, the

prevailing party in such action shall be entitled to recover its "reasonable attorneys' fees and costs" (as such phrase is defined in the Agreement) from the non-prevailing party.

f. Captions; Interpretation. The section headings used herein are solely for convenience and shall not be used to interpret this Assignment. The Parties acknowledge that this Assignment is the product of negotiation and compromise on the part of both Parties, and the Parties agree that since both have participated in the negotiation and drafting of this Assignment, this Assignment shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

g. Amendments. Any amendments or modifications to this Assignment must be in writing, signed by duly authorized representatives of each of the Parties hereto, and recorded in the Official Records.

h. Recordation. Assignor and Assignee shall record this Assignment against the Transferred Property in the Official Records contemporaneously with the recordation of the instrument conveying title to the Transferred Property to Assignee.

i. Authority. Each person executing this Assignment represents and warrants that he or she has the authority to bind his or her respective Party to the performance of its obligations hereunder and that all necessary board of directors', shareholders', partners', members', managers', and other approvals have been obtained.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF, the parties hereto have executed this Assignment as of the day and year first above written.

**ASSIGNOR:**

[insert signature block]

**ASSIGNEE:**

[insert signature block]

[Include the following only if there are material changes to this form assignment or Retained Rights and Obligations for which the City's Planning Director approval is required under the terms of the Agreement]

**[APPROVED BY:**

City and County of San Francisco, a municipal corporation

By: _____
_____, Planning Director]

# EXHIBIT H

## NOTICE OF FULFILLED ASSOCIATED COMMUNITY BENEFIT OBLIGATIONS

| | |
|---|---|
| RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:<br>[Prologis, L.P.]<br>[address] _____<br>_____<br>_____<br>Attn: _____ | |
| APN: [ ] | SPACE ABOVE FOR RECORDER'S USE |

## NOTICE OF FULFILLED ASSOCIATED COMMUNITY BENEFIT OBLIGATIONS

This NOTICE OF FULFILLED ASSOCIATED COMMUNITY BENEFIT OBLIGATIONS (this "**Notice**") is given as of this [INSERT DATE THAT COMPLETION IS DEEMED TO HAVE OCCURRED] (the "**Effective Date**") by the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (the "**City**"), acting by and through its Planning Department.

1. The City and _____, a _____("**Developer**") entered into that certain Development Agreement dated as of _____, and recorded in the Official Records of the City and County of San Francisco on _____, as Document Number _____ (Book No. _____, Reel No. _____) (as the same has been or may be amended from time to time, the "**Development Agreement**"). All initially capitalized terms used in this Notice that are not defined shall have the meaning given to such terms in the Development Agreement.

2. Under Section 7.1 of the Development Agreement, when one or more [Buildings/ Phases] have been completed and all of the Associated Community Benefits tied to those specific [Buildings/ Phases] have also been completed, the City agreed, upon Developer's request, to execute and record a Notice of Fulfilled Associated Community Benefits as it relates to the applicable [Buildings/ Phases].

3. The City confirms that [the Building known as _____,/ Phase____] located on the property described in the attached Exhibit A (the "**Affected Property**"), together with all of the Associated Community Benefits (but excluding Infrastructure) tied to that [Building/Phase] pursuant to the Development Agreement, including but not limited to the Community Benefits Schedule and Community Benefits Linkages Table, have been completed in accordance with the Development Agreement. All parties with an interest in the Affected Property have the right to rely on this Notice.

This Notice is not given in place of any Notice of Completion, Certificate of Final Completion, or other certification of construction completeness issued by San Francisco Public Works, San Francisco Department of Building Inspection, or another City agency required pursuant to the Municipal Code or Applicable Laws.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this Notice has been executed by the City as of the Effective Date.

**CITY**:

**CITY AND COUNTY OF SAN FRANCISCO**,
a municipal corporation

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By: _____
Name: _____
Title: Deputy City Attorney

**ACKNOWLEDGMENT**

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 _____)

On_____, 20 __ before me, _____
(insert name and title of the officer)
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 I

## WORKFORCE AGREEMENT

**WORKFORCE AGREEMENT**
**(SAN FRANCISCO GATEWAY)**

This Exhibit I (this "**Workforce Agreement**") describes the relationship between Prologis L.P., a Delaware limited partnership ("**Developer**") and the City and County of San Francisco, a municipal corporation (the "**City**") with regard to Developer's obligations to support workforce development in the construction and operation of the Project. Unless otherwise specified in this Workforce Agreement, definitions and rules of interpretation shall be as provided in the Development Agreement (the "**Development Agreement**") of which this Workforce Agreement is a part, by and between the City and Developer.

## I. Project Background.

The development plan for the site located in the city of San Francisco at 749 Toland Street and 2000 McKinnon Avenue (APN Nos. 5284A/008 and 5287/002) (the "**Project Site**") under the Development Agreement provides for the construction of two (2) multistory production, distribution, and repair (PDR) buildings commonly referred to as the San Francisco Gateway project, all as more particularly described therein (as defined in the Development Agreement, the "**Project**").

This Workforce Agreement sets forth the activities Developer shall undertake, and require its Construction Contractors (as defined below), Contractors (as defined below), Consultants (as defined in Attachment C), Subcontractors (as defined below), Subconsultants (as defined in Attachment C), and Permanent Employers (as defined below), as applicable, to undertake, to support workforce development in the construction and operation of the Project, all as and to the extent required under this Workforce Agreement. Compliance with this Workforce Agreement shall fully satisfy the requirements of Administrative Code Chapters 82 (Local Hiring Requirements) and 83 (First Source Hiring Program).

## II. Purpose of the Workforce Agreement.

This Workforce Agreement has been jointly prepared by the City and Developer (on behalf of itself and its successors under the Development Agreement with respect to the Project's workforce development-related obligations and public benefits covered hereby), in consultation with others, including OEWD and other relevant City Agencies.

The purpose of this Workforce Agreement is to ensure training, employment and economic development opportunities are part of the construction and operation of the Project. This Workforce Agreement creates a mechanism to provide employment and economic development opportunities for economically disadvantaged persons and San Francisco residents. The City and Developer agree that job creation and equal opportunity contracting opportunities in all areas of employment are an essential part of the development of the Project Site under the Development Agreement. The City and Developer agree that it is in the best interests of the Project and the City for a portion of the jobs and contracting opportunities of the Project to be directed to local, small and economically disadvantaged companies and individuals whenever there is a qualified candidate (to the extent possible based on the type of work required and subject to collective bargaining agreements).

This Workforce Agreement identifies goals for achieving this objective and outlines certain measures that will be undertaken in order to help ensure that these goals and objectives are successfully met. In recognition of the unique circumstances and requirements surrounding the Project, the City, including through OEWD, and Developer have agreed that this Workforce Agreement will constitute the exclusive workforce, employment and contracting requirements of the City for the construction and operation of the Project.

This Workforce Agreement requires the following, all as more particularly described herein:

- Permanent Employers that occupy more than 25,000 gross square feet of space for Commercial Activity that meets the requirements of a Covered Operation will enter into a First Source Hiring Agreement for Operations (in the form attached as Attachment A-1). Developer will also include in its applicable contracts with such Permanent Employers provisions that require such Permanent Employers to identify a single point of contact and contact OEWD's Employer Services team to discuss its obligations under the First Source Hiring Agreement.

- Developer will enter into a Memorandum of Understanding with the City's First Source Hiring Administration in the form attached as Attachment A-2.

- Developer will meet the hiring and Apprenticeship goals with respect to Local Residents and Disadvantaged Workers for certain Construction Work (as defined below) on City Property, as set forth in Attachment B (Local Hiring Requirements).

- Developer will meet the utilization and outreach goals with respect to Local Business Enterprises for certain Construction Work, as set forth in Attachment C (LBE Utilization Plan).

- The Project will fund certain job readiness and training programs run by CityBuild and the First Source Hiring Administration, as more particularly described in Section B.

The foregoing summary is provided for convenience and for informational purposes only.

## III. **Workforce Agreement**.

### A. DEFINITIONS

The following terms specific to this Workforce Agreement have the meanings given to them below or are defined where indicated. Other initially capitalized terms are defined elsewhere in the Development Agreement. All references to the Development Agreement include this Workforce Agreement unless explicitly stated otherwise.

"**Apprentice**" means any worker who is enrolled in or otherwise committed to a construction apprenticeship program that maintains current registration with the State of California's Division of Apprenticeship Standards.

"**Apprenticeship**" shall mean a work experience that combines formal job-related technical instruction with structured on-the-job learning experiences. Apprentices are hired by an employer at the outset of a training program, and the training program is pre-approved by the US Department of Labor ("**USDOL**") or California Division of Apprenticeship Standards ("**DAS**"). Apprentices receive progressive wages commensurate with their skill attainment throughout an apprenticeship training program. Upon successful completion of all phases of on-the-job learning and related instruction components, Apprentices receive nationally recognized certificates of completion issued by the USDOL or DAS.

"**Building**" means each of the new buildings to be constructed or existing building to be rehabilitated on the Project Site under the Development Agreement.

"**Chapter 82**" means San Francisco Administrative Code Chapter 82 (Local Hiring Requirements).

"**Chapter 83**" means San Francisco Administrative Code Chapter 83 (First Source Hiring Program).

"**CityBuild**" means the OEWD construction training program commonly known as CityBuild.

"**Commence Operations**" means a lessee of space for Commercial Activity commences operation of the Commercial Activity at a Building of the Project for normal business operations.

"**Commercial Activity**" means retail sales and services, production, distribution, and repair activities (PDR), and any other for-profit commercial uses permitted under the Project SUD that are conducted within a Building or the associated operations yard within the Property by a tenant of the Building. For the avoidance of doubt, Commercial Activity shall not include the operation of community, childcare or arts facilities, or activities, including deliveries to or from the Building by individuals (i) who are not employees of any tenant of the Building and (ii) who are not primarily based out of the Building.

"**Construction Contractor**" means any construction contractor hired by or on behalf of Developer who performs Construction Work.

"**Construction Work**" means, as applicable, (a) the initial construction of all Horizontal Improvements, (b) the initial construction of all Buildings, and (c) the Initial Tenant Improvements construction within any Building. For the avoidance of doubt, Construction Work shall not include any (i) repairs, maintenance, renovations or other construction work performed on a Building after the City issues a certificate of occupancy for the applicable portion of the Building, (ii) work performed as a result of a threat to life, limb or property or other emergency or circumstances requiring immediate action, (iii) work required to be performed by employees of a vendor or manufacturer (or a specialty contractor retained by a vendor or manufacturer) to protect a manufacturer's or vendor's warranty or guarantee, or (iv) construction of City-sponsored standalone community, childcare, or arts facilities.

"**Construction Workforce Requirements**" is defined in Section III.B.1.

"**Contractor**" means collectively, (i) any Construction Contractor, as defined above, and (ii) any Contractor, as defined in Attachment C.

"**Covered Operations**" means Commercial Activity that results in the expansion of entry and apprentice level positions that are located within a newly constructed Building or a rehabilitated Building, including an associated operations yard within the Property, where the Building contains more than 25,000 gross square feet in floor area. Covered Operations do not include (a) Buildings containing less than 25,000 gross square feet, (b) activities or operations conducted by tenants, subtenants and other occupants of less than 25,000 gross square feet of space within a Building or (c) activities or operations, including deliveries to or from the Building, conducted by individuals (i) who are not employees of any tenant of the Building and (ii) who are not primarily based out of the Building. Upon expiration of the Development Agreement, Covered Operations in the Project are subject to the provisions of the Chapter 82 and Chapter 83, as applicable.

"**Covered Project**" means Construction Work with an estimated cost in excess of the Threshold Amount.

"**Developer**" is defined in the Development Agreement.

"**Development Agreement**" means the Development Agreement to which this Workforce Agreement is attached and made a part thereof, as the same may be amended, modified and supplemented from time to time pursuant to its terms.

"**Entry Level Position**" means any position that requires less than two (2) years training or specific preparation, and shall include temporary and permanent jobs.

"**FSHA**" means the City's First Source Hiring Administration.

"**Horizontal Improvements**" means all infrastructure and related work under the Development Agreement needed to prepare the Property for vertical construction of the Project.

"**Initial Tenant Improvements**" means those tenant improvements within any individual commercial space in a Building (office, retail, PDR) that are undertaken within the first twenty-four (24) months after the issuance of the first construction permits for the tenant improvements pertaining to such individual commercial space.

"**Local Business Enterprise(s)**" **or** "**LBE**" means a firm that has been certified as an LBE as set forth in Administrative Code Chapter 14B (Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance).

"**Local Resident**" means an individual who is domiciled, as defined by Section 349(b) of the California Election Code, within the City, or Targeted Area, as may be the case, at least seven (7) days prior to commencing work on the project.

"**OEWD**" means the City's Office of Economic & Workforce Development.

"**OLSE**" means the City's Office of Labor Standards Enforcement.

"**Operations Workforce Requirements**" is defined in Section III.C.1.

"**Permanent Employer**" means each employer that occupies more than 25,000 gross square feet of space for Commercial Activity(ies) in a Covered Operation.

"**Referral**" means an individual member of the System who has been identified by OEWD as having received training appropriate to enter the construction industry workforce or having received the appropriate training, background and skill sets for an Entry Level Position under a Covered Project.

"**Subcontractor**" is defined (i) with respect to any Construction Contractor, above, and (ii) with respect to any Contractor, in Attachment C.

"**System**" means the San Francisco Workforce Development System established by the City and managed by OEWD for maintaining (1) a pool of qualified individuals, and (2) the mechanism by which such individuals are certified and referred to prospective employers covered by the First Source Hiring Program requirements under Chapter 83 of the San Francisco Administrative Code (including under the First Source Hiring Agreements).

"**Targeted Area**" means the geographic area delineated by the boundaries of the zip codes 94107, 94124, 94103, 94110, 94112, and 94134.

"**Threshold Amount**" is defined in Section 6.1 of the San Francisco Administrative Code, as amended as of the date of determination to the extent that such amendments apply to the Project pursuant to the Development Agreement.

B. CONSTRUCTION WORK

1. **Application**. Developer and Construction Contractors, Covered Contractors and Contractors shall comply with the applicable provisions of this **Section III.B** (the "**Construction Workforce Requirements**") during construction of Horizontal Improvements and Buildings.

2. **Local Hiring Requirements.** Developer and Covered Contractors (and their subcontractors regardless of tier) must comply with the Local Hiring Requirement set forth in Attachment B with respect to any Public Improvement work, as defined in the D.A.

3. **First Source Hiring Program for Construction Work**. Prior to the Commencement of Construction of the first Horizontal Improvements or Building, Developer will enter into a Memorandum of Understanding with the City's First Source Hiring Administration in the form attached as Attachment A-2 under which Developer must include in its contracts with Construction Contractors for Construction Work a requirement that the

applicable Construction Contractor enter into a First Source Hiring Agreement for Construction in the form attached to Attachment A-2 as Exhibit A thereto, and must provide a signed copy of the relevant Form exhibits to the FSHA, as more particularly described therein.

4. **Local Business Enterprise Requirements**. Developer and its Contractors and Consultants must comply with the Local Business Enterprise Utilization Program set forth in Attachment C.

5. **Obligations; Limitations on Liability**. Developer shall use good faith efforts, working with OEWD or its designee, to enforce the applicable Construction Workforce Requirements with respect to its Construction Contractors, Covered Contractors, Contractors and Consultants, and each Construction Contractor, Covered Contractor, Contractor and Consultant, as applicable, shall use good faith efforts, working with OEWD or its designee, to enforce the Construction Workforce Requirements with respect to its Subcontractors and Subconsultants (regardless of tier). However, Developer shall not be liable for the failure of its Construction Contractors, Covered Contractors, Contractors and Consultants, and Construction Contractors, Covered Contractors, Contractors and Consultants shall not be liable for the failure of their respective Subcontractors and Subconsultants.

6. **Prevailing Wages and Working Conditions**. Developer and other applicable parties shall pay prevailing wage for Construction Work as required under the Development Agreement.

C. PROJECT OPERATIONS

1. **Application**. Covered Operations within the Project will be subject to the applicable First Source Hiring Program requirements set forth in this Section III.C (collectively, the "**Operations Workforce Requirements**"**).**

2. **First Source Hiring Program for Covered Operations**. Each Developer of commercial space for Covered Operations will comply with the operational requirements of Chapter 83 by undertaking the following:

(i) such Developer will include in all leases, subleases or other occupancy contracts for Covered Operations (each, a "**Commercial Lease**") a requirement that the Permanent Employer enter into a First Source Hiring Agreement for Operations in the form attached as Attachment A-1; (ii) such Developer will provide the executive(s) contact information within 10 days of execution of, or, if available, prior to execution of the applicable Commercial Lease, and will provide updated contact information, as applicable, thereafter; and (iii) with the execution of each applicable Commercial Lease, such Developer will require the tenant to notify OEWD Employer Services of such execution.

D. WORKFORCE JOB READINESS AND TRAINING FUNDS

Developer shall pay to OEWD up to One Million Two Hundred Twenty-Five Thousand Dollars ($1,225,000) ("**Total Contribution**") for apprenticeships, stipends, and job training programs and/or grants focused on construction and small contractor support, as well as warehouse activities, logistics, distribution, and other operational jobs related to future tenants in the Project (and OEWD shall use such funds solely for such purpose), payable in various installments, as described below. This Section III.D shall apply only to construction of the Project as defined in the Development Agreement.

1. **Application**. Developer will provide OEWD with the Total Contribution to support apprenticeship and job training and readiness programs run by OEWD, CityBuild and Contract Monitoring Division as more particularly set forth in this **Section III.D** (all funds required under this Section III.D, the "**Job Readiness and Training Funds**"). Job Readiness and Training Funds are payable in various installments, as described below. At Developer's election at their sole discretion, funds may be offered in advance of the below milestones and schedule.

   Developer and City acknowledge and agree that the ability of the Project to meet its hiring goals is related to, among other things, the quality of their working partnership, the level of communication between them consistent herewith, the ability of the City to recruit and train individuals, and the number of available qualified Referrals at the time required. The Job Readiness and Training Funds are provided to assist the City with its efforts to recruit and train qualified Referrals.

2. **CityBuild Program**. The Project will pay a total of **$**537,500 across the two Development Phases in accordance with this **Section III.D.2** that OEWD will use to fund CityBuild programs designed to prepare San Francisco residents for employment opportunities in construction and careers in the building trades.

   a. Purpose and Amount. The Project will pay OEWD such total of $537,500, from the Total Contribution, which OEWD will use to fund CityBuild, the City of San Francisco's comprehensive pre-apprenticeship and construction administration program. These funds will support CityBuild's Academy and other training programs managed by OEWD that are designed to prepare San Francisco residents for employment opportunities in the construction of the Project and careers in the building trades. OEWD will transfer, to the City and County of San Francisco's CityBuild Division, these funds to support the CityBuild Academy. An amount up to, and not to exceed, 15% (fifteen percent) of this amount may be used for City staff in the administration of these programs.

b. Manner and Timing of Payment. Developer will pay such total of $537,500 in accordance with the following schedule:

Phase 1: Developer will pay OEWD $268,750 prior to the City's issuance of a site permit for the construction of the first Building in the Project, or its equivalent if a site permit is not obtained.

Phase 2: Developer will pay OEWD $268,750 prior to the City's issuance of a site permit for the construction of the second Building in the Project, or its equivalent if a site permit is not obtained.

3. **Contractor Development Program**. The Project will pay a total of $150,000 in accordance with this **Section III.D.3** that OEWD will use to fund the Contractor Development Program designed to support the City's efforts to assist certified Local Business Enterprise contractors.

a. Purpose and Amount. The Project will pay OEWD such total of $150,000, from the Total Contribution, which OEWD will use to fund the Contractor Development Program managed by the Contract Monitoring Division of the City Administrator's Office ("**CMD**"). These funds will support the City's Contractor Development Program and other assistance programs managed by CMD that are designed to support certified Local Business Enterprise contractors. The Contractor Development Program may include training, one-on-one counseling and group workshops in areas that include (1) technical assistance to potential LBEs interested in certification, and technical assistance to certified LBEs in business management, estimating, financial analysis and project scheduling, (2) Assistance with Surety Bonding, (3) a Mentor Protégé Program that pairs micro-LBEs with business mentors and (4) Contractor Accelerated Payment Program (CAPP) and loan guarantee. OEWD will transfer, to CMD, these funds to support the CMD's Contractor Development Program.

b. Manner and Timing of Payment. Developer will pay such total of $150,000 in accordance with the following schedule:

Phase 1: Developer will pay $150,000 to OEWD prior to the City's issuance of a site permit for the construction of the first Building in the Project, or its equivalent if a site permit is not obtained

4. **Workforce Training Program for Operations.** The Project will pay a total of $537,500, across two Development Phases in accordance with this **Section III.D.4** that OEWD will use to fund non-construction related workforce training programs focused on job readiness and employment in operational jobs in the Project.

a. Purpose and Amount. The Project will pay OEWD such total of $537,500, from the Total Contribution, which OEWD will use to fund Workforce Training Programs. These funds will (i) reduce barriers to employment for individuals within at-risk populations; and/or (ii) provide job readiness and training in sectors relevant to operational jobs located or expected in the Project. Given the nature of the Project and the type of expected future tenants, these areas will likely include but are not limited to warehousing and distribution, logistics, transportation, and light and advanced manufacturing. After assessing the types of jobs expected in the Project and reviewing the pipeline of qualified job-seekers, OEWD may identify the need for additional training offerings in particular industries. OEWD will utilize these funds to identify, through competitive solicitation processes, qualified partners, including community-based organizations, that possess the capacity and expertise to customize training based on the types of tenants leasing space within each Development Phase. An amount up to, and not to exceed, 15% (fifteen percent) of this amount may be used for City staff in the administration of these programs.

b. Manner and Timing of Payment. Developer will pay such total of $537,500 in accordance with the following schedule:

Phase 1: Developer will pay $268,750 to OEWD prior to City's issuance of a TCO for the first Building in the Project.

Phase 2: Developer will pay $268,750 to OEWD prior to the City's issuance of a TCO for the construction of the second Building in the Project.

5. **Accounting**. Developer will have no right to challenge the appropriateness of or the amount of any expenditure of the Job Readiness and Training Funds, so long as the Job Readiness and Training Funds are used in accordance with the provisions of this **Section III.D**. The Job Readiness and Training Funds may be commingled with other funds of the City for purposes of investment and safekeeping, but the City shall maintain records as part of the City's accounting system to account for all the expenditures for a period of four (4) years following the date of the expenditure, and make such records available upon Developer's request.

6. **Board Authorization**. By approving the Development Agreement, including this Workforce Agreement, the Board of Supervisors authorizes the City (including OEWD) to accept and expend the Job Readiness and Training Funds paid by Developer as set forth herein. The Board of Supervisors also agrees that any interest earned on any the Job Readiness and Training Funds shall remain in designated accounts for use by OEWD

for workforce readiness and training consistent with this **Section III.D** and shall not be transferred to the City's general fund.

E. GENERAL PROVISIONS

1. **Enforcement**. OEWD shall have the authority to enforce the Construction Workforce Requirements and the Operations Workforce Requirements. OEWD shall cause its staff to work cooperatively to create efficiencies and avoid redundancies and to implement this Workforce Agreement and the First Source Hiring Agreements in good faith, and to work with all of the Project's stakeholders, including Developer, Construction Contractors, Covered Contractors and Contractors (and Subcontractors) and Permanent Employers, in a fair, nondiscriminatory and consistent manner. OEWD recognizes that an individual Permanent Employer's good faith effort towards, and level of success in realizing, its Operations Workforce goal is not a direct reflection of Developer's support for and cooperation in implementing this Workforce Agreement.

2. **Exclusivity**. In recognition of the unique circumstances and requirements surrounding the Project, the City, including through OEWD, and Developer have agreed that this Workforce Agreement will constitute the exclusive workforce, employment and contracting requirements of the City for the construction and operation of the Project. Without limiting the generality of the foregoing, if the City implements or modifies any workforce development policy or requirements after the Reference Date, whether relating to construction or operations, that would otherwise apply to the Project, and Developer asserts that such change as applied to the Project would be prohibited by the foregoing or the Development Agreement (including an increase in the obligations of Developer or its contractors under any provisions of the Development Agreement), then, in addition to any other rights and remedies provided thereunder, the parties shall have the right to invoke the process set forth in Section 9.2 (Meet and Confer Process) of the Development Agreement.

**Attachment A-1: First Source Hiring Agreement**
**For Business, Commercial Operations, and Lease Occupancy of the Building**

This First Source Hiring Agreement (this "Agreement") is made as of _____, 20__ (the "Effective Date") by and between _____, a _____ (the "Lessee"), and the First Source Hiring Administration (the "FSHA"), collectively the "Parties".

RECITALS

WHEREAS, pursuant to that certain Workforce Agreement (the "Workforce Agreement") attached to that certain Development Agreement between Prologis, L.P. and the City and County of San Francisco, a municipal corporation (the "City"), dated as of [_____ ___, 20__] (the "Development Agreement"), Developer is required to include in Commercial Leases a requirement that the Permanent Employers enter into a First Source Hiring Agreement for Operations, as more particularly described therein;

WHEREAS, Lessee has plans to occupy a portion of the building at [Address] (the "Premises") pursuant to that certain [_____] between Lessee and Prologis, L.P., dated as of [_____ ___, 20__] (the "Contract"), which requires the execution of a First Source Hiring Agreement for Operations under the Workforce Agreement;

WHEREAS, as a material part of the consideration given by Lessee under the Contract, Lessee has agreed to execute this Agreement and participate in the Workforce System managed by the Office of Economic and Workforce Development ("OEWD") as established by the City and County of San Francisco pursuant to Chapter 83 of the San Francisco Administrative Code ("Chapter 83"), as required hereunder; and

WHEREAS, Chapter 83 directs OEWD, in its management of the Workforce System, to develop effective outreach, education, support services for, and recognition of, employers, and to fulfill its duties in a manner that does not result in delay for contractors or developers subject to the First Source Program.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Parties covenant and agree as follows:

1. DEFINITIONS

For purposes of this Agreement, initially capitalized terms shall be defined as follows (and capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Development Agreement):

a. "Building" means each building on the Project Site under and as defined in the Development Agreement.

b. "Commercial Activity" means retail sales and services, restaurant, hotel, education and office uses, production, distribution, and repair activities (PDR), technology

and biotechnology business, and any other for-profit commercial uses permitted under the Project SUD (as defined in the Development Agreement) that are conducted within a Building or the associated operations yard within the Property by a tenant of the Building. For the avoidance of doubt, Commercial Activity shall not include the operation of community, childcare, or arts facilities, or deliveries to or from the Building or other activities by individuals (i) who are not employees of any tenant of the Building and (ii) who are not primarily based out of the Building. After the expiration of the Development Agreement to which the Workforces Agreement is attached, the Covered Operations are subject to the provisions of Chapter 83.

c. "Commercial Lease" means all leases, subleases or other occupancy contracts for Covered Operations.

d. "Covered Operations" means Commercial Activity that results in the expansion of Entry Level Positions and apprentice level positions that are located within a newly-constructed Building or a rehabilitated Building, including an associated operations yard within the Property, where the Building contains more than 25,000 gross square feet in floor area. Covered Operations do not include (a) Buildings containing less than 25,000 gross square feet or (b) activities or operations conducted by tenants, subtenants and other occupants of less than 25,000 gross square feet of space within a Building, other than those subject to Section 1(h), or (c) deliveries to or from the Building or other activities or operations conducted by individuals (i) who are not employees of any tenant of the Building and (ii) who are not primarily based out of the Building.

e. "Developer" means Prologis, L.P., including any successor during the term of this Agreement.

f. "Entry Level Position" means any position that requires less than two (2) years training or specific preparation, and shall include temporary and permanent jobs.

g. "First Preference" means Lessee shall give preference to Referrals living in the Targeted Area, then to any Local Residents of the Targeted Area, then to Referrals more broadly, and finally to other Local Residents of San Francisco, when filling hiring opportunities of Entry Level Positions.

h. "Permanent Employer" means each employer that occupies more than 25,000 gross square feet of space for Commercial Activity(ies) in a Covered Operation, and any employer that occupies less than 25,000 gross square feet of space for a Commercial Activity in a Covered Operation whose primary onsite use is consistently open to the public.

i. "Referral" means a member of the Workforce System who has been identified by OEWD as having the appropriate training, background and skill sets for a Lessee specified Entry Level Position.

j. "Targeted Area" means the geographic area delineated by the boundaries of the zip code 94107, 94124, 94103, 94110, 94112, and 94134.

k. "Workforce System" means the First Source Hiring Administration, established by the City and County of San Francisco and managed by OEWD.

2. LESSEE OBLIGATIONS

a. Lessee shall process all candidates and Referrals through Lessee's standard hiring methods; however, Lessee shall adhere to the following protocols:

Lessee, or its designee, shall notify OEWD's Employer Services Team of every available Entry Level Position and provide OEWD ten days to recruit and refer qualified candidates from the Workforce System prior to advertising Entry Level Positions to the general public. Lessee, or its designee, shall provide feedback to OEWD including but not limited to job seekers interviewed and name, position title, starting salary and employment start date of those individuals hired by the Lessee no later than ten business days after the date of interview or hire. Lessee, or its designee, will also provide feedback to OEWD on reasons as to why Referrals were not interviewed or hired.

For the avoidance of doubt and without limiting Lessee's obligations hereunder, Lessee may consider any applications or referrals that Lessee receives through its standard hiring methods in accordance with this Agreement in addition to any Referrals that Lessee receives through the Workforce System and without any requirement of exclusivity or preferential hiring of Referrals from the Workforce System. Lessee shall have the sole discretion to interview any Referral. Hiring decisions shall be entirely at the discretion of Lessee.

b. Lessee shall accurately complete OEWD's standard *First Source Employer's Projection of Entry-Level Positions* form and submit it to OEWD upon execution of this Agreement.

c. Lessee shall register with OEWD's data system, upon execution of this Agreement.

d. Lessee, or its designee, shall notify OEWD of all available Entry Level Positions 10 days prior to posting such positions with the general public. Lessee and its designee (if applicable) must each identify a single point of contact responsible for communicating Entry-Level Positions and take active steps to ensure continuous communication with OEWD.

e. Nothing in this Agreement shall require Lessee to (a) modify in any manner its hiring practices including, without limitation, any computerized application system, background checks, drug tests, and skills tests; or (b) to violate any contract, court order, consent decree, law or statute.

f. Lessee may seek an exception to the 10-day job posting requirement contained in this Agreement by submitting to the FSHA the APPLICATION FOR EXCEPTION FROM FIRST SOURCE HIRING PROGRAM 10-DAY JOB POSTING REQUIREMENT, attached hereto as Form 2. The FSHA will respond to a request for an exception in writing within two business days. If the FSHA does not so

respond, the exception will be deemed approved. Lessee may at any time, in its sole discretion, revoke the exception by providing written notice to the FSHA.

g. With approval from the FSHA, Lessee may count towards its hiring goals, the promotion of an employee from a First Source position to a position of a different category and of a higher responsibility level. Similarly, Lessee may count a trainee or intern as a First Source hire, with review and approval of the FSHA.

h. This Agreement shall be in full force and effect until the expiration or termination of Lessee's occupancy of the Building.

i. With approval of the FSHA, Lessee may count towards its hiring goals the hiring of Local Residents in addition to Referrals. FSHA shall count these hires if and to the extent Lessee provides an individual's name, email address, zip code, starting wage, position, and date of start of employment once a quarter to OEWD for verification.

3. LESSEE GOOD FAITH EFFORTS

a. If Lessee's operations create Entry Level Positions, Lessee will make good faith efforts, working with the FSHA and applying the First Preference approach described in this Agreement, to achieve the goal that 50% of open Entry Level Positions are filled with First Source Referrals and individuals approved by OEWD under Section 2(i). Specific hiring decisions shall be made at the sole discretion of the Lessee.

b. Lessee acknowledges that active communication with the FSHA is a critical component of working in good faith towards the stated hiring goal in Section 3(a). OEWD recognizes that multiple factors exogenous to a Lessee's operations, including broader economic conditions and changes in state or federal law, can influence a Lessee's hiring practices and procedures. Lessee's communication about these potentially confounding factors to the FSHA can help ensure the parties are successful in working towards Lessee's hiring goals. The FSHA shall designate a specific point of contact to Lessees and shall support a Lessee's hiring needs by pre-vetting resumes and connecting Lessees to applicants who meet the minimum qualifications for entry-level positions created by Lessees. Support from FSHA also includes but is not limited to promoting Lessee's open positions in OEWD's workforce system and providing opportunities for Lessee to participate in hiring fairs.

c. Nothing in this Agreement shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, project labor agreements, project stabilization agreements, existing employment contracts or other labor agreements or labor contracts (collectively, "Existing Agreements"). In the event of a conflict between this Agreement and an Existing Agreement, the terms of the Existing Agreement shall supersede this Agreement.

d. Lessee's failure to meet the goal set forth in Section 3(a) does not impute "bad faith", but may trigger review of Lessee's referral process and Lessee's compliance with this Agreement. For the avoidance of doubt, Lessee shall be allowed to continue hiring during any review period using good faith efforts to follow the requirements of this Agreement. FSHA's determination of Lessee providing good faith efforts towards meeting its hiring goals shall be based on 1) Lessee's performance of its Section 2 obligations, and 2) Lessee's timely consideration of resumes of Referrals meeting the subject job description and requirements, and Lessee's interviewing of such Referrals, in accordance with this Agreement. FSHA may investigate possible violations of this Agreement pursuant to Section 83.10 of the Administrative Code.

e. Noncompliance with this Agreement may result in penalties as defined in SF Administrative Code Chapter 83, to the extent provided therein as of the Operative Date of the Development Agreement. By executing this Agreement, Lessee acknowledges that Lessee has reviewed San Francisco Administrative Code Chapter 83 and understands its requirements.

4. Lessee agrees to use OEWD's most updated standard Form 1 and Form 2, provided that such form does not create material additional obligations for Lessee and OEWD provides Lessee with thirty (30) days prior written notice of the updated form.

5. NOTICE

All notices to be given under this Agreement shall be in writing and sent via mail or email as follows:

ATTN: Employer Services, Office of Economic and Workforce Development
1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103
Email: Employer.Services@sfgov.org

6. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the Parties and shall not be modified in any manner except by an instrument in writing executed by the Parties or their respective successors or permitted assignees. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected. If this Agreement is executed in one or more counterparts, each shall be deemed an original and all, taken together, shall constitute one and the same instrument. Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

7. REPORTING

Notwithstanding anything to the contrary contained in this Agreement, if (a) OEWD develops a reporting system that allows for OEWD to provide reports on the Referrals for operations positions and (b) OEWD agrees to provide such reports to a developer or a lessee in any future development

agreement, then OEWD shall provide Developer and Lessee with a copy of such reporting, as may be modified for Developer and Lessee's respective use.

8. PRIVACY

Nothing in this Agreement shall be interpreted to require Lessee to provide reporting information or keep records to the extent that such reporting or recordkeeping is prohibited under applicable privacy laws, including the California Consumer Protection Act.

9. APPLICABLE LAW AND VENUE

This Agreement has been executed and delivered in and shall be interpreted, construed, and enforced in accordance with the laws of the State of California. All references in this Agreement to California or federal laws, regulations and statutes shall mean such laws, regulations and statues as they may be amended from time to time, except to the extent a contrary intent is stated. Local laws, statutes and regulations applicable to this Agreement shall be the Applicable Standards (and, for the avoidance of doubt, any New City Laws that conflict with this Agreement shall not be applicable to the matters covered hereby). Venue for any proceeding related to this Agreement shall be solely in courts located in the City. Each party hereby consents to the jurisdiction of the State or Federal courts located in the City. Each party hereby expressly waives any and all rights that it may have to make any objections based on jurisdiction or venue to any suit brought to enforce this Agreement in accordance with the foregoing provisions.

[Signature Page Follows]

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

Lessee:

_____,
a_____

[INSERT SIGNATURE BLOCK]

FSHA:

First Source Hiring Administration

[INSERT SIGNATURE BLOCK]

# *Form 1 - First Source Employer's Projection of Entry-Level Positions*

Business Name: _____

Main Contact: _____

Contract ID (If applicable): _____ Supplier ID (If applicable): _____

Phone: _____ Email: _____

Date: _____ Signature: _____

Name of Authorized Representative: _____

* By signing this form, the company agrees to participate in the San Francisco Workforce Development System established by the City and County of San Francisco, and comply with the provisions of the First Source Hiring Program pursuant to Chapter 83 of the San Francisco Administrative Code

Instructions:

- This form must be submitted via email to the Office of Economic and Workforce Development at employer.services@sfgov.org with the subject line First Source Hiring Workforce Projection Form
- If an entry-level position becomes available at any time during the term of the lease and/or contract, the company must notify the First Source Hiring Program Administrator at employer.services@sfgov.org

**Section 1: Select your Industry:**

| | | | |
|---|---|---|---|
| Accommodation and Food Services | Educational Services | Mining, Quarrying, and Oil and Gas Extraction | Retail Trade |
| Administrative and Support Services | Finance and Insurance | Manufacturing | Transportation and Warehousing |
| Agriculture, Forestry, Fishing and Hunting | Health Care and Social Assistance | Professional, Scientific, and Technical Services | Utilities |
| Arts, Entertainment, and Recreation | Information | Public Administration | Wholesale Trade |
| Construction | Management of Companies and Enterprises | Real Estate and Rental and Leasing | Other Services (except Public Administration) |

**Section 2:** **Indicate Industry NAICS code if known:** _____

**Section 3:** **Provide information on all Entry Level Positions:**

| Entry-level Position Title | Job Description | Number of New Hires | Projected Hiring Date |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |

**Section 4:** **Select the type of First Source Project:**

Contractor

Subcontractor

City of San Francisco Tenant

Subtenant

Developer

Scene in San Francisco Rebate Applicant

City Contract (Department) _____

Cannabis

Other _____

**CONTACT**

employer.services@sfgov.org
(415) 701-4848 main

1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103
(415) 701-4894 fax

# First Source Hiring Program Fact Sheet

**What is the First Source Hiring Program?**
The First Source Hiring Program (First Source) was enacted in 1998 under Chapter 83 of the City's Administrative Code and is administered by the Office of Economic and Workforce Development (OEWD). The First Source Hiring Program requires that developers, contractors, and employers use good-faith efforts to hire economically disadvantaged San Franciscan residents for new entry-level positions.

The First Source Hiring Program provides a ready supply of qualified workers to employers with employment needs, and it gives economically disadvantaged individuals the first opportunity to apply for entry-level positions in San Francisco. Entry- level positions are defined as those requiring less than two years of training or specific preparation and includes temporary and permanent jobs.

**How can the First Source Hiring Program help your business at no cost?**
- Promote job announcements to over 2,000 recipients in the San Francisco community
- Connect you with a pool of qualified, pre-screened candidates
- Refer graduates of OEWD-funded industry sector training programs
- Coordinate customized recruitment and hiring events
- Provide access to City-wide recruitment facilities and events

**Which Businesses are required to comply with the First Source Hiring Program?**
- Businesses who have leases with the City on City Property
- Businesses with City contracts for goods, services, grants or loans in excess of $50,000
- Businesses with City-issued construction contracts in excess of $350,000
- Developers with building permits for residential projects over 10 units and all employers engaged in commercial activity to be conducted in said development project, including residential services
- Any building permit application for a commercial activity over 25,000 square feet and involving new construction, an addition, or alteration which results in the expansion of entry and apprentice-level positions for a commercial activity
- Cannabis-related businesses
- Special projects required by the Board of Supervisors and administered by OEWD

**I need to comply with the First Source Hiring Program, where do I start?**
**Step #1:** Contact the Employer Services Team at the Office of Economic and Workforce Development (OEWD) by emailing to employer.services@sfgov.org You can also call 415-701-4848 and ask to speak with a First Source Hiring Program Specialist.

**Step #2:** The Employer Services Team will assist you with registering your business in the OEWD's data system.

**Step #3:** Once you have registered with the OEWD's data system, the Employer Services Team will assist you with recruitment for your open positions.

**What are the penalties for non-compliance with the First Source Hiring Program?**
Liquidated damages up to $5,000 can be assessed for each entry-level job improperly withheld from the First Source Hiring Program process

Thank you for your interest in San Francisco's First Source Hiring Program. For more information, please visit us online at https://oewd.org/first-source, email us at employer.services.org, or call us at 415-701-4848 and ask to speak with a First Source Hiring Program Specialist.

**CONTACT**

employer.services@sfgov.org
(415) 701-4848 main
1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103
(415) 701-4894 fax

SAN FRANCISCO
OFFICE OF ECONOMIC & WORKFORCE DEVELOPMENT

FIRST SOURCE HIRING
CITY & COUNTY OF SAN FRANCISCO

**APPLICATION FOR EXCEPTION FROM FIRST SOURCE HIRING PROGRAM 10-DAY JOB POSTING REQUIREMENT**

*The First Source Hiring Program, codified in Chapter 83 of the San Francisco Administrative Code, applies to entry level positions for work performed: (a) by a contractor in the City; (b) on the contract in counties contiguous with the City; (c) on the contract on property owned by the city; and (d) under a permit authorization on a development project in the City. For qualifying positions, the First Source Hiring Program imposes certain requirements regarding the recruitment and hiring process.*

Instructions: This form must be submitted via email to the Office of Economic and Workforce Development, Workforce Development Division at employer.services@sfgov.org with the subject line First Source Application for Exception.

SECTION 1: EMPLOYER INFORMATION

Employer Name: _____ ContactPerson: _____

Supplier Number (If Applicable): _____ Contact Phone Number: _____

Contract # (If Applicable): _____ Email: _____

Project/Development Name (If Applicable): _____

SECTION 2: EXCEPTION REQUEST

We apply for an exception to the 10-day job posting requirement of the First Source Hiring Program, as set forth in Chapter 83 of the San Francisco Administrative Code, on one or more of the following bases (select all that apply):

- ☐ Compliance Would Conflict with Federal or State Law
- ☐ Compliance Would Cause Economic Hardship
- ☐ The Burden of Compliance Would Be Disproportionate to the Impact of the Employer's Commercial Activity(ies) in the City
- ☐ The Requirement Conflicts with an Existing Labor Agreement to which the Employer is a Party

Any Employer requesting an exception must submit the attached declaration in support of this application as well as any additional documentation that supports the asserted basis or bases for the requested exception. List all enclosed supporting documentation here:

SECTION 3: EMPLOYER SIGNATURE

*By signing below, I acknowledge that I am an authorized representative for the Employer identified above. I further acknowledge and attest that I will notify and update the City immediately regarding any changes to the conditions I have identified above as a basis for exception from the First Source 10-day job posting requirements, or any changes to the documentation provided in support of this exception request.*

Name of Authorized Representative _____ Signature _____ Date _____

**OEWD Action – For OEWD Use Only**

Reason for Action: _____

OEWD Staff: _____ Date: _____

OEWD Workforce/Director of Employer Services: _____ Date: _____

1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103
Tel: 415-652-4800, Email: employer.services@sfgov.org
Website: www.workforcedevelopmentsf.org

SAN FRANCISCO
OFFICE OF ECONOMIC & WORKFORCE DEVELOPMENT

FIRST SOURCE HIRING
CITY & COUNTY OF SAN FRANCISCO

***APPLICATION FOR EXCEPTION FROM FIRST SOURCE HIRING PROGRAM 10-DAY JOB POSTING REQUIREMENT***

**DECLARATION OF EMPLOYER IN SUPPORT OF APPLICATION FOR EXCEPTION FROM FIRST SOURCE HIRING PROGRAM 10-DAY JOB POSTING REQUIREMENT**

I, _____ *(Name)*, declare:

1. I am a _____ *(Job Title)* at _____ *(Employer)*. I am over the age of eighteen and I have personal knowledge of the matters stated in this declaration, unless otherwise stated. I am an authorized representative of _____ *(Employer)* for purposes of all statements in this declaration.

2. _____

*(Description Of Location, Size, And Business Of Employer)*

3. _____ *(Employer)* requests that the San Francisco Office of Economic and Workforce Development ( "OEWD") grant _____ *(Employer)* an exception to the 10-day job posting requirement of the First Source Hiring Program, at Sections 83.9(b)(2) and 83.11(a)(2) of the San Francisco Administrative Code, for the following reason[s]:

_____

*(Describe in detail any barrier to compliance based on the bases selected in section 2 of employer's application for exception. Attach supporting documents as appropriate.)*

4. In place of the 10-day job posting process described in Sections 83.9(b)(2) and 83.11(a)(2) of the San Francisco Administrative Code, _____ *(Employer)* agrees to interview candidates referred by OEWD during the 10 days following posting of a First Source qualifying position, or the following mutually agreed-upon alternative means of meeting the goals of the First Source Hiring Program:

_____

*(Insert detailed description of alternative compliance proposal approved by OEWD).*

I declare under penalty of perjury under the laws of the State of California and the United States that the preceding declaration is true, and that this declaration was executed on _____ *(Date)* in _____ *(Location)*

_____

*(Name)*

## Attachment A-2: Memorandum of Understanding

## MEMORANDUM OF UNDERSTANDING

**This Memorandum of Understanding ("MOU") is entered into as of _____ __, 20[__] by and between the City and County of San Francisco, municipal corporation (the "City"), through its First Source Hiring Administration ("FSHA"), and Prologis, L.P. ("Project Sponsor").**

WHEREAS, Project Sponsor, as developer, proposes to construct two (2) multistory production, distribution, and repair (PDR) buildings commonly referred to as the San Francisco Gateway project (the "Project") under that certain Development Agreement entered into by and between Project Sponsor and the City, dated as of [____, 20__] (the "Development Agreement"), all as more particularly described therein; capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Development Agreement (including its Workforce Agreement); and

WHEREAS, the Administrative Code of the City provides at Chapter 83 for a "First Source Hiring Program" which has as its purpose the creation of employment opportunities for qualified Economically Disadvantaged Individuals (as defined in Exhibit A); and

WHEREAS, the Project requires a building permit for a commercial activity of greater than 25,000 gross square feet and/or is a residential project greater than ten (10) units and therefore falls within the scope of the Chapter 83 of the Administrative Code, the applicable requirements of which have been implemented through the Workforce Agreement attached to the Development Agreement; and

WHEREAS, the City and Project Sponsor agree that the City of San Francisco's Office of Economic and Workforce Development ("OEWD") and the CityBuild program ("CityBuild") will serve the roles set forth below; and

WHEREAS, Project Sponsor has not yet entered into a contract with a Construction Contractor to construct the Project upon the Project Site, nor has the identity of the Construction Contractor been determined; and

WHEREAS, Project Sponsor wishes to make a good faith effort to comply with the City's First Source Hiring Program and enters into this MOU in satisfaction of its requirements under the Development Agreement.

Therefore, the parties to this MOU agree as follows:

1. Project Sponsor, upon entering into a contract with a Construction Contractor, or Construction Contractors, for Construction Work after the date of this MOU, will include in that contract a provision requiring the Construction Contractor to enter into a First Source Hiring Agreement for Construction in the form attached as Exhibit A. It is the Project Sponsor's responsibility to provide a signed copy of such First Source Hiring Agreement to FSHA and CityBuild within 10 Business Days (as defined in the Development Agreement) of execution.

2. CityBuild shall represent FSHA and shall provide referrals of Qualified (as defined in Exhibit A) Economically Disadvantaged Individuals for employment on the Construction Work as required under Chapter 83 and the First Source Hiring Agreements.

3. FSHA shall advise Project Sponsor, in writing, of any alleged breach on the part of the Project's contractor and/or tenant(s) with regard to participation in the First Source Hiring Program at the Project prior to seeking an assessment of liquidated damages pursuant to Section 83.12 of the Administrative Code or the applicable First Source Hiring Agreement.

4. If Project Sponsor fulfills its obligations as set forth in the Workforce Agreement and this MOU, it shall not be held responsible for the failure of a contractor or commercial tenant to comply with the requirements of Chapter 83 or any First Source Hiring Agreement.

5. This MOU is an approved "First Source Hiring Agreement" as referenced in Section 83.11 of the Administrative Code.

6. Neither Project Sponsor nor City shall assign this MOU without the consent of the other; provided, however, that if Project Sponsor Transfers its right, title and interest under the Development Agreement to a Transferee in accordance therewith, it shall contemporaneously assign this MOU to such Transferee to the extent of such Transfer (without the requirement of any consent of City hereunder). Upon execution and delivery of the assignment and assumption agreement with respect to such Transfer, the assignor thereunder shall be automatically released from any liability or obligation under this MOU to the extent Transferred thereunder.

7. Without limiting the Development Agreement, this MOU, including the preamble, Recitals and Exhibits, and the agreements between the parties specifically referenced in this MOU, constitutes the entire agreement between the parties with respect to the subject matter contained herein. Prior drafts of this MOU and changes from those drafts to the executed version of this MOU shall not be introduced as evidence in any litigation or other dispute resolution proceeding by the parties or any other Person, and no court or other body shall consider such drafts or changes in interpreting this MOU.

8. This MOU is not intended, and shall not be construed, to benefit or be enforceable by any Person other than the parties whatsoever.

9. This MOU has been executed and delivered in and shall be interpreted, construed, and enforced in accordance with the laws of the State of California. All references in this MOU to California or federal laws, regulations and statutes shall mean such laws, regulations and statues as they may be amended from time to time, except to the extent a contrary intent is stated. Local laws, statutes and regulations applicable to this MOU shall be the Applicable Standards (and, for the avoidance of doubt, any New City Laws that conflict with this MOU shall not be applicable to the matters covered hereby). Venue for any proceeding related to this MOU shall be solely in courts located in the City. Each party hereby consents to the jurisdiction of the State or Federal courts located in the City. Each party hereby expressly waives any and all rights that it may have to make any objections based on jurisdiction or venue to any suit brought to enforce this MOU in accordance with the foregoing provisions.

10. The parties have mutually negotiated the terms and conditions of this MOU, and its terms and provisions have been reviewed and revised by legal counsel for both the City and Project Sponsor. Accordingly, no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this MOU. Therefore, each party waives the effect of section 1654 of the California Civil Code, which interprets uncertainties in a contract against the party that drafted the contract. Language in this MOU shall be construed as a whole and in accordance with its true meaning. Each reference in this MOU to this MOU, the Plan Documents, or any of the Approvals shall be deemed to refer to this MOU, the other Plan Documents, or the Approvals as amended from time to time, whether or not the particular reference refers to such possible amendment. Wherever in this MOU the context requires, references to the masculine shall be deemed to include the feminine and the neuter and vice-versa, and references to the singular shall be deemed to include the plural and vice versa. Unless otherwise specified, whenever in this MOU, including its Exhibits, reference is made to any Recital, Article, Section, Exhibit, Schedule or defined term, the reference shall be deemed to refer to the Recital, Article, Section, Exhibit, Schedule or defined term of this MOU. Any reference in this MOU to a Recital, an Article or a Section includes all subsections and subparagraphs of that Recital, Article or Section. Section and other headings and the names of defined terms in this MOU are for the purpose of convenience of reference only and are not intended to, nor shall they, modify or be used to interpret the provisions of this MOU. Except as otherwise explicitly provided herein, the use in this MOU of the words "including", "such as" or words of similar import when accompanying any general term, statement or matter shall not be construed to limit such term, statement or matter to such specific terms, statements or matters. In the event of a conflict between the Recitals and the remaining provisions of this MOU, the remaining provisions shall prevail. Statements and calculations in this MOU beginning with the words "for example" or words of similar import are included for the convenience of the parties only, and in the event of a conflict between such statements or calculations and the remaining provisions of this MOU, the remaining provisions shall prevail. Words such as "herein", "hereinafter", "hereof," "hereby" and "hereunder" and the words of like import refer to this MOU, unless the context requires otherwise. Unless the context

otherwise specifically provides, the term "or" shall not be exclusive and means "or, and, or both".

11. Any notice or communication required or authorized by this MOU (as, for example, where a party is permitted or required to "notify" the other, but not including communications made in any meet and confer or similar oral communication contemplated hereunder) shall be in writing and be delivered as provided under the Development Agreement.

12. If any term, provision, covenant, or condition of this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this MOU shall continue in full force and effect, except to the extent that enforcement of the remaining provisions of this MOU would be unreasonable or grossly inequitable under all the circumstances or would frustrate the fundamental purpose of this MOU.

[Signature page follows]

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, acting by and through the FIRST SOURCE HIRING ADMINISTRATION

By: _____

Name: _____

Title: _____

**PROJECT SPONSOR:**

[ ],
a [ ]

By: _____

Name: _____

Title: _____

**Exhibit A to Workforce Agreement Attachment A-2 (Memorandum of Understanding): First Source Hiring Agreement for Construction**

This First Source Hiring Agreement (this "Agreement"), is made as of _____ __, 20__ (the "Effective Date"), by and between the City and County of San Francisco, a municipal corporation, acting by and through its First Source Hiring Administration (the "FSHA"), and the undersigned contractor ("Contractor"):

RECITALS

WHEREAS, Contractor has executed or will execute an agreement (the "Contract") to construct or oversee a portion of the project to construct two (2) multistory production, distribution, and repair (PDR) buildings commonly referred to as the San Francisco Gateway project ("Project") all as more particularly described therein, at _____, Lots in Assessor's Block _____, San Francisco California;

WHEREAS, pursuant to that certain Workforce Agreement attached to that certain Development Agreement between Prologis, L.P. ("Developer") and the City and County of San Francisco, a municipal corporation (the "City"), dated as of [_____ __, 20__] (the "Workforce Agreement"), Developer is party to that certain Memorandum of Understanding with FSHA, dated as of [_____ __, 20__] (the "MOU");

WHEREAS, pursuant to the MOU, Developer is required to include in contracts with a Construction Contractor for Construction Work a requirement that such Construction Contractors enter into a First Source Hiring Agreement, as more particularly described in the MOU; and

WHEREAS, as a material part of the consideration given by Contractor under the Contract, Contractor has agreed to execute this Agreement and participate in the San Francisco Workforce Development System managed by the Office of Economic and Workforce Development ("OEWD") as established by the City pursuant to Chapter 83 of the San Francisco Administrative Code ("Chapter 83") as more particularly described below.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

1. DEFINITIONS

For purposes of this Agreement, initially capitalized terms shall be defined as follows:

a. Contractor's "core" or "existing" workforce shall consist of any worker who appears on the Contractor's active payroll for at least 60 days of the 100 working days prior to the execution of the Contract.

b. "Economically Disadvantaged Individual". An individual who is either (a) eligible for services under the Workforce Investment Act of 1998 (29 U.S.C.A. 2801, *et seq*.), as may be amended from time to time, or (b) designated as "economically

disadvantaged" by FSHA pursuant to the Applicable Standards as an individual who is at risk of relying upon, or returning to, public assistance.

c. "Entry Level Position". Any position that requires less than two (2) years training or specific preparation, and shall include temporary and permanent jobs.

d. "First Opportunity". Consideration by Contractor of System Referrals for filling Entry Level Positions prior to recruitment and hiring of non-System Referral job applicants.

e. "First Preference". Developer and/or Contractor shall give preference to Referrals from the Targeted Area first, and then to Referrals more broadly, when filling hiring opportunities.

f. "Hiring opportunity". When a Contractor adds workers to its existing workforce for the purpose of performing Project Work, a "hiring opportunity" is created. For example, if the carpentry subcontractor has an existing crew of five carpenters and needs seven carpenters to perform the Project Work, then there are two hiring opportunities for carpentry.

g. "Job Classification". Categorization of employment opportunity or position by craft, occupational title, skills, and experience required, if any.

h. "Job Notification". Written notice of job request from Contractor to CityBuild for any hiring opportunities. Contractor shall provide Job Notifications to CityBuild with a minimum of 3 business days' notice.

i. "New hire". Any worker who is hired by Contractor for the Project Work and is not a member of Contractor's core or existing workforce.

j. "Project Work". The construction of the Project under the Contract.

k. "Project Work Hours". The total onsite work hours worked under Contract, whether those workers are employed by the Contractor or any Subcontractor.

l. "Publicize". Advertise or post available employment information, including participation in job fairs or other forums.

m. "Qualified". An Economically Disadvantaged Individual, who meets the minimum bona fide occupational qualifications provided by Contractor to the System in the job availability notices required under this Agreement.

n. "Referral". A referral is an individual member of the CityBuild Referral Program who has been identified by CityBuild as having received training appropriate to enter the construction industry workforce.

o. "Subcontractor". A person or entity who has a direct contract with Contractor to perform a portion of the Project Work under the Contract.

p. "System". The San Francisco Workforce Development System established by the City and County of San Francisco, and managed by OEWD, for maintaining (1) a pool of Qualified individuals, and (2) the mechanism by which such individuals are certified and referred to prospective employers covered by the First Source Hiring Program requirements under Chapter 83 of the San Francisco Administrative Code. Under this Agreement, CityBuild will act as the representative of the System.

q. "System Referrals". Referrals by CityBuild of Qualified applicants from the System for hiring opportunities.

r. "Targeted Area". The geographic area delineated by the boundaries of the zip codes 94107, 94124, 94103, 94110, 94112, and 94134.

s. "Workforce Participation Goal". A percentage of new hires for the Project that the Contractor and its Subcontractors will work in good faith with OEWD in an effort to fill with System Referrals.

2. PARTICIPATION OF CONTRACTOR IN THE SYSTEM

a. The Contractor agrees to work in good faith with OEWD's CityBuild Program ("CityBuild"), and to apply a First Preference approach, to achieve the goal that (i) 50% of new hires for employment opportunities in the construction trades and Entry-level positions related to providing support to the construction industry, and (ii) 30% of Project Work Hours be performed by System Referrals.

The Contractor shall provide CityBuild the following information about the Contractor's employment needs under the Contract:

i. On the CityBuild Workforce Projection Form 1 attached hereto, Contractor will prior to the start of demolition and/or construction constituting Project Work provide a detailed numerical estimate of journey and apprentice level positions to be employed on the Project Work for each trade.

ii. Contractor is required to ensure that a CityBuild Workforce Projection Form 1 is also completed by each of its Subcontractors.

iii. Contractor will collaborate with CityBuild staff to identify, by trade, the number of core workers at project start for the Project Work and the number of workers at project peak for the Project Work; and the number of positions that will be required to meet the First Source local hiring goal set forth in Section 2.a above.

iv. Contractor and Subcontractors will provide documented verification that its "core" employees for the Contract meet the definition listed in Section l.a.

b. The Contractor shall perform the following in its good faith efforts to meet the local hiring goal set forth in Section 2.a above:

i. Contractor must (A) give good faith consideration to all Referrals, (B) review the resumes of all such Referrals, (C) conduct interviews for posted hiring opportunities in accordance with the nondiscrimination provisions of the Contract, and (D) notify CityBuild of any new hiring opportunities.

ii. Contractor must provide constructive feedback to CityBuild on all System Referrals in accordance with the following:

(A) If Contractor meets the criteria in Section 5(a) below that establishes "good faith efforts" of Contractor, Contractor must only respond orally to follow-up questions asked by the CityBuild account executive regarding each System Referral; and

(B) After Contractor has filled at least 5 hiring opportunities under this Agreement, if Contractor is unable to meet the criteria in Section 5(a) below that establishes "good faith efforts" of Contractor, Contractor will be required to provide written comments on all System Referrals.

c. Contractor must provide timely notification to CityBuild as soon as the hiring opportunity is filled, and identify by whom.

3. CONTRACTOR RETAINS DISCRETION REGARDING HIRING DECISIONS

Contractor agrees to offer the System the first opportunity to provide qualified applicants for employment consideration in hiring opportunities, subject to any enforceable Collective Bargaining Agreements. Contractor shall consider all applications of Qualified System Referrals for employment in hiring opportunities. Provided Contractor utilizes nondiscriminatory screening criteria, Contractor shall have the sole discretion to interview and hire any System Referrals.

4. COMPLIANCE WITH COLLECTIVE BARGAINING AGREEMENTS

Notwithstanding any other provision hereunder, if Contractor is subject to any Collective Bargaining Agreement(s) requiring compliance with a pre-established applicant referral process, Contractor's only obligations with regards to any available new hires or hiring opportunities subject to such Collective Bargaining Agreement(s) during the term of the Contract shall be the following:

a. Contractor shall notify the appropriate union(s) of the Contractor's First Source hiring obligations under this Agreement and request their assistance in referring Qualified applicants for the available hiring opportunities to the extent such referral can conform to the requirements of the Collective Bargaining Agreement(s).

b. Contractor shall use any "name call" privileges, in accordance with the terms of the applicable Collective Bargaining Agreement(s) to seek Qualified applicants from the System for the available hiring opportunities.

c. Contractor shall sponsor qualified apprenticeship applicants that are System Referrals for applicable union membership.

5. CONTRACTOR'S GOOD FAITH EFFORT TO COMPLY WITH ITS OBLIGATIONS HEREUNDER

Contractor will make good faith efforts to comply with its obligations to participate in the System under this Agreement. Determinations of Contractor's good faith efforts shall be in accordance with the following:

a. Contractor shall be deemed to have used good faith efforts if Contractor accurately completes and submits prior to the start of demolition and/or construction constituting Project Work *CityBuild Workforce Projection Form 1*.

b. Contractor's failure to meet the criteria set forth from Section 5(c) to 5(m) does not impute "bad faith." Failure to meet the criteria set forth in Section 5(c) to 5(m) may trigger a review of the referral process and the Contractor's efforts to comply with this Agreement. For the avoidance of doubt, Lessee shall be allowed to continue hiring during any review period using good faith efforts to follow the requirements of Section 5(c) to 5(m). Such review shall be conducted by FSHA in accordance with Section 11(c) below.

c. Meet with the Project's owner, developer, general contractor, or CityBuild representative to review and discuss Contractor's plan to meet Contractor's First Source hiring obligations under this Agreement.

d. Contact a CityBuild representative to review Contractor's hiring projections and goals for the Project. The Project developer and/or Contractor must take active steps to advise all of its Subcontractors of the hiring obligations on the Project, including, but not limited to, providing CityBuild access and presentation time at each pre-bid, each pre-construction, and if necessary, any progress meeting for the Project held throughout the term of this Agreement.

e. Submit to CityBuild a *CityBuild Workforce Projection Form 1* or other formal written notification specifying Contractor's expected hiring needs during the Project's duration.

f. Notify Contractor's respective union(s) of the Contractor's hiring obligations under this Agreement and request their assistance in referring qualified San Francisco residents for any hiring opportunities to the extent such referral can conform to the requirements of the Collective Bargaining Agreement(s).

g. Use any "name call" privileges, in accordance with the terms of the applicable Collective Bargaining Agreement(s) to seek Qualified applicants from the System for the hiring opportunities.

h. Provide CityBuild with up-to-date list of all trade unions affiliated with any Project Work in a timely matter in order to facilitate CityBuild's notification to these unions of the Project's workforce requirements.

i. Submit a "Job Request" in the *CityBuild Job Notice Form* attached as Form 3 to CityBuild for each apprentice level hiring opportunity that arise throughout the duration of the Project Work, including openings that arise from layoffs of original crew. Please allow a minimum of three (3) business days for CityBuild to provide appropriate candidate(s). Contractor should simultaneously contact its union about the position as well, and let them know that it has contacted CityBuild as part of its local hiring obligations.

j. Contractor has an ongoing, affirmative obligation and must advise each of its Subcontractors of their ongoing obligation to notify CityBuild of each apprentice level hiring opportunity that arise throughout the duration of the Project Work, including openings that arise from layoffs of original crew. Contractor shall not exercise discretion in informing CityBuild of any given position; rather, CityBuild is to be universally notified, and a discussion between the Contractor and CityBuild can determine whether a CityBuild graduate would be an appropriate placement for any given apprentice level position.

k. Hire qualified Referrals (but without limiting Section 3). In the event of the firing/layoff of any CityBuild graduate performing Project Work, Contractor must notify CityBuild staff within two days of the decision; ideally, Project developer and/or Contractor will request a meeting with the Project's employment liaison as soon as any issue arises with a CityBuild placement in order to remedy the situation before termination becomes necessary.

l. Provide the reports required pursuant to Section 11.

m. Maintain accurate records of Contractor's efforts to meet the steps and requirements listed above. Such records must include the maintenance of an onsite First Source Hiring Compliance binder, as may also include 1) records of any new hire made by the Contractor through a San Francisco community-based organization, and 2) any further efforts or actions agreed upon by CityBuild staff and the Project developer and/or Contractor on a project-by-project basis.

## 6. COMPLIANCE WITH THIS AGREEMENT OF SUBCONTRACTORS

In the event that Contractor subcontracts a portion of the work under the Contract, Contractor shall determine how many, if any, of the hiring opportunities are to be employed by its Subcontractor(s) using *CityBuild Workforce Projection Form 1*, provided, however, that Contractor shall retain the primary responsibility for meeting the requirements imposed on it under this Agreement. Contractor shall ensure that this Agreement is incorporated into and made applicable to such subcontract.

7. EXCEPTION FOR ESSENTIAL FUNCTIONS

Nothing in this Agreement precludes Contractor from using temporary or reassigned existing employees to perform essential functions of its operation; provided, however, the obligations of this Agreement to make good faith efforts to fill hiring opportunities permanently with System Referrals remains in effect. For these purposes, "essential functions" means those functions absolutely necessary to perform work under the Contract.

8. CONTRACTOR'S COMPLIANCE WITH EXISTING EMPLOYMENT AGREEMENTS

Nothing in this Agreement shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, project labor agreements, project stabilization agreements, existing employment contracts or other labor agreements or labor contracts (collectively, "Collective Bargaining Agreements"). In the event of a conflict between this Agreement and a Collective Bargaining Agreement, the terms of the Collective Bargaining Agreements shall supersede this Agreement.

9. HIRING GOALS EXCEEDING OBLIGATIONS OF THIS AGREEMENT

Nothing in this Agreement shall be interpreted to prohibit the adoption of hiring and retention goals, first source hiring and interviewing requirements, notice and job availability requirements, monitoring, record keeping, and enforcement requirements and procedures which exceed the requirements of this Agreement.

10. OBLIGATIONS OF CITYBUILD

Under this Agreement, CityBuild shall:

a. Upon Contractor's submission of the *CityBuild Workforce Projection Form 1*, immediately initiate recruitment and pre-screening activities;

b. Recruit and train individuals to create a pool of Qualified applicants and train applicants for jobs that will become available through the First Source Hiring Program;

c. Screen and refer applicants according to qualifications and specific selection criteria submitted by Contractor;

d. Provide funding for City-sponsored pre-employment, employment training, and support services programs;

e. Follow up with Contractor on outcomes of System Referrals and initiate corrective action as necessary to maintain an effective employment/training delivery system;

f. Provide Contractor with reporting forms for monitoring the requirements of this Agreement; and

g. Monitor the performance of this Agreement by examination of records of Contractor as submitted in accordance with the requirements of this Agreement.

11. CONTRACTOR'S REPORTING AND RECORD KEEPING OBLIGATIONS

Contractor shall:

a. Maintain accurate records demonstrating Contractor's compliance with this Agreement, including, but not limited to, the following:

(1) Applicants

(2) Job offers

(3) Hires

(4) Rejections of applicants

b. Submit completed reporting forms applicable to the Project Work based on Contractor's records to CityBuild quarterly, unless more frequent submittals are reasonably required by FSHA (for example, if significant number of positions are to be filled during a given period or other circumstances warrant).

c. If based on complaint, failure to report, or other cause, FSHA has a credible reason to question Contractor's good faith effort, Contractor shall demonstrate to the reasonable satisfaction of the City that it has exercised good faith to satisfy its obligations under this Agreement.

d. Covered Contractor shall submit certified payrolls to the City electronically using the Project Reporting System. OEWD will monitor compliance with this Agreement electronically. Notwithstanding the foregoing, nothing in this Agreement shall be interpreted to require Developer or any Covered Contractor or Subcontractor to provide reporting information or keep records to the extent that such reporting or recordkeeping is prohibited under applicable privacy laws, including the California Consumer Protection Act.

12. DURATION OF THIS AGREEMENT

This Agreement shall be in full force and effect throughout the term of the Contract with respect to the Project Work. Upon expiration of the Contract, or its earlier termination, with respect to the Project Work this Agreement shall terminate and it shall be of no further force and effect on the parties.

13. NOTICE

All notices to be given under this Agreement shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in

which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

**If** to FSHA: First Source Hiring Administration
OEWD, 1 South Van Ness 5th Fl.
San Francisco, CA 94103
Attn: Ken Nim, CityBuild Director
ken.nim@sfgov.org

**If** to CityBuild: CityBuild Compliance Manager
OEWD, 1 South Van Ness 51h Fl.
San Francisco, CA 94103
Attn: Ken Nim, CityBuild Director
ken.nim@sfgov.org

**If** to Developer:

Attn:

**If** to Contractor:

Attn:

a. Any party may change its address for notice purposes by giving the other parties notice of its new address as provided herein. A "business day" is any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to close.

b. Notwithstanding the forgoing, any Job Notification or any other reports required of Contractor under this Agreement (collectively, "Contractor Reports") shall be delivered to the address of FSHA pursuant to this Section via first class mail, postage paid, and such Contractor Reports shall be deemed delivered two (2) business days after deposit in the mail in accordance with this Section 13.

c. A copy of any notice delivered hereunder by Contractor or the City shall be contemporaneously delivered for informational purposes only to the applicable Developer under the Development Agreement.

14. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the parties to this Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.

15. SEVERABILITY

If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

16. COUNTERPARTS

This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.

17. SUCCESSORS

This Agreement shall inure to the benefit of and shall be binding upon the parties to this Agreement and their respective heirs, successors and assigns. If there is more than one person comprising Contractor hereunder, their obligations shall be joint and several.

18. HEADINGS

Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

19. APPLICABLE LAW AND VENUE.

This Agreement has been executed and delivered in and shall be interpreted, construed, and enforced in accordance with the laws of the State of California. All references in this Agreement to California or federal laws, regulations and statutes shall mean such laws, regulations and statues as they may be amended from time to time, except to the extent a contrary intent is stated. Local laws, statutes and regulations applicable to this Agreement shall be the Applicable Standards (and, for the avoidance of doubt, any New City Laws that conflict with this Agreement shall not be applicable to the matters covered hereby). Venue for any proceeding related to this Agreement shall be solely in courts located in the City. Each party hereby consents to the jurisdiction of the State or Federal courts located in the City. Each party hereby expressly waives any and all rights that it may have to make any objections based on jurisdiction or venue to any suit brought to enforce this Agreement in accordance with the foregoing provisions.

[Signature Page Follows]

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

**CITY**:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, acting by and through the FIRST SOURCE HIRING ADMINISTRATION

By: _____

Name: _____

Title: _____

**CONTRACTOR**:

[ ],
a [ ]

By: _____

Name: _____

Title: _____

CityBuild
Office of Economic and Workforce Development

For questions, contact CityBuild:
415.701.4848 (P)
CITYBUILD@SFGOV.ORG
WWW.OEWD.ORG

# FIRST SOURCE HIRING PROGRAM FOR PUBLIC WORKS CONSTRUCTION PROJECTS

## OVERVIEW

- Applies to publicly funded projects with an estimate in excess of $350,000
- Contractors are required to work in good faith with the CityBuild unit within the San Francisco Office of Economic and Workforce Development (OEWD) to employ economically disadvantaged individuals in 50% of all new hiring opportunities.
- Contractors must provide CityBuild with a list of Core Employees who will be working on the project, and must notify CityBuild of **all new hiring opportunities**.
- Core Employees are defined as workers who are documented on contractor's active payroll 60 of the previous 100 working days prior to award of contract. New hiring opportunities are work that will not be performed by a contractor's Core Employees. CityBuild has the discretion to require contractors to submit payroll records to verify that employees listed meet the definition of Core Employees.

## GUIDELINES

- Prior to starting work on a project, a CityBuild Workforce Meeting is scheduled to discuss construction schedule and labor needs.
- **Form 1: Workforce Projection.** Must be submitted to CityBuild by the Prime Contractor for approval within 30 days of contract award. Contractors are required to list work projections and provide a list of Core Employees who will work on the project.
- **City's Electronic Certified Payroll System:** All contractors will be required to submit certified payroll for all workers through the City's Electronic Certified Payroll System. An account is required to access the system.
- **Form 3: Job Notice** should be submitted to CityBuild at least 3 business days in advance of a *new hire* start date.

## PENALTIES

- Liquidated Damages may be assessed for each instance of non-compliance: $5,000 for the first "New Hire" not properly noticed and $10,000 for each subsequent violation.
- Failure to comply may lead to delay in release of permits by the Department of Building Inspections.
- A Corrective Action Plan may be negotiated to avoid penalties.

CityBuild
Office of Economic and Workforce Development

# FIRST SOURCE HIRING PROGRAM
# FORM 1: WORKFORCE PROJECTIONS

**Instructions**

- *The Prime Contractor must complete and submit Form 1 within 30 days of award of contract.*
- *All subcontractors with contracts in excess of $100,000 must complete Form 1 and submit to the Prime Contractor within 30 days of award of contract.*
- *The Prime Contractor is responsible for collecting all completed Form 1's from all subcontractors.*
- *It is the Prime Contractor's responsibility to ensure the CityBuild Program receives completed Form 1's from all subcontractors in the specified time and keep a record of these forms in a compliance binder at the project jobsite.*
- *All contractors and subcontractors are required to attend a preconstruction meeting with CityBuild staff.*
- *All contractors and subcontractors are responsible for submitting a Job Notice Form (Form 3) for all new hires on the project.*

Construction Project Name: _____ Construction Project Address: _____

Projected Start Date: _____ Contract Duration: _____ *(calendar days)*

Company Name: _____ Company Address: _____

Main Contact Name: _____ Main Phone Number: _____

Main Contact Email : _____

Name of Person with Hiring Authority: _____ Hiring Authority Phone Number: _____

Hiring Authority Email: _____

| Name of Authorized Representative | Signature of Authorized Representative* | Date |
|---|---|---|
| | | |

***By signing this form, the company agrees to participate in the CityBuild Program and comply with the provisions of the First Source Hiring Agreement pursuant to San Francisco Administrative Code Chapter 83.***

**Table 1: Briefly summarize your contracted or subcontracted scope of work**

| |
|---|
| |

**Table 2: Complete on the following page**

- *List the construction trade crafts that are projected to perform work. Do not list Project Managers, Engineers, Administrative, and any other non-construction trade employees.*
- *Total Number of Workers on the Project: The total number of workers projected to work on the project per construction trade. This number will include existing workers and new hires. For union contractors this total will also include union dispatches.*

- *Total Number of New Hires: List the projected number of New Hires that will be employed on the project. For union contractors, New Hires will also include union dispatches.*

**Table 2: List all construction trades projected to perform work**

| Construction Trade | Journey or Apprentice | Union (Yes or No) | Total Work Hours | Total Number of Workers on the Project | Total Number of New Hires |
|---|---|---|---|---|---|
| | J ☐ A ☐ | Y ☐ N ☐ | | | |
| | J ☐ A ☐ | Y ☐ N ☐ | | | |
| | J ☐ A ☐ | Y ☐ N ☐ | | | |
| | J ☐ A ☐ | Y ☐ N ☐ | | | |
| | J ☐ A ☐ | Y ☐ N ☐ | | | |
| | J ☐ A ☐ | Y ☐ N ☐ | | | |
| | J ☐ A ☐ | Y ☐ N ☐ | | | |

**Table 3: List your core or existing employees projected to work on the project**

- *Please provide information on your projected core or existing employees that will perform work on the jobsite.*
- *"Core" or "Existing" workers are defined as any worker appearing on the Contractor's active payroll for at least 60 out of the 100 working days prior to the award of this Contract. If necessary, continue on a separate sheet.*

| Name of Corse or Existing Employment | Construction Trade | Journey or Apprentice | City | Zip Code |
|---|---|---|---|---|
| | | J ☐ A ☐ | | |
| | | J ☐ A ☐ | | |
| | | J ☐ A ☐ | | |
| | | J ☐ A ☐ | | |
| | | J ☐ A ☐ | | |
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| | | J ☐ A ☐ | | |
| | | J ☐ A ☐ | | |
| | | J ☐ A ☐ | | |

**FOR CITY USE ONLY**: CityBuild Staff: _____ Approved: Yes ☐ No ☐ Date: _____
Reason: _____

CityBuild
Office of Economic and Workforce Development

# First Source Hiring Program
# Form 3: Job Notice Form

Contractors performing work on public works projects, private developments and other construction projects covered by the San Francisco Administrative Code, the Mayor's Office of Housing (MOH) or the Office of Community Investment and Infrastructure (OCII) shall utilize this form to notify CityBuild of all hiring opportunities at least three (3) business days prior to the worker's start date.

**INSTRUCTIONS:**

1. Complete the information below and email the completed form to citybuild@sfgov.org.
2. Include the assigned CityBuild compliance officer in the email when submitting the completed form.
3. To confirm receipt of the form, contact the Office of Economic and Workforce Development (OEWD) at 415-701-4848.

## Section A. Job Notice Information

Trade: _____ # of Journeyman: _____ # of Apprentices: _____
Start Date: _____ Start Time: _____ Job Duration: _____
Brief Description of your scope of work: _____

## Section B. Union Information

**Is your organization Union Signatory?** ☐ **YES** (*complete Union information below*) ☐ **NO** (*continue to Section C*)

Local #: _____ Union Contact Name: _____ Union Phone #: _____

***ATTENTION:*** *Please also submit this form to your union or hiring hall if you are required to do so under your collective bargaining agreement or contract. CityBuild is not a Dispatching Hall, nor does this form act as a Request for Dispatch. All formal Requests for Dispatch will be conducted through your union or hiring hall.*

## Section C. Contractor Information

Project Name: _____
Jobsite Location: _____
Contractor: _____ Prime ☐ Sub ☐
Contractor Address: _____
Contact Name: _____
Office Phone: _____
Alt. Contact: _____
Contractor Signature: _____

***OEWD USE ONLY:*** **Able to fill:** YES ☐ NO ☐
**Referral Notes**:

## WORKFORCE AGREEMENT – ATTACHMENT B

## LOCAL HIRING PLAN FOR CONSTRUCTION IN OFFSITE IMPROVEMENTS

1. SUMMARY

A. This Attachment B ("**Local Hiring Plan**") governs the obligations of the Project to comply with the City's Local Hiring Policy for Construction pursuant to Chapter 82 of the San Francisco Administrative Code (the "**Policy**"). In the event of any conflict between Administrative Code Chapter 82 and this Attachment B, this Attachment B shall govern.

B. The Provisions of this Local Hiring Plan are hereby incorporated as a material term of the Development Agreement. Developer shall require any Covered Contractor to agree that (i) the Covered Contractor shall comply with all applicable requirements of this Local Hiring Plan; (ii) the provisions of this Local Hiring Plan and the Policy are reasonable and achievable by the Covered Contractor and its Subcontractors; and (iii) the Covered Contractor has had a full and fair opportunity to review and understand the terms of this Local Hiring Plan.

C. The Office of Economic and Workforce Development (OEWD) is responsible for administering this Local Hiring Plan. For more information on the Policy and its implementation, please visit the OEWD website at www.oewd.org.

D. Meeting the requirements of this Local Hiring Plan will satisfy Developer's obligations under the Development Agreement and the City's First Source Hiring Program (San Francisco Administrative Code Chapter 83), as relates to construction activities within the Offsite Improvements.

E. Capitalized terms not defined herein shall have the meanings ascribed to them in the Development Agreement (for the avoidance of doubt, including the Workforce Agreement) or the Policy, as applicable.

2. DEFINITIONS. For the purposes of this Attachment B, the following definitions apply:

A. "Area Median Income (AMI)" means unadjusted median income levels derived from the Department of Housing and Urban Development ("HUD") on an annual basis for the San Francisco area, adjusted solely for household size.

B. "Construction Work" means the initial construction of Public Improvements on City-Owned Property excepting Specialized Trades and work performed as a result of a threat to life, limb or property or other emergency or circumstances requiring immediate action.

C. "Covered Contractor" means a prime contractor, general contractor, or construction manager contacted by a Developer who performs Construction Work on a Covered Project.

D. "Covered Project" means Construction Work in the Offsite Improvements with an estimated cost in excess of the Threshold Amount as set forth in Section 6.1 of the San Francisco Administrative Code.

E. "Disadvantaged Worker" means a Local Resident who (i) resides in a census tract within the City with a rate of unemployment in excess of one hundred and fifty percent (150%) of the City unemployment rate, as reported by the State of California Employment Development Department; (ii) at the time of commencing work on a Covered Project has a household income of less than eighty percent (80%) of the AMI; or (iii) faces or has overcome at least one (1) of the following barriers to employment: being homeless, being a custodial single parent, receiving public assistance, lacking a GED or high school diploma, participating in a vocational English as a Second Language (ESL) program, or having a criminal record or other involvement with the criminal justice system.

F. "Job Notification" means the written notice of any hiring opportunities from a Covered Contractor to CityBuild. Covered Contractor shall provide Job Notifications to CityBuild with a minimum of three (3) business days' notice.

G. "Non-Covered Project" means any construction projects other than a Covered Project.

H. "Project Work Hours" means the total onsite work hours worked on a construction contract for a Covered Project by all Apprentices and journey-level workers, whether those workers are employed by the Covered Contractor or any Subcontractor.

I. "Qualified" means a Local Resident who meets the minimum bona fide occupational qualifications provided by a Permanent Employer or Contractor, as applicable, to the System in the job availability notices.

J. "Specialized Trades" is defined in Section [5.A.1] below.

K. "Subcontractor" means any person, firm, partnership, owner operator, limited liability company, corporation, joint venture, proprietorship, trust, association, or other entity that contracts with a Covered Contractor or another subcontractor to provide services to a Covered Contractor or another subcontractor in fulfillment of the Covered Contractor's or that other subcontractor's obligations arising from a contract for Construction Work on a Covered Project.

L. "Offsite Improvements" means the Streetscape Improvements defined in Section 1.84 and shown in Exhibit A-2 of the Development Agreement.

M. "Targeted Worker" means any Local Resident or Disadvantaged Worker.

3. LOCAL HIRING REQUIREMENTS

A. Total Project Work Hours by Trade. For all construction contracts for Covered Projects, the mandatory participation level in terms of Project Work Hours within each trade to be performed by Local Residents is 30%, with a goal of no less than 15% of Project Work Hours within each trade to be performed by Disadvantaged Workers. The mandatory participation levels required under this Local Hire Program will be determined by OEWD for the Project Work, if any, within each Development Phase under the Development Agreement and in no event shall be greater than thirty percent (30%); however, the Parties acknowledge that Developer intends to require each construction contract for Covered Projects to meet the mandatory participation levels on an individual contract level.

B. Apprentices. For all construction contracts for Covered Projects, at least 50% of the Project Work Hours performed by Apprentices within each trade is required to be performed by Local Residents. Hiring preferences shall be given to Apprentices who are referred by the CityBuild program. This document also establishes a goal of no less than twenty-five percent (25%) of Project Work Hours performed by Apprentices within each trade to be performed by Disadvantaged Workers.

C. Out-of-State Workers. For all Covered Projects, Project Work Hours performed by residents of states other than California will not be considered in the calculation of the number of Project Work Hours to which the local hiring requirements apply. Covered Contractors and Subcontractors shall report to OEWD the number of Project Work Hours performed by residents of states other than California.

D. Pre-construction or other Local Hire Meeting(s). Prior to commencement of Construction Work on Covered Projects, Covered Contractor and its Subcontractors identified in the Local Hiring Forms as contributing toward the mandatory local hiring requirement shall attend a preconstruction or other Local Hire meeting(s) convened by OEWD staff. Representatives from Covered Contractor and the Subcontractor(s) who attend the pre-construction or other Local Hire meeting must have hiring authority.

E. No Limitation of Hiring Ability. This Local Hiring Plan does not limit Covered Contractor's or its Subcontractors' ability to assess qualifications of prospective workers, and to make final hiring and retention decisions. No provision of this Local Hiring Plan shall be interpreted so as to require a Covered Contractor or Subcontractor to employ a worker not qualified for the position in question, or to employ any particular worker.

F. Non-Covered Projects. For the avoidance of doubt, Construction Work for Non-Covered Projects may be subject to the First Source Hiring Program for Construction Work in accordance with Section III.B.3 of the Workforce Agreement.

4. CITYBUILD WORKFORCE DEVELOPMENT PROGRAM: EMPLOYMENT NETWORKING SERVICES

A. OEWD administers the CityBuild Program. CityBuild is a resource for Covered Contractor and Subcontractors to use in meeting local hiring requirements under this Local Hiring Plan. CityBuild has two main goals:

1. Assist with local hiring requirements under this Local Hiring Plan by connecting Covered Contractors and Subcontractors with qualified journey-level, Apprentice, and pre-Apprentice Local Residents.

2. Promote training and employment opportunities for Disadvantaged Workers of all ethnic backgrounds and genders in the construction work force.

B. Where a Covered Contractor's or its Subcontractors' preferred or preexisting hiring or staffing procedures for a Covered Project do not enable Covered Contractor to satisfy the local hiring requirements of this Local Hiring Plan, the Covered Contractor or Subcontractor shall use other procedures to identify and retain Targeted Workers, including the following:

1. Requesting to connect with workers through CityBuild, with qualifications described in the request limited to skills directly related to performance of job duties, and

2. Considering Targeted Workers networked through CityBuild within three (3) business days of the request and who meet the qualifications described in the Job Notification. Such consideration may include in-person interviews. All workers networked through CityBuild will qualify as Disadvantaged Workers under this Local Hiring Plan. Neither Covered Contractor nor its Subcontractors are required to make an independent determination of whether any worker is a "Disadvantaged Worker" as defined above.

5. CONDITIONAL WAIVER FROM LOCAL HIRING REQUIREMENTS

A. Covered Contractor or the Subcontractor may use one (1) or more of the following pipeline and retention compliance mechanisms to receive a conditional waiver from the Local Hiring Requirements of Section 3(A) for the applicable Covered Project. All requests for conditional waivers must be submitted to OEWD for approval, which shall be promptly granted if the criteria specified below are met:

1. Specialized Trades. OEWD has published a list of trades designated as "Specialized Trades" for which the local hiring requirements of this Local Hiring Plan will not apply. The list is available on the OEWD website. Covered Contractor and its Subcontractors shall report to OEWD the Project Work Hours utilized in each designated Specialized Trade and in each OEWD-approved project-specific Specialized Trade.

2. Credit for Hiring on Non-Covered Projects. Covered Contractor and its Subcontractors may accumulate credit hours for hiring Targeted Workers

on Non-Covered Projects in the nine-county San Francisco Bay Area and apply those credit hours to contracts for Covered Projects to meet the mandatory local hiring requirement. For hours performed by Targeted Workers on Non-Covered Projects, the hours shall be credited toward the local hiring requirement for this Contract provided that the Targeted Workers are paid the prevailing wages for work on the Non-Covered Projects.

3. Sponsoring Apprentices. Covered Contractor or a Subcontractor may agree to sponsor an OEWD-specified number of new Apprentices in trades in which noncompliance is likely and retaining those Apprentices for the period of Covered Contractor's or a Subcontractor's work on the Project. OEWD will verify with the California Department of Industrial Relations that the new Apprentices are registered and active Apprentices.

4. Direct Entry Agreements. OEWD is authorized to negotiate and enter into direct entry agreements with apprenticeship programs that are registered with the California Department of Industrial Relations' Division of Apprenticeship Standards. Covered Contractor may avoid assessment of penalties for non-compliance with this Local Hiring Plan by Covered Contractor or its Subcontractors hiring and retaining Apprentices who are enrolled through such direct entry agreements. Such exception from assessments of penalties is subject to review and approval by OEWD. Covered Contractor may also utilize OEWD-approved organizations with direct-entry agreements with local unions to hire and retain Targeted Workers. To the extent that Covered Contractor and/or its Subcontractors have hired Apprentices or Targeted Workers under a direct-entry agreement entered into by OEWD or reasonably approved by OEWD, OEWD will not assess penalties for noncompliance with this Local Hiring Plan.

6. LOCAL HIRING FORMS

A. Covered Contractors shall submit the following forms, as applicable, to OEWD within 15 calendar days of notice of Award:

1. Form 1: Local Hiring Workforce Projection. OEWD Form 1 (CityBuild Workforce Projection), a copy of which is attached to this Local Hiring Plan, shall be initially submitted prior to the start of construction of a Covered Project and updated quarterly by Covered Contractor until all subcontracting for the Covered Project is completed.

2. Form 3: Job Notice. Upon commencement of work on a Covered Project, Covered Contractor and its Subcontractors may submit Job Notifications to CityBuild to connect with local trades workers.

3. Form 4: Conditional Waivers. If a Covered Contractor or a Subcontractor believes the local hiring requirements cannot be met, it may submit OEWD

Form 4 (Conditional Waiver), a copy of which is attached hereto, as more particularly described in Section 5 above.

7. ENFORCEMENT, RECORD KEEPING, NONCOMPLIANCE AND PENALTIES

A. Subcontractor Compliance. Covered Contractor shall ensure that all of its Subcontractors of all tiers agree to comply with applicable requirements of this document with respect to the Project Work. All Subcontractors agree as a term of participation on a Covered Project that the City shall have third-party beneficiary rights under all contracts under which Subcontractors are performing Project Work. Such third-party beneficiary rights shall be limited to the right to enforce the requirements of this Local Hiring Plan directly against the Subcontractors. All Subcontractors on a Covered Project shall be responsible for complying with the recordkeeping and reporting requirements set forth in this Local Hiring Plan with respect to the Project Work. Subcontractors with Project Work in excess of the Threshold Amount shall be responsible for ensuring compliance with the Local Hiring Requirements set forth in Section 3 of this Local Hiring Plan based on Project Work Hours performed under their Subcontracts, including Project Work Hours performed by lower-tier Subcontractors with work less than the Threshold Amount. Notwithstanding the foregoing, nothing in this Local Hiring Plan shall be interpreted to require Developer or any Covered Contractor or Subcontractor to provide reporting information or keep records to the extent that such reporting or recordkeeping is prohibited under applicable privacy laws, including the California Consumer Protection Act.

B. Reporting. Covered Contractor and Subcontractors shall submit certified payrolls for the Project Work performed by them to the City electronically using the Project Reporting System. OEWD will monitor compliance with this Local Hiring Plan electronically.

C. Recordkeeping. Covered Contractor and each Subcontractor shall keep, or cause to be kept, for a period of four (4) years from the date of Substantial Completion of Construction Work, certified payroll and basic records, including time cards, tax forms, and superintendent and foreman daily logs, for all workers within each trade performing Construction Work on a Covered Project.

1. Such records shall include the name, address and social security number of each worker who worked on a Covered Project, his or her classification, a general description of the work each worker performed each day, the Apprentice or journey-level status of each worker, daily and weekly number of hours worked, the self-identified race, gender, and ethnicity of each worker, whether or not the worker was a Local Resident, and the referral source or method through which the Covered Contractor or Subcontractor hired or retained that worker for work on the Covered Project (e.g., core workforce, name call, union hiring hall, City-designated referral source, or recruitment or hiring method), as allowed by Law.

2. Covered Contractor and Subcontractors may verify that a worker is a Local Resident by following OEWD's domicile policy as described in Chapter 83.4 of the Administrative Code.

3. All records described in this subsection shall at all times be open to inspection and examination by the duly authorized officers and agents of the City, including representatives of OEWD.

D. Monitoring. From time to time and in its sole discretion, OEWD monitor and investigate compliance of Covered Contractor and Subcontractors working on a Covered Project with requirements of this Local Hiring Plan. Covered Contractor shall allow representatives of OEWD, in the performance of their duties, to engage in random inspections of the Covered Project site. Covered Contractor and all Subcontractors shall also allow representatives of OEWD to have access to employees of Covered Contractor and Subcontractors and the records required to be maintained under this document, as allowed by Law.

E. Noncompliance and Penalties. Failure of Covered Contractor and/or its Subcontractors to comply with the requirements of this Local Hiring Plan and the obligations set forth in this Local Hiring Plan may subject Covered Contractor to the consequences of noncompliance, including but not limited to penalties, specified in Section 82.8(f) of the Administrative Code, to the extent provided therein as of the Operative Date of the Development Agreement, but only if City determines that the failure to comply results from willful actions of Covered Contractor and/or its Subcontractors and not by reason of unavailability of sufficient qualified Local Residents and Disadvantaged Workers to meet the goals required hereunder. The assessment of penalties for noncompliance shall not preclude the City from exercising any other rights or remedies to which it is entitled.

1. **Penalties Amount**. If any Covered Contractor or Subcontractor fails to satisfy the Local Hiring Requirements of this Local Hiring Plan applicable to Project Work Hours performed by Local Residents, and the applicable Covered Contractor or Subcontractor is unable to provide evidence reasonably satisfactory to the City that such failure arose solely due to unavailability of qualified Local Residents despite Covered Contractors or Subcontractors good faith efforts in accordance with this Local Hiring Program, then Covered Contractor, and in the case of any Subcontractor so failing, and Subcontractor shall jointly and severally forfeit to the City an amount equal to the journey-level or Apprentice prevailing wage rate, as applicable, with such wage as established by the Board of Supervisors or the California Department of Industrial Relations under subsection 6.22(e)(3) of the Administrative Code, for the primary trade used by Covered Contractor or Subcontractor on the Covered Project for each hour by which Covered Contractor or Subcontractor fell short of the Local Hiring Requirement. The assessment of penalties under this subsection shall not preclude the City from exercising any other rights or remedies to which it is entitled.

2. **Assessment of Penalties**. OEWD shall determine whether a Covered Contractor and/or any Subcontractor has failed to comply with the Local Hiring Requirements of this Local Hiring Plan. If, after conducting an investigation, OEWD determines that a violation has occurred, it shall issue and serve an assessment of penalties to Covered Contractor and/or any Subcontractor that sets forth the basis of the assessment and orders payment of penalties in the amounts equal to the journey-level or Apprentice prevailing wage rates, as applicable, for the primary trade used by Covered Contractor or Subcontractor on the Project for each hour by which Covered Contractor or Subcontractor fell short of the Local Hiring Requirement. Assessment of penalties under this subsection shall be made only upon an investigation by OEWD and upon written notice to Covered Contractor or Subcontractor identifying the grounds for the penalty and providing Covered Contractor or Subcontractor with the opportunity to respond pursuant to the recourse procedures prescribed in this Local Hiring Plan.

3. **Recourse Procedure**. If Covered Contractor or Subcontractor disagrees with the assessment of penalties, then the following procedure applies:

   a. Covered Contractor or Subcontractor may request a hearing in writing within fifteen (15) days of the date of the final notification of assessment. The request shall be directed to the City Controller. Failure by Covered Contractor or Subcontractor to submit a timely, written request for a hearing shall constitute a concession to the assessment, and the forfeiture shall be deemed final upon expiration of the fifteen (15)-day period. Covered Contractor or Subcontractor must exhaust this administrative remedy prior to commencing further legal action.

   b. Within fifteen (15) days of receiving a proper request, the Controller shall appoint a hearing officer with knowledge and not less than five (5) years' experience in labor law and shall so advise the enforcing official and Covered Contractor or Subcontractor and/or their respective counsel or authorized representative.

   c. The hearing officer shall promptly set a date for a hearing. The hearing must commence within forty-five (45) days of the notification of the appointment of the hearing officer and conclude within seventy-five (75) days of such notification, unless all parties agree to an extended period.

   d. Within thirty (30) days of the conclusion of the hearing, the hearing officer shall issue a written decision affirming, modifying, or dismissing the assessment. The decision of the hearing officer shall consist of findings and a determination. The hearing officer's findings and determination shall be final.

e. Covered Contractor or Subcontractor may appeal a final determination under this by filing in the San Francisco Superior Court a petition for a writ of mandate under California Code of Civil Procedure Section 1084 *et seq.*, as applicable and as may be amended from time to time.

## 8. COLLECTIVE BARGAINING AGREEMENTS

Nothing in this Local Hiring Plan shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, project labor agreements, project stabilization agreements, existing employment contracts or other labor agreements or labor contracts (collectively, "Collective Bargaining Agreements"). In the event of a conflict between this Local Hiring Plan and any Collective Bargaining Agreements, the terms of the Collective Bargaining Agreements shall supersede this Local Hiring Plan.

END OF DOCUMENT

CityBuild
Office of Economic and Workforce Development

# LOCAL HIRING POLICY FOR CONSTRUCTION
## FORM 1: LOCAL HIRING PLAN

*The Local Hiring Policy, legislated by Chapter 82 of the San Francisco Administrative Code, applies to contracts issued by the City with prime contractors for public works or improvements estimated to cost in excess of $706,000. As required by the Local Hiring Policy:*

- *The mandatory participation level shall be 30% (11% at SFO) of all project work hours within each trade performed by local residents*
- *At least 50% of the project work hours performed by apprentices within each trade shall be performed by local residents.*

All Contractors shall prepare and submit to OEWD this Local Hiring Plan (Form 1) within 15 calendar days from Notice of Award. **The awarding department may not issue a Notice to Proceed (NTP) without receiving the Local Hiring Plan.** The Contractor shall be responsible for any delays to NTP and resulting damages incurred by the City caused by the Contractor's failure to submit this form accurately and by the required date.

| **Section 1: CONTRACTOR INFORMATION** | | | |
|---|---|---|---|
| Contractor: | | Project Name: | |
| Awarding Department: | | Contract Number: | |

**Section 1: CONTRACTOR INFORMATION**

**INSTRUCTION FOR COMPLETEING TABLE 1**

1. List all Trade Crafts expected to perform work on this Project
2. Estimate both the number of Journey and Apprentice hours expected to be performed on this Project

| **TRADE**: | | **Estimated Total Work Hours:** | **Estimated Total Local Work Hours:** |
|---|---|---|---|
| | Journey | | |
| | Apprentice | | |
| | Journey | | |
| | Apprentice | | |
| | Journey | | |
| | Apprentice | | |
| | Journey | | |
| | Apprentice | | |

3. Indicate if any of the trades listed below will be utilized on the project. Check all that apply.

| | | |
|---|---|---|
| ☐ Barge/Dredge/Crane Operators | ☐ Helicopter Pilot | ☐ Millwright |
| ☐ Driver/Teamster | ☐ Ironworker Connector | ☐ Stainless Steel Welder |
| ☐ Electrical Utility Lineman | ☐ Marine Pile Driver | ☐ Tunnel Worker |

**Section 1: CONTRACTOR INFORMATION**

*By signing below, I acknowledge that:*

☐ I am an authorized representative for the contractor awarded this project;

☐ We and our sub-tier contractors understand and agree to the terms of the Local Hiring Policy;

☐ We acknowledge that this project is subject to the mandatory Local Hiring Policy and the contracted was accepted with the understanding that the workforce utilized on this project will meet the requirements of the Local Hiring Policy;

☐ We are aware that the plan provided above is only a projection and that the project's workforce will be evaluated on the actual work hours submitted through the City's certified payroll reporting system to determine if the project is in compliance with the Local Hiring Policy.

| Name of Authorized Representative | Signature | Date | Phone | Email |
|---|---|---|---|---|
| | | | | |

# SUBMISSION OF FORM 1: LOCAL HIRING PLAN

Contractors performing work on projects covered by the Local Hiring Policy for Construction may submit the required Local Hiring Plan online through Google Forms.

- Access the Local Hiring Plan Google Form through this link:

  https://goo.gl/forms/OefbyIEDcPkyKV7o1

- Prime/General Contractors will no longer be submitting the Form 1 or Form 2 on their subcontractors' behalf. Both forms have been combined into ONE single form – Form 1: Local Hiring Plan.

- All contractors, subcontractors, and subtier contractors must submit their own Local Hire Plan Google Form for each individual project, and provide Workforce Projections for their own scope of work. Contractors who have previously submitted Local Hire forms for existing projects are not required to re-submit.

- Contractors who do not anticipate meeting the requirements of the Local Hiring Policy will need to contact the project's assigned OEWD/CityBuild compliance officer for an updated Conditional Waiver Request Form after submission of the Google Form. Conditional Waiver Request Forms must be reviewed and approved by the assigned OEWD/CityBuild compliance officer.

CityBuild
Office of Economic and Workforce Development

**FORM 3**
**CITYBUILD JOB NOTICE**

Contractors performing work on public works projects, private developments and other construction projects covered by the San Francisco Administrative Code, the Mayor's Office of Housing (MOH) or the Office of Community Investment and Infrastructure (OCII) shall utilize this form to notify CityBuild of all hiring opportunities at least three (3) business days prior to the worker's start date.

**INSTRUCTIONS:**

1. Complete the information below and email the completed form to citybuild@sfgov.org.
2. Include the assigned CityBuild compliance officer in the email when submitting the completed form.
3. To confirm receipt of the form, contact the Office of Economic and Workforce Development (OEWD) at 415-701-4848.

## Section A. Job Notice Information

Trade: _____ # of Journeyman: _____ # of Apprentices: _____
Start Date: _____ Start Time: _____ Job Duration: _____
Brief Description of your scope of work: _____

## Section B. Union Information

**Is your organization Union Signatory?** ☐ **YES** (*complete Union information below*) ☐ **NO** (*continue to Section C*)

Local #: _____ Union Contact Name: _____ Union Phone #: _____

***ATTENTION:*** *Please also submit this form to your union or hiring hall if you are required to do so under your collective bargaining agreement or contract. CityBuild is not a Dispatching Hall, nor does this form act as a Request for Dispatch. All formal Requests for Dispatch will be conducted through your union or hiring hall.*

## Section C. Contractor Information

Project Name: _____
Jobsite Location: _____
Contractor: _____ Prime ☐ Sub ☐
Contractor Address: _____
Contact Name: _____
Office Phone: _____
Alt. Contact: _____
Contractor Signature: _____

***OWED USE ONLY:*** **Able to fill:** YES ☐ NO ☐
**Referral Notes**:

## WORKFORCE AGREEMENT ATTACHMENT C

## LBE UTILIZATION PLAN

1. Purpose and Scope. This Attachment C (**LBE Utilization Plan**) governs the Local Business Enterprise obligations of the Project pursuant to San Francisco Administrative Code Section 14B.20 and satisfies the obligations of each Developer and its Contractors and Consultants for an LBE Utilization Plan as set forth therein. Capitalized terms not defined herein shall have the meanings ascribed to them in the Workforce Agreement or Section 14B.20 as applicable. Developer will seek to, whenever practicable, conduct outreach to contracting teams that reflect the diversity of the City and include participation of both businesses and residents from the City's most disadvantaged communities such as the 94107, 94110, 94124, 94134, or 94103 zip codes. In the event of any conflict between Administrative Code Chapter 14B and this LBE Utilization Plan, this LBE Utilization Plan shall govern.

2. Roles of Parties. In connection with the design and construction phases of all Construction Work (as defined in the Workforce Agreement), the Project will provide community benefits designed to foster employment opportunities for disadvantaged individuals by offering contracting and consulting opportunities to local business enterprises ("LBEs"). Each Developer shall participate in a local business enterprise program as provided herein, and the City's Contract Monitoring Division will serve the roles as set forth below.

3. Definitions. For purposes of this LBE Utilization Plan, the definitions shall be as follows:

"CMD" shall mean the Contract Monitoring Division of the City Administrator's Office.

"Commercially Useful Function" shall mean that the business is directly responsible for providing the materials, equipment, supplies or services to the Contracting Party as required by the solicitation or request for quotes, bids or proposals. Businesses that engage in the business of providing brokerage, referral or temporary employment services shall not be deemed to perform a "commercially useful function" unless the brokerage, referral or temporary employment services are those required and sought by the Contracting Party.

"Consultant" shall mean a person or company that has entered into a professional services contract for monetary consideration with a Developer to provide advice or services to the -Developer directly related to the architectural or landscape design, physical planning, and/or civil, structural or environmental engineering of an LBE Improvement.

"Contract(s)" shall mean an agreement, whether a direct contract or subcontract, for Consultant or Contractor services for all or a portion of an LBE Improvement.

"Contracting Party" means a Developer, Contractor or Consultant retained to work on LBE Improvements, as the case may be.

"Contractor" shall mean a prime contractor, general contractor, or construction manager contracted by a Developer who performs Construction Work on an LBE Improvement.

"Good Faith Efforts" shall mean procedural steps taken by the Developer, Contractor or Consultant with respect to the attainment of the LBE participation goals, as set forth in Section 6 below.

"Initial Tenant Improvements" means those tenant improvements within any individual commercial space in a Building (office, retail, PDR) that are undertaken within the first twenty-four (24) months after the issuance of the first construction permits for the tenant improvements pertaining to such individual commercial space.

"Local Business Enterprise" or "LBE" means a business that is certified as an LBE under Administrative Code Chapter 14B.3.

"LBE Improvements" means, as applicable, (a) all horizontal and vertical improvements required or permitted to be made to the Project Site and carried out by Developer under the Development Agreement. LBE Improvements shall not include any (i) repairs, maintenance, renovations or other construction work performed on a Building after the City issues a certificate of occupancy for the applicable portion of the Building, (ii) work performed as a result of a threat to life, limb or property or other emergency or circumstances requiring immediate action, (iii) work required to be performed by employees of a vendor or manufacturer (or a specialty contractor retained by a vendor or manufacturer) to protect a manufacturer's or vendor's warranty or guarantee, (iv) the construction of City-sponsored standalone community, childcare, or arts facilities or (v) residential owner-contracted improvements in for-sale residential units.

"LBE Liaison" shall mean the Developer's primary point of contact with CMD regarding the obligations of this LBE Utilization Plan. Each prime Contractor(s) shall likewise have a LBE Liaison.

"Subconsultant" shall mean a person or entity that has a direct Contract with a Consultant to perform a portion of the work under a Contract for an LBE Improvement.

"Subcontractor" shall mean a person or entity that has a direct Contract with a Contractor to perform a portion of the work under a Contract for an LBE Improvement.

4. LBE Participation Goal. Developer agrees to participate in this LBE Utilization Plan and CMD agrees to work with 1) Developer in this effort as set forth in this LBE Utilization Plan, and 2) LBEs that Developer reasonably believes will perform a Commercially Useful Function. As long as this LBE Utilization Plan remains in full force and effect, each Developer shall make good faith efforts as defined below to achieve an overall LBE participation goal of seventeen percent (17%) of the total cost of all Contracts for an LBE Improvement awarded to LBE Contractors, Subcontractors, Consultants or Subconsultants that are Micro and Small LBEs, as set forth in Administrative Code Section 14B.8(A), of which ten percent (10%) of the aforementioned seventeen percent (17%) LBE participation goal will be of Micro-LBEs. Notwithstanding the foregoing, CMD's Director may provide for a downward adjustment of the LBE participation requirement, depending on LBE participation data presented by the Developer and its team in quarterly reports and meetings. If, based on reasonable evidence presented to the Director by a party attempting

to achieve the LBE participation goals, there are not sufficient qualified Micro and Small LBEs available, the Director shall authorize the applicable party to satisfy the LBE participation goal through the use of Small, Micro or SBA-LBEs (as each such term is defined is employed in Chapter 14B of the Administrative Code), or may set separate subcontractor participation goals for Micro, Small and SBA-LBEs.

5. Developer Obligations. For each LBE Improvement, the Developer shall comply with the requirements of this LBE Utilization Plan as follows: Upon entering into a Contract with a Contractor or Consultant, each Developer will include in each such Contract a provision requiring the Contractor or Consultant to comply with the terms of this LBE Utilization Plan, and setting forth the applicable percentage goal for such Contract (which any such subcontracts or individual trade packages within any Contract may be greater or lesser than the aggregate 17% target percentage), and provide a signed copy thereof to CMD within ten (10) business days of execution. Such Contract shall specify the notice information for the Contractor or Consultant to receive notice pursuant to Section 16. Each Developer shall identify a "LBE Liaison" as its main point of contact for outreach/compliance concerns. The LBE Liaison shall be an LBE Consultant with the experience in and responsible for making recommendations on how to maximize engagement of local small businesses/LBEs from disadvantaged communities including the 94124, 94110, 94107, 94134 or 94103 zip codes.

   The LBE Liaison shall be available to meet with CMD staff on a regular basis or as necessary regarding the implementation of this LBE Utilization Plan. For the term of the Development Agreement (or until the Contracts for all of Developer's LBE Improvements have been executed and delivered), at least once per year, each Developer shall hold a public workshop for applicable contractor communities to publicize anticipated contracting opportunities for LBE Improvements for the succeeding year- which workshops may be held independently or in conjunction with each other (provided that no such workshop shall be required if no such opportunities are anticipated during such succeeding year). Each Developer will use good faith efforts to hire Micro, Small, or SBA-LBEs for construction, professional service and general services (janitorial, security, etc.) except to the extent impractical or infeasible (e.g., a parking management contract cannot be broken down to allow two parking operators). Developer agrees to use good faith efforts to work with CMD to target qualified micro- LBEs contractors for appropriate opportunities to participate as consultants/contractors to Developer. Each Developer agrees to utilize subcontractor default insurance (SDI) or other means to ensure bonding capacity is not an obstacle to LBE participation on the Project. If a Developer fulfills its obligations as set forth in this Section 5 and otherwise cooperates in good faith at CMD's request with respect to any meet and confer process or enforcement action against a non-compliant Contractor, Consultant, Subcontractor or Subconsultant, then it shall not be held responsible for the failure of a Contractor, Consultant, Subcontractor or Subconsultant or any other person or party to comply with the requirements of this LBE Utilization Plan.

6. Good Faith Efforts. City acknowledges and agrees that each Developer, Contractor, Subcontractor, Consultant and Subconsultant shall have the sole discretion to qualify, hire or not hire LBEs. If a Developer, Contractor Subcontractor, Consultant or Subconsultant does not meet the LBE hiring goal set forth above, it will nonetheless be deemed to satisfy

the good faith effort obligation of this Section 6 and thereby satisfy the requirements and obligations of this LBE Utilization Plan if the Developer, Contractor, Subcontractor, Consultant or Subconsultant, as applicable, perform the good faith efforts set forth in this Section 6 as follows:

a. Advance Notice. Notify CMD in writing of all upcoming solicitations of proposals for work under a Contract at least fifteen (15) days before issuing such solicitations to allow opportunity for CMD to identify and outreach to any LBEs that it reasonably deems may be qualified for the Contract scope of work.

b. Contract Size. Where practicable, the Developer, Contractor, Consultant, Subcontractor or Subconsultant, in their sole discretion, may divide the work in order to encourage maximum LBE participation or, encourage joint venturing. The Contracting Party will identify specific items of each Contract that may be performed by Subcontractors.

c. Advertise. The Developer, Contractor, Consultant, Subcontractor or Subconsultant may advertise for professional services and contracting opportunities in media focused on small businesses including the Bid and Contract Opportunities website through the City's San Francisco City Partner Supplier Portal and other local and trade publications, and allowing subcontractors to attend outreach events, pre-bid meetings, and inviting LBEs to submit bids to Developer or its prime Contractor or Consultant, as applicable. As Contractor deems necessary, convene pre-bid or pre-solicitation meetings no less than fifteen (15) days prior to the opening of bids and proposals for LBEs to ask questions about the selection process and technical specifications/requirements.

d. CMD Invitation. If a pre-bid meeting or other similar meeting is held with proposed Contractors, Subcontractors, Consultants or Subconsultants, invite CMD to the meeting to allow CMD to explain proper LBE utilization.

e. Public Solicitation. The Developer or its prime Contractor(s) and/or Consultants, as applicable, will work with CMD to follow up on initial solicitations of interest by contacting LBEs to determine with certainty whether they are interested in performing specific items in a project.

f. Outreach and Other Assistance. The Developer or its prime Contractor (s) and/or Consultants, as applicable, will a) provide LBEs with plans, specifications and requirements for all or part of the project; b) notify LBE trade associations that disseminate bid and contract information and provide technical assistance to LBEs. The designated LBE Liaison(s) shall be or work with a LBE Consultant with experience in and responsibility for making recommendations on how to maximize engagement of local small businesses from disadvantaged communities including Bayview/Hunters Point neighborhood and will work with CMD to conduct outreach to LBEs for all consulting/contracting opportunities in the applicable trades and services in order to encourage them to participate on the project.

g. Contacts. Make contacts with LBEs, associations or development centers, or any agencies, which disseminate bid and contract information to LBEs and document any other efforts undertaken to encourage participation by LBEs.

h. Good Faith/Nondiscrimination. Make good faith efforts to enter into Contracts with interested LBEs and give good faith consideration to bids and proposals submitted by LBEs. Use nondiscriminatory selection criteria (for the purpose of clarity, exercise of subjective aesthetic taste in selection decisions for architect and other design professionals shall not be deemed discriminatory and the exercise of its commercially reasonable judgment in all hiring decisions shall not be deemed discriminatory).

i. Incorporation into contract provisions. Developer shall include in Contracts provisions that require prospective Contractors and Consultants that will be utilizing Subcontractors or Subconsultants to follow the above good faith efforts to subcontract to LBEs, including the overall LBE participation goal and any LBE percentage that may be required under such Contract.

j. Monitoring. Allow CMD Contract Compliance unit to monitor Consultant/Contractor selection processes and, when necessary give suggestions as to how best to maximize LBEs ability to complete and win procurement opportunities.

k. Maintain Records and Cooperation. Maintain records of LBEs that are awarded Contracts, not discriminate against any LBEs, and, if requested, meet and confer with CMD as reasonably required in addition to the meet and confer sessions described in Section 9 below to identify a strategy to meet the LBE goal.

l. Quarterly Reports. During construction, the LBE Liaison(s) shall prepare a quarterly report of LBE participation goal attainment and submit to CMD as required by Section 12 herein.

m. Meet and Confer. Attend the meet and confer process described in Section 9.

7. Good Faith Outreach.

a. Good faith efforts shall be deemed satisfied solely by compliance with Section 6 Contractors and Consultants, and Subcontractors and Subconsultants as applicable shall also work with CMD to identify from CMD's database of LBEs those LBEs who are most likely to be qualified for each identified opportunity under Section 6.a, and following CMD's notice under Section 8.a, shall undertake reasonable efforts at CMD's request to support CMD's outreach identified LBEs as mutually agreed upon by CMD and each Contractor or Consultant and its Subcontractors and Subconsultants, as applicable.

b. Notwithstanding anything to the contrary contained herein, any of Developer's Contractor's, Subcontractor's, Consultant's and Subconsultant's obligations hereunder may be waived or reduced by CMD upon such party's request if CMD

reasonably determines for good cause shown by such party that the applicable requirement is not relevant to the particular situation (including due to changes in law or anticipated legal challenges or constraints), or cannot reasonably be expected to be achieved, or that an alternative approach would better meet the goals of this LBE Utilization Plan.

8. CMD Obligations. The following are obligations of CMD to implement this LBE Utilization Plan:

   a. During the fifteen (15) day notification period for upcoming Contracts required by Section 6.a, CMD will work with the Developer and its Contractor and/or Consultant as applicable to send such notification to qualified LBEs to alert them to upcoming Contracts.

   b. Provide assistance to Contractors, Subcontractors, Consultants and Subconsultants on good faith outreach to LBEs.

   c. Review quarterly reports of LBE participation goals; when necessary give suggestions as to how best to maximize LBEs ability to compete and win procurement opportunities.

   d. Perform other tasks as reasonably required to assist the Developer and its Contractors, Subcontractors, Consultants and Subconsultants in meeting LBE participation goals and/or satisfying good faith efforts requirements.

   e. Insurance and Bonding. Recognizing that lines of credit, insurance and bonding are problems common to local businesses, CMD staff will be available to explain the applicable insurance and bonding requirements, answer questions about them, and, if possible, suggest governmental or third-party avenues of assistance.

9. Meet and Confer Process. Commencing with the first Contract that is executed for an LBE Improvement, and every six (6) months thereafter, or more frequently if reasonably requested by either CMD, Developer or a Contractor or Consultant and the CMD shall engage in an informal meet and confer to assess compliance of such Contractor and Consultants and its Subcontractors and Subconsultants as applicable with this LBE Utilization Plan. When deficiencies are noted, meet and confer with CMD to ascertain and execute plans to increase LBE participation.

10. Prohibition on Discrimination. Developers shall not discriminate in its selection of Contractors and Consultants, and such Contractors and Consultants shall not discriminate in their selection of Subcontractors and Subconsultants against any person on the basis of race, gender, or any other basis prohibited by law. As part of its efforts to avoid unlawful discrimination in the selection of Subconsultants and Subcontractors, Contractors and Consultants will undertake the Good Faith Efforts and participate in the meet and confer processes as set forth in Sections 6 and 9 above.

11. Existing Agreements. Nothing in this LBE Utilization Plan shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent

decrees, collective bargaining agreements, project labor agreements, project stabilization agreements, existing employment contracts or other labor agreements or labor contracts (collectively, "Existing Agreements") provided that such Existing Agreements do not prohibit the implementation of this LBE Utilization Plan. In the event of a conflict between this LBE Utilization Plan and an Existing Agreement, the terms of this LBE Utilization Plan shall supersede the Existing Agreement solely to the extent necessary to comply with this LBE Utilization Plan.

12. Reporting and Monitoring. Each Contractor, Consultant, and its Subcontractors and Subconsultants as applicable shall maintain accurate records demonstrating compliance with the LBE participation goals, including keeping track of the date that each response, proposal or bid `that was received from LBEs, including the amount bid by and the amount to be paid (if different) to the non-LBE contractor that was selected, documentation of any efforts regarding good faith efforts as set forth in Section 6. Developers shall create a reporting method for tracking LBE participation. Data tracked shall include the following (at a minimum):

    a. Name/Type of Contract(s) let (e.g. civil engineering contract, environmental consulting, etc.)

    b. Name of Contractors (including identifying which are LBEs and non-LBEs)

    c. Name of Subcontractors (including identifying which are LBEs and non-LBEs)

    d. Scope of work performed by LBEs (e.g. under an architect, an LBE could be procured to provide renderings)

    e. Dollar amounts associated with both LBE and non-LBE Contractors at both prime and Subcontractor levels.

    f. Total LBE participation is defined as a percentage of total Contract dollars.

    g. Outcomes with respect to Developer's efforts to engage (hire) local small businesses/LBEs from disadvantaged communities including the 94124, 94110, 94107, 94134, or 94103 zip codes and micro-LBE participation.

13. Written Notice of Deficiencies. If based on complaint, failure to report, or other cause, the CMD has reason to question the good faith efforts of a Developer, Contractor, Subcontractor, Consultant or Subconsultant, then CMD shall provide written notice to the Developer, each affected Contractor or Consultant and, if applicable, also to its Subcontractor or Subconsultant. The Contractor or Consultant and, if applicable, the Subcontractor or Subconsultant, shall have a reasonable period, based on the facts and circumstances of each case, to demonstrate to the reasonable satisfaction of the CMD that it has exercised good faith to satisfy its obligations under this LBE Utilization Plan. When deficiencies are noted CMD staff will work with the appropriate LBE Liaison(s) to remedy such deficiencies.

14. Remedies. The following process and remedies shall apply with respect to any alleged violation of this LBE Utilization Plan:

a. Mediation and conciliation shall be the administrative procedure of first resort for any and all compliance disputes arising under this LBE Utilization Plan. The Director of CMD shall have power to oversee and to conduct the mediation and conciliation.

b. Non-binding arbitration shall be the administrative procedure of second resort utilized by CMD for resolving the issue of whether a Developer, Contractor, Consultant, Subcontractor or Subconsultant discriminated in the award of one or more LBE Contracts to the extent that such issue is not resolved through the mediation and conciliation procedure described above. Obtaining a final judgment through arbitration on LBE contract related disputes shall be a condition precedent to the ability of the City or the Developer, Contractor, Consultant, Subcontractor or Subconsultant to file a request for judicial relief.

c. If a Developer, Contractor, Consultant, Subcontractor or Subconsultant is found to be in willful breach of the obligations set forth in this LBE Utilization Plan, assess against the noncompliant Developer, Contractor, Consultant, Subcontractor or Subconsultant liquidated damages not to exceed $25,000 or 5% of the Contract, whichever is less, for each such willful breach. In determining the amount of any liquidated damages to be assessed within the limits described above, the arbitrator or court of competent jurisdiction shall consider the financial capacity of the Developer, Contractor, Consultant, Subcontractor or Subconsultant. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

d. For all other violations of this LBE Utilization Plan, the sole remedy for violation shall be specific performance, without the limits with respect thereto in Section 9 of the Development Agreement.

15. Duration of this Agreement. This LBE Utilization Plan shall terminate: (i) as to each Building, upon Completion or upon the termination of the Development Agreement for any Building that has not Commenced Construction prior to such termination; and (ii) as to all Initial Tenant Improvements, upon Completion of all Initial Tenant Improvements in such Building. Upon such termination, this LBE Utilization Plan shall be of no further force and effect as to such Building.

16. Notice. All notices to be given under this LBE Utilization Plan to Developer shall be delivered as provided under the Development Agreement. All other notices shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to CMD:

Attn:

If to Project Sponsor:

Attn:

If to Contractor:

Attn:

If to Consultant:

Attn:

Any party may change its address for notice purposes by giving the other parties notice of its new address as provided herein. A business day is any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to close.

# EXHIBIT J

## TRANSPORTATION PLAN

This Exhibit J (this "**Transportation Plan**") outlines the transportation commitments for the San Francisco Gateway Project (the "**Project**") in three areas: Transportation Sustainability Fee; Transportation Demand Management; and physical improvements. Unless otherwise specified in this Exhibit J, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit J is a part, by and between the City and County of San Francisco, a municipal corporation, and Prologis L.P., a Delaware limited partnership ("**Developer**").

**1. Transportation Sustainability Fee.**

a. Payment of Transportation Sustainability Fee. As described in Exhibit R, Developer will pay the Transportation Sustainability Fee ("**TSF**") in accordance with Planning Code Section 411A, except as provided in Section 1(b)(ii) of this Exhibit.

b. Accounting and Use of TSF.

i. First Building. Planning Code Section 411A will apply to development fees associated with the first Building (of two, total) in the Project. Development impact fees, including the TSF related to Developer's construction of the first Building in the Project will be paid in accordance with Exhibit R and this Transportation Plan, which the SFMTA will expend on transit and street improvements for pedestrians and bicycles, in accordance with Section 411A.6 and Table 411A.6A of the Planning Code.

ii. Second Building. Developer will pay a Transportation Sustainability Fee (the "**Building 2 TSF Amount**") in connection with construction of the second Building in the Project, which will be calculated in accordance with Planning Code Section 411A and which will be expended in accordance with this Section 1(b)(ii). The SFMTA will use an amount equal to or greater than the Building 2 TSF Amount to design and install transportation and streetscape improvements in the area surrounding the Project Site informally known as the Market Zone, as depicted on Schedule D-1 of the Development Agreement (the "**Market Zone Transportation Improvements**"). The SFMTA and related City agencies will seek input from members of the Market Zone Working Group and other community stakeholders to identify and prioritize specific Market Zone Transportation Improvements. The SFMTA and other implementing agencies will be responsible for all costs associated with the design, permitting, construction, installation, maintenance, and operation of the Market Zone Transportation Improvements above the Building 2 TSF Amount.

**2. Transportation Demand Management Plan.** Developer will implement the Transportation Demand Management Plan ("**TDM Plan**") attached as Schedule J-1. As of the Operative Date of the Development Agreement, the City's Standards for the Transportation Demand Management Program classifies PDR projects under Land Use Category D, "Other" land use type (i.e. not retail, office, or residential land use), and requires that such a project with any number of parking spaces target 3 points from the TDM Menu of Options. The TDM Plan will ensure that the Project will exceed 3 points. Developer will comply with its obligations under the TDM Plan throughout the life of the Project.

TDM Plan monitoring and reporting, and any required TDM Plan adjustments, will be carried out in accordance with the TDM Plan.

**3. Transportation Improvements.**

a. Streetscape Improvements. Developer will complete those certain transportation-related Streetscape Improvements in the public right-of-way, as depicted and described in more detail in the Infrastructure Plan attached to the Development Agreement as Exhibit P. These include both improvements required as part of the Project under the Better Streets Plan, and off-site improvements provided as Community Benefits.

b. Circulation, On-Street Parking and Loading. Developer will implement the following changes to circulation and on-street parking and loading, as depicted and described in more detail in the Infrastructure Plan attached as Exhibit P, subject to minor modifications to numbers of parking spaces, loading zones, or dimensions based on final designs:

i. Toland Street between Kirkwood Avenue and McKinnon Avenue will remain two-way traffic in the north-south direction (single lane in each direction). Striping will be provided for approximately four 8-foot wide parallel parking stalls on the east side of the street with one 40-foot long passenger loading zone mid-block.

ii. Kirkwood Avenue between Toland Street and Rankin Street will change from two-way to one-way (single lane) east bound traffic. Striping will be provided for approximately one hundred twenty-two 45-degree reverse parking stalls with a depth of 15 feet on both sides of the street. Two 100-foot long commercial loading zones will be provided on the south side of the street, one near the Selby Street intersection and another near the Rankin Street intersection.

iii. Rankin Street between Kirkwood Avenue and McKinnon Avenue will remain two-way traffic in the north-south direction (single lane in each direction). Striping will be provided for approximately five 8-foot wide parallel parking stalls on the west side of the street with one 40-foot long passenger loading zone mid-block.

iv. McKinnon Avenue between Toland Street and Selby Street will change from two-way traffic to one-way (single lane) east bound traffic. Striping will be provided for approximately twenty-four 45-degree reverse parking stalls, with a depth of 15 feet, on both sides of the street. One 20-foot long commercial loading zone will be provided mid-block on the north side.

v. McKinnon Avenue between Selby Street and Rankin Street will remain two-way traffic in the east-west direction (single lane in each direction). Striping will be provided for approximately twenty-four 45-degree reverse parking stalls, with a depth of 15 feet, on the north side, and where adequate space is available between curb cuts, 8-foot wide parallel parking stalls on the south side. One 20-foot long commercial loading zone will be provided mid-block on the north side.

vi. Selby Street between Kirkwood Avenue and McKinnon Avenue will remain two-way traffic in the north-south direction (single lane in each direction). Striping will

be provided for approximately eight 8-foot wide parallel parking stalls located between the existing I-280 columns on both sides of the street.

Without limitation, final designs will take into consideration the truck turning templates submitted to the City in connection with the Approvals, copies of which are included as Schedule J-2.

# SCHEDULE J-1

## TRANSPORTATION DEMAND MANAGEMENT PLAN

**[Attached]**

FEHR PEERS

# SF GATEWAY
# TRANSPORTATION DEMAND MANAGEMENT PLAN

Date: November 1, 2024

*SF24-1375*

This memorandum evaluates Prologis' proposed transportation demand management (TDM) plan and list of potential TDM measures for the proposed SF Gateway project located at 749 Toland Street and 2000 McKinnon Avenue in San Francisco, CA (the "Project"). The Project site is located in a core industrial area within the Bayview Hunters Point neighborhood of San Francisco and was evaluated as a part of the larger *Bayview Hunters Point Area Plan*. The existing 17-acre Project site consists of approximately 448,000 gross square feet of industrial uses distributed amongst two parcels (APNs 5284A-008 and 5287-002), with four buildings, space for storage, and parking. The Project would replace the existing light industrial/warehouse uses with up to approximately 1,166,800 gross square feet of production, distribution, and repair (PDR) uses, as well as up to 8,400 square feet of ground-floor retail. The Project would provide space for several main types of PDR uses, including manufacturing and maker space, parcel delivery and last-mile delivery, wholesale and storage, and fleet management.

We understand the Project sponsor has agreed to an alternative approach to meet the City and County of San Francisco's (the "City") *Standards for the Transportation Demand Management Program* (March 2021) ("TDM Program") requirements for the Project through the Project's Development Agreement. Based on our understanding of the Project, the City's TDM Program and its associated *Transportation Demand Management Technical Justification Report* (June 2016), we believe the Project's TDM Plan approach of setting a baseline required point target of 10 points per building (or phase), plus 6 points per building between 50-75% approved parking, and 12 points per building if a building exceeds 75% of its approved number of parking stalls (22 points total per building at project buildout) meets the overall intent of the City's TDM program requirements.

## San Francisco TDM Program

TDM refers to policies and measures that aim to reduce travel demand, particularly single occupancy vehicles (SOV). TDM helps manage travel demand by requiring new developments to incorporate transportation-related strategies that encourage residents, tenants, employees, and visitors to travel by more efficient and sustainable modes such as transit, walking, and biking.[1] New construction in San Francisco that includes 10,000 square feet of occupied floor area or more is subject to the City's TDM Program requirements and must submit a TDM Plan. The TDM Plan is structured using a point system, with target points (e.g., requirements) specific to each land use type (retail, residential, office, and other) and calculated based on the Project location, land uses, and the number of proposed accessory parking spaces. To achieve the target point amount, a project sponsor can select from a maximum of 26 TDM measures from the City's TDM menu.

## Project TDM Plan Compliance and Implementation Approach

The target points for the Project were initially established using the City's TDM Map tool, which takes account the Project's location within TAZs 488 and 485, and the following land use assumptions:

- Retail: 8,400 square feet of ground floor retail
- Production, Distribution, and Repair (PDR): 1,166,800 square feet of production, distribution, and repair uses with 1,125 accessory parking spaces

PDR uses fall within City's TDM Program Land Use Category D "Other." Utilizing the City's TDM Map Tool and based on the above Project characteristics, each building/phase of the Project would have a point target of 3 points to comply with the City's TDM Program. The proposed retail use falls under the 10,000 sf of occupied area threshold, and thus a TDM program is not required for retail.

The *Transportation Demand Management Technical Justification Report* (June 2016)[2] provides the following justification for the selection of a lower point threshold for Land Use Category D projects:

- *Land Use Category D includes uses with fewer Development Applications than the other three land uses category and uses that generate fewer vehicle trips than the other three land use categories.*

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[1] San Francisco Planning Department, *Standards for the Transportation Demand Management Program,* 2021, https://sf-planning.org/transportation-demand-management-program

[2] San Francisco Planning Department, *Transportation Demand Management Technical Justification*, 2016, https://sfplanning.s3.amazonaws.com/VPS+45.40.135.214+backup+091920/public_html/fileshare/files/documents/transportation/tdm/TDM_Technical_Justification_update2018.pdf

- *Land uses in Category D are associated with the lowest amount of trip generation, due to lower employment density and a low rate of visitors/customers.*

While the proposed project would have a lower employee density than traditional office space, it would generate a substantial number of vehicle trips due to the number of employees expected at the site, as illustrated by the Project's proposal to provide up to 1,125 accessory parking spaces. Therefore, the Project Sponsor has agreed, as part of its Development Agreement with the City, to provide a baseline point requirement of 10 points per building (the "Baseline Commitment") that consists of a set of core physical improvements and associated operational measures. In addition to the Baseline Commitment, if a building proposes constructing 50% to 75% of its approved parking quantity, the building will need to implement measures from the list of Supplemental Measures for an additional six target points, for a total per building target of 16 points. If a building proposed constructing 75% to 100% of its approved parking quantity, the building will need to implement measures from the list of Supplemental Measures for 12 target points in addition to the Baseline Commitment, for a total per building target of 22 points.

Additionally, in support of improving pedestrian access to and from public transit to the Project site, the Project Sponsor is committing to expanding roadway improvements to the full right-of-way (both sidewalks and street width) along the Project's frontages as a part of the Project's core development program. These improvements are not addressed in this TDM plan.

### *Baseline Commitments*

The Baseline Commitments will be initially included in each proposed building,[3] totaling 10 points per building. The Baseline Commitments have been identified as the core on-site TDM measures that primarily involve the construction of physical features which provide a strong base of support for improving access and utilization of alternate means of travel and reducing automobile mode share. The operational measures included in the Baseline Commitments provide complementary resources to help achieve the goals of the physical measures. The Baseline Commitments include measures that the Project Sponsor can confidently implement without significant tenant interface:

- TDM Coordinator: This person will implement all aspects of the TDM Plan including marketing, management of services and amenities, ongoing monitoring and reporting, and coordination with the City and nearby developments(required, no points).
- ACTIVE-1 Improve Walking Conditions (Option A): Improved walking conditions through all required streetscape elements and five additional streetscape elements identified by City staff that contribute to VMT reduction (1 point).

[3] Section 3.3 of the SF TDM Program provides flexibility to allow updates to the TDM Plan at any time pending City approval: https://default.sfplanning.org/transportation/tdm/TDM_Program_Standards.pdf

- ACTIVE-2 Bicycle Parking (Option A): Provide Class I and Class II bicycle parking spaces as required by the Planning Code (1 point).
- ACTIVE-3 Showers and Clothes Lockers: Provide at least one shower and at least six clothes lockers for every 30 Class I Bicycle Parking Spaces, but no fewer than the number of showers and clothes lockers that are required by Planning Code (1 point).
- ACTIVE-5a Bike Repair Station: Provide a bicycle repair station in a secure area of the building with tools that can, at minimum, fix a flat tire, adjust a chain and brakes, and clean a bike (1 point).
- ACTIVE-5b Bike Maintenance Services: Project Sponsor shall offer bicycle maintenance services to employees, at least once annually, for 40 years (1 point).
- DELIVERY-1 Delivery Supportive Amenities: Provide an area for receipt of deliveries that offers one of the following: (1) clothes lockers for delivery services, (2) temporary storage for package or other deliveries, (3) temporary refrigeration for grocery deliveries, and/or other delivery supportive measures (1 point).
- INFO-1 Multi-Modal Wayfinding Signage: Provide multimodal wayfinding signage that can withstand weather elements in key locations (1 point).
- INFO-2 Real-Time Transportation Info Displays: Provide real-time transportation information on displays (e.g., large television screens or computer monitors) in prominent locations (1 point).
- Land Use – Healthy Food Retail: For development projects located in an underserved neighborhood, as determined by Healthy Retail SF, the Project Sponsor shall demonstrate the availability of healthy food, as determined by the Healthy Retail SF program (2 points).

**Table 1** further describes the required Baseline Commitments and how the Project intends to comply with each commitment per building.

*Supplemental Measures (when exceeding 50% approved parking)*

In addition to the Baseline Commitment, if a building (or phase) proposes to construct between 50% and 75% of the maximum amount of approved parking spaces, that building will be required to achieve an additional six points from a Supplemental Measures list, for a total per building point target of 16. If a building (or phase) proposes to construct between 75% and 100% of the maximum amount of approved parking spaces, that building will be required to achieve 12 points from a Supplemental Measures list, for a total per building point target of 22. Working largely within the TDM Program Standards, the Supplemental Measures focus on measures likely to be compatible with the Project and its tenants but provide some flexibility on how future tenants (who have not been identified) and Prologis can achieve compliance. Custom measures have been

included in the Supplemental Measures list to reflect specific TDM-related benefits that have been advocated for by the community and/or other Project stakeholders.

- ACTIVE-4 Bike Share Membership (Option A): Bike share membership for each FTE employee annually for life of project (1 Point).
- ACTIVE-5 Bike Share Membership (Option B): Bike share membership for each FTE employee annually for life of project. Sponsor to coordinate with bike share provider to locate station within 1,000 feet of project (1 Point).
- ACTIVE-6 Fleet of Bicycles: Provide a fleet of bicycles for employees. The number of bicycles shall be equivalent to the number of Class 2 Bicycles Parking Spaces required by the Planning Code, at a minimum 5 bicycles shall be provided. (1 point).
- HOV-1 Contributions or Incentives for Sustainable Transportation (Option A, B, C, or D): Offer 25%-100% monthly contribution (Muni or Clipper) to employees (Up to 8 Points).
- HOV-2-custom Employment Shuttle: Employment-based shuttle serving Bayview-Hunters Point and connecting to key public transport location (e.g., 24$^{th}$ Street BART) (8 points for low frequency, 12 points for high frequency).
- HOV-3-custom Carpool or Vanpool Program: Support a vanpool service or carpooling app to connect employees of all Market Zone businesses to facilitate carpooling (7 Points).
- INFO-3 Tailored Transportation Marketing Services: Provide additional tailored marketing and communication information through promotions and welcome packets plus personal consultation to employees on transportation options, plus tenant outreach to encourage sustainable commute policies (up to 4 Points).

**Table 2** further describes the Supplemental Measures menu of options and how each building (or phase) may comply with each commitment if implementing Supplemental Measures are required.

As demonstrated in Table 1 and Table 2, the Proposed Project would meet the City's TDM Program requirements with implementation of the Baseline Commitments and, if required, additional Supplemental Measures. If any of the Baseline Commitments are found infeasible (for example, if Healthy Retail points are not achievable or the Healthy Retail SF program is no longer in effect), any Supplemental Measure of the same point value can be utilized to fulfill the infeasible Baseline Commitment, in accordance with Section 3.3 of the SF TDM Program. Similarly, if any Supplemental Measure that is initially implemented is no longer feasible, or another Supplemental Measure is found to be more effective, then any Supplemental Measure of the same point value can be utilized, or any feasible TDM measure available within the City's TDM menu at the time of election can be utilized, so long as the Project achieves the required point total.

## Table 1. Baseline Commitments

Initial Required Measures, 10 points total per building (or phase)

| TDM Measure | Description | Implementation | TDM Points |
|---|---|---|---|
| TDM Coordinator[1] | This person will implement all aspects of the TDM Plan including marketing, management of services and amenities, ongoing monitoring and reporting, and coordination with the City and nearby developments. | The Project Sponsor will designate a TDM Coordinator. | Required (no points) |
| ACTIVE-1 Improve Walking Conditions<br>Option A | Complete streetscape improvements consistent with the Better Streets Plan and any local streetscape plan so that the public right-of-way is safe, accessible, convenient and attractive to persons walking. | The Project proposes to construct new 10-foot-wide sidewalks on Rankin and Toland streets, and new 12-foot-wide sidewalks on McKinnon and Kirkwood avenues. On Selby Street, the buildings on either side would be set back 14 feet from the property line; the sidewalk widths would range between 10 and 24 feet, with a narrower sidewalk where on-street parking is provided. The new sidewalks would meet or exceed the sidewalk width of 10 feet recommended in the Better Streets Plan for industrial streets and would include American with Disabilities Act-accessible curb ramps at corners. | 1 |
| ACTIVE-2 Bicycle Parking Option A<br><br>(Applicable to Land Use Other D) | Class 1 and Class 2 bicycle parking spaces as required by Planning Code | The Project will include required spaces in each building per Planning Code. | 1 |

## Table 1. Baseline Commitments

Initial Required Measures, 10 points total per building (or phase)

| | | | |
|---|---|---|---|
| ACTIVE-3 Showers and clothes lockers | Provide at least one shower and at least six clothes lockers for every 30 Class I Bicycle Parking Spaces, but no fewer than the number of showers and clothes lockers that are required by Planning Code. | The Project will provide six lockers for every 30 Class I Bicycle Parking Spaces (or minimum code required) and one shower for every 30 Class I Bicycle Parking Spaces (or minimum code required). | 1 |
| ACTIVE-5a Bicycle Repair Station | Provide a bicycle repair station in a secure area of the building with tools that can, at minimum, fix a flat tire, adjust a chain and brakes, and clean a bike. | The Project will include a bike repair station on site, in a designated secure area within the building. The TDM coordinator would be responsible for maintenance and repairs of the station, as well as responding to tenant requests and complaints regarding the station. | 1 |
| ACTIVE-5B Bike Mainten-ance Services | Project Sponsor shall offer bicycle maintenance services to employees, at least once annually, for 40 years. | Project Sponsor to include in all tenant leases that tenants/employers offer bike maintenance services to each full-time employee once per year. Maintenance services to be minimum of equivalent of cost of bike tune-up. | 1 |
| DELIVERY-1 Delivery Supportive Amenities | Provide an area for receipt of deliveries that offers one of the following: (1) clothes lockers for delivery services, (2) temporary storage for package or other deliveries, (3) temporary refrigeration for grocery deliveries, and/or other delivery supportive measures. | Project will provide a designated area for receipt of deliveries. | 1 |
| INFO-1 Multimodal Wayfinding Signage | Provide multimodal wayfinding signage that can withstand weather elements in key locations. | The Project Sponsor will coordinate with the City to determine the type and location of wayfinding signage to direct persons to transportation services and infrastructure. | 1 |

## Table 1. Baseline Commitments

Initial Required Measures, 10 points total per building (or phase)

| | | | |
|---|---|---|---|
| INFO-2 Real Time Transporta-tion Displays | Provide real time transportation information on displays (e.g., large television screens or computer monitors) in prominent locations. | The Project Sponsor will submit plans that identify locations of real time transportation information displays to the City. The Project Sponsor will install displays with real time transportation information in prominent locations. The TDM Coordinator will be responsible for monitoring operations and replacing in the event of vandalism. | 1 |
| LU-1 Healthy Food Retail in Underserved Area | For development projects located in an underserved neighborhood, as determined by Healthy Retail SF, the Project Sponsor shall demonstrate the availability of healthy food, as determined by the Healthy Retail SF program. | Project Sponsor will submit a plan showing a design compatible with a food retail store and commit to providing healthy food options, as confirmed by Healthy Retail SF and defined by Administrative Code Chapter 59. | 2 |
| | | **Total Points** | **10 per building/phase** |

Notes:

1. The TDM coordinator does not need to be a full-time position, but rather needs to be an employee with an extensive knowledge of the TDM measures and their compliance.

Source: Prologis, 2024. Fehr & Peers, 2024

## Table 2. Supplemental Measures (required when exceeding 50% approved parking)

Menu of options; additional 6 points total per building (or phase) for 50-75% approved parking (16 points total) and 12 points total per building (or phase) when exceeding 75% approved parking (22 points total).

| TDM Measure | Description | Implementation | City TDM Points |
|---|---|---|---|
| ACTIVE-4 Bike Share Membership | Proactively offer one complimentary bike share membership to employees, at least once annually, for the life of the Development Agreement or a shorter period if a bike sharing program ceases to exist. | Project Sponsor to include in all tenant leases that tenants/employers offer bike share membership to each FTE employee annually for the life of their tenancy or the Development Agreement, whichever ends first. The project is within 1,000 feet of a bikeshare station at the intersection of Jerrold Avenue / Toland Street. | 2 |
| ACTIVE-6 Fleet of Bicycles | Provide a fleet of bicycles for employees. The number of bicycles shall be equivalent to the number of Class 2 Bicycles Parking Spaces required by the Planning Code, at a minimum 5 bicycles shall be provided. | Project Sponsor would provide a fleet of bicycles equivalent to the number of Class 2 bicycle spaces required. Bicycles would be properly stored within a secure location and accessible to employees of the building. Bicycles would be provided in addition to the Planning Code requirements for bicycle spaces. | 1 |
| HOV-1 Contribu-tions or Incentives Option A, B, C, or D | Offer 25-100% subsidy to Project employees for transit passes annually for the life of the project. Contributions should be equivalent to the cost of a monthly Muni "M" pass. | Project Sponsor would proactively offer and facilitate contributions or incentives to each FTE employee to encourage use of sustainable transportation. The equivalent point value would be as follows:<br>• Option A (2 points): 25% subsidy<br>• Option B (4 points): 50% subsidy<br>• Option C (6 points): 75% subsidy<br>• Option D (8 points): 100% subsidy | Up to 8 |
| INFO-3 Tailored Transporta-tion | Development project shall provide individualized, tailored marketing and communication campaigns, including incentives to encourage the use of sustainable | Project Sponsor to provide additional tailored marketing and communication information through promotions and welcome packets, plus personal consultation to employees on transportation options, plus tenant | Up to 4 |

## Table 2. Supplemental Measures (required when exceeding 50% approved parking)

Menu of options; additional 6 points total per building (or phase) for 50-75% approved parking (16 points total) and 12 points total per building (or phase) when exceeding 75% approved parking (22 points total).

| | | | |
|---|---|---|---|
| Marketing Services<br>Option A, B, C, or D | transportation modes. Marketing services shall either be provided by the TDM coordinator or a communications professional. | outreach to encourage sustainable commute policies. The equivalent point value would be as follows:<br>• Option A (1 point): promotions and welcome packets<br>• Option B (2 points): Option A plus personal consultation for each new resident/employee and a request for commitment to try new transportation options.<br>• Option C* (3 points): Option B plus a one-time financial incentive to try new options and conduct outreach to tenant employers on an annual basis to encourage adoption of sustainable commute policies.<br>• Option D* (4 points): Option C plus enroll tenants in trip tracking application and provide employers with access to an expert consultant for help in developing new policies.<br>*Financial incentives for Option C and Option D shall be at least equivalent to 25 percent of the cost of a monthly Muni only "M" pass, or equivalent value in e-cash loaded onto a Clipper Card, per participating Dwelling Unit, and/or employee. | |
| HOV-2-custom | Employment Shuttle | Tenant leases to include an employment-based shuttle serving Bayview-Hunters Point and connecting to key public transportation locations (e.g. 24th Street Mission BART). Monitoring to be conducted as outlined in the SF TDM Guidelines. | 8 points for low frequency or<br>12 points for high frequency |

## Table 2. Supplemental Measures (required when exceeding 50% approved parking)

Menu of options; additional 6 points total per building (or phase) for 50-75% approved parking (16 points total) and 12 points total per building (or phase) when exceeding 75% approved parking (22 points total).

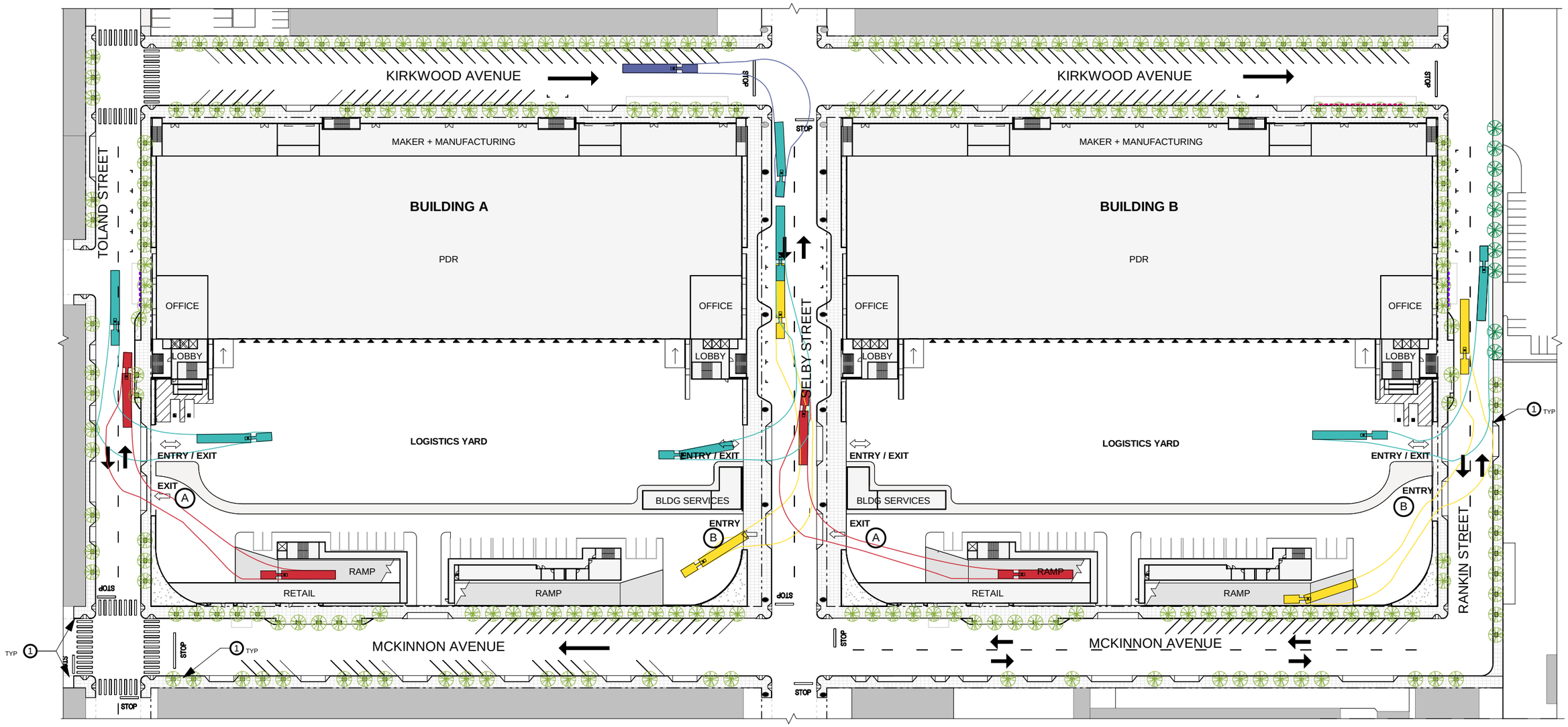
| | | | |
|---|---|---|---|
| | | The proposed custom employment shuttle is comparable to Measure T.44: Provide Shuttles in the 2021 CAPCOA *Handbook for Analyzing Greenhouse Gas Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity*. Shuttles incentivize a shift from private vehicles to transit, reducing associated GHG emissions. | |
| HOV-3-custom | Carpool or Vanpool Program | Tenant leases to include a vanpool or carpool app to connect employees of businesses throughout the Market Zone to facilitate carpooling. Monitoring to be conducted as outlined in the SF TDM Guidelines.<br><br>The proposed custom carpool program is comparable to Measure T.5: Implement Commute Trip Reduction Program in the 2021 CAPCOA *Handbook for Analyzing Greenhouse Gas Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity*, which estimates mitigating up to 4.0% of GHG emissions from a project/site's employee commute VMT. | 7 |
| | | **Total Points** | **12 per building/phase** |

Source: Prologis, 2024. Fehr & Peers, 2024

# SCHEDULE J-2

## TRUCK TURNING TEMPLATES

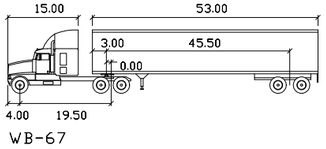
[Attached]




## VEHICLE ACCESS

- VEHICLE ENTRY TO UPPER FLOORS
- VEHICLE EXIT FROM UPPER FLOORS
- LEVEL 1 VEHICLE ENTRY AND EXIT
- MAKER SPACE LOADING
- PEDESTRIAN ACCESS
- COMMERCIAL LOADING
- PASSENGER LOADING

## DESIGN VEHICLE: 74' TRUCK




## SHEET NOTES

(A) ARTICULATED TRUCK EXIT RIGHT TURN ONLY (ALL OTHER VEHICLES UNRESTRICTED)

(B) ARTICULATED TRUCK ENTRY RIGHT TURN ONLY (ALL OTHER VEHICLES UNRESTRICTED)

*ALL VEHICLE MOTION UNRESTRICTED UNLESS NOTED ABOVE*

(C) DRIVEWAYS WILL BE EQUIPPED WITH AUDIO AND VISUAL ALARMS TO IDENTIFY VEHICLES EXITING BUILDING

Jackson Liles ARCHITECTURE

# SITE PLAN - TRUCK TURNING - WB-67

ROADWAY & STREETSCAPE OVERVIEW

CONDITIONAL USE REVISON 4

RN

SS-12

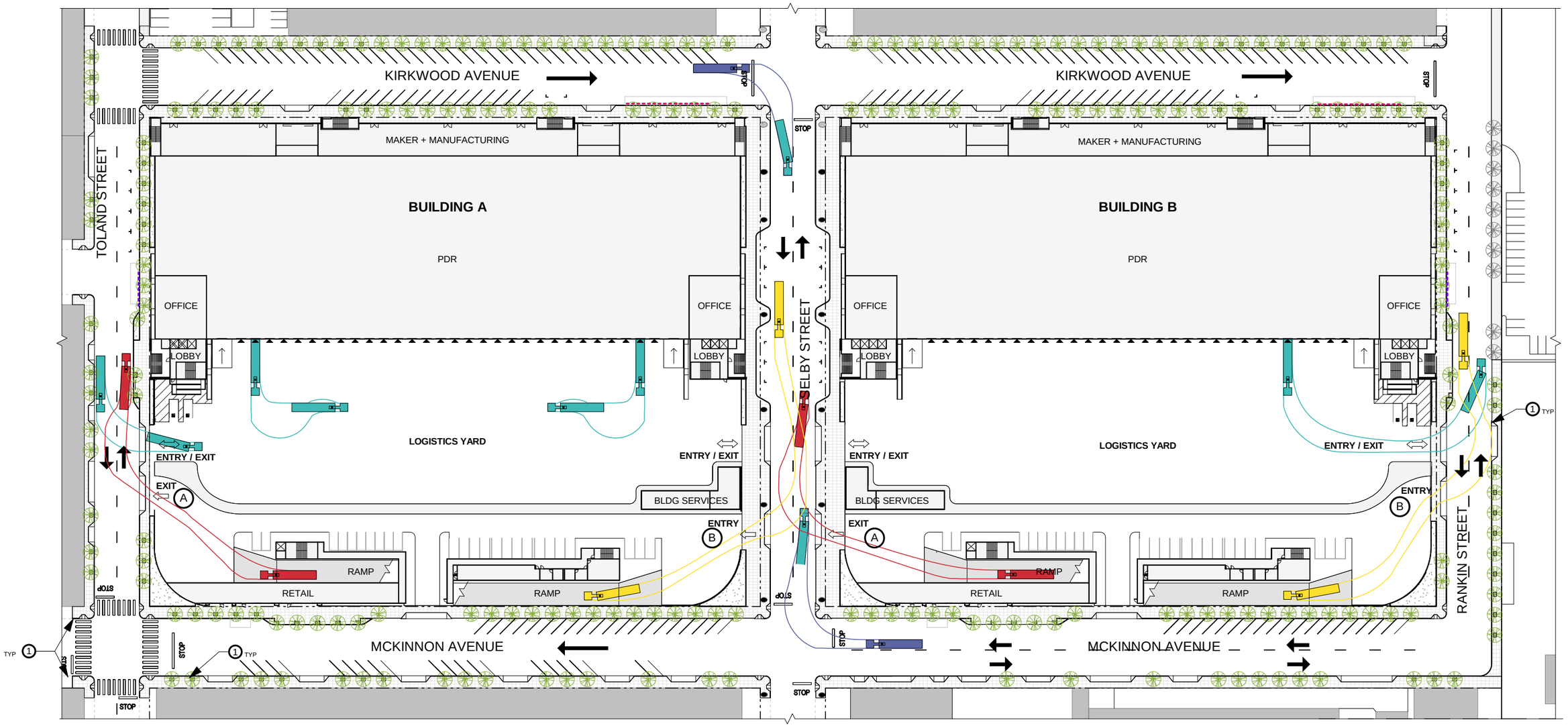
Revised 9.11.24

1" = 100'-0"

11.18.22

SAN FRANCISCO GATEWAY

749 Toland St. / 2000 McKinnon Ave.
San Francisco, CA 94124

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- VEHICLE EXIT FROM UPPER FLOORS
- LEVEL 1 VEHICLE ENTRY AND EXIT
- MAKER SPACE LOADING
- PEDESTRIAN ACCESS
- COMMERCIAL LOADING
- PASSENGER LOADING

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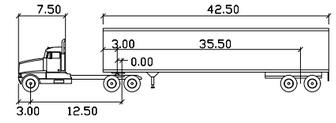


WB-50

## SHEET NOTES

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(C) DRIVEWAYS WILL BE EQUIPPED WITH AUDIO AND VISUAL ALARMS TO IDENTIFY VEHICLES EXITING BUILDING

Jackson Liles ARCHITECTURE

# SITE PLAN - TRUCK TURNING - WB-50

ROADWAY & STREETSCAPE OVERVIEW

CONDITIONAL USE REVISON 4

RN

SS-13

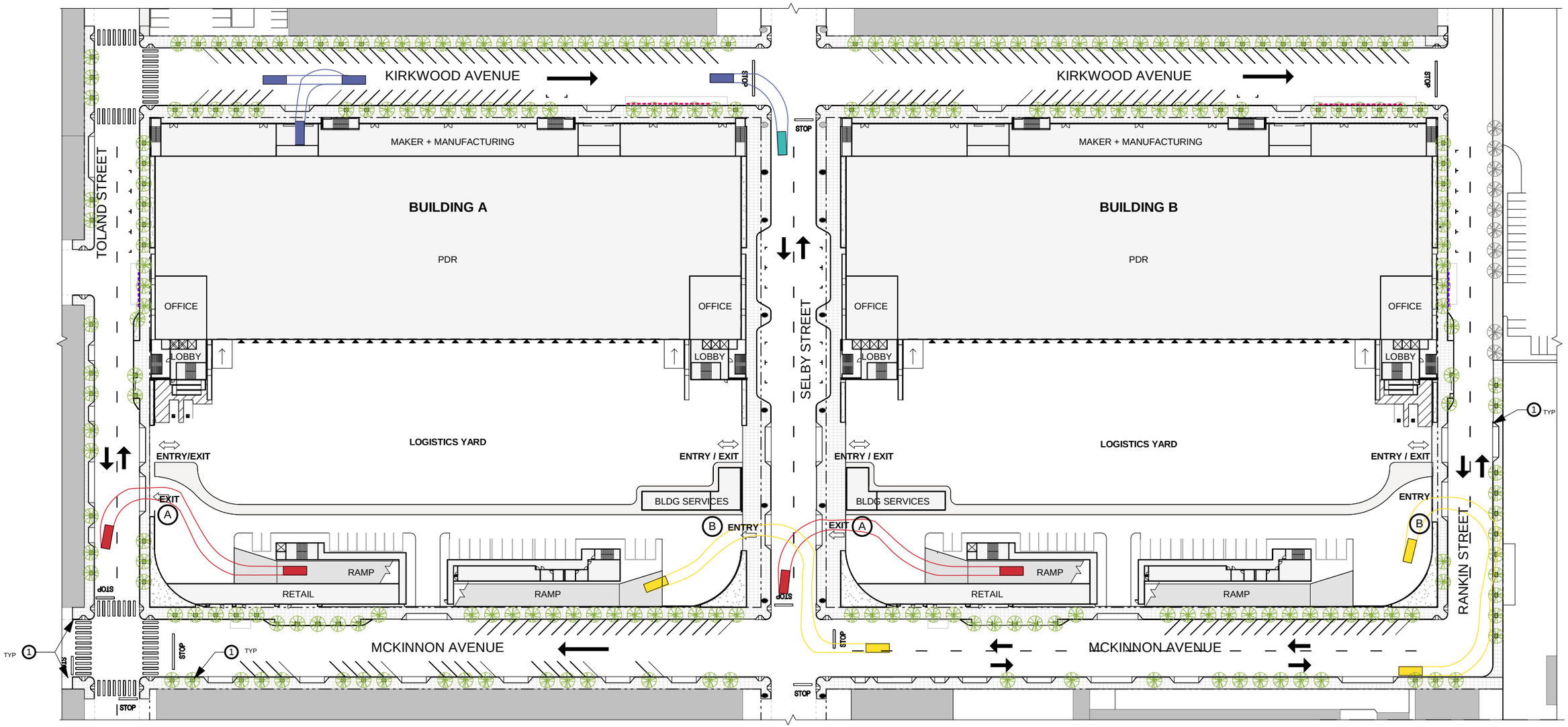
Revised 9.11.24

1" = 100'-0"

11.18.22

SAN FRANCISCO GATEWAY

749 Toland St. / 2000 McKinnon Ave.
San Francisco, CA 94124

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- PASSENGER LOADING

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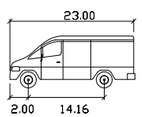


SPRINTER

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*ALL VEHICLE MOTION UNRESTRICTED UNLESS NOTED ABOVE*

(C) DRIVEWAYS WILL BE EQUIPPED WITH AUDIO AND VISUAL ALARMS TO IDENTIFY VEHICLES EXITING BUILDING

Jackson Liles ARCHITECTURE

# SITE PLAN - TRUCK TURNING - SPRINTER VAN

ROADWAY & STREETSCAPE OVERVIEW

CONDITIONAL USE REVISON 4

RN

SS-14

Revised 9.11.24

1" = 100'-0"

11.18.22

SAN FRANCISCO GATEWAY

749 Toland St. / 2000 McKinnon Ave.
San Francisco, CA 94124

# EXHIBIT L

## SUSTAINABILITY

This Exhibit L summarizes Project commitments intended to promote environmental sustainability and community resiliency in connection with the buildout of the San Francisco Gateway Project (the "**Project**"). Unless otherwise specified in this Exhibit L, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit L is a part, by and between the City and County of San Francisco, a municipal corporation (the "**City**"), and Prologis L.P., a Delaware limited partnership ("**Developer**").

1. **Project Sustainability & Resilience Plan**
   Developer is committed to building an innovative project that provides sustainable solutions for improving the Project area and combating climate change. Demonstrating this commitment, the Project includes an industry-leading Sustainability & Resilience Plan that outlines the key design commitments and accountability framework that will enable the SF Gateway Project to be certified as the first Zero Carbon Project of its kind in San Francisco. See S L-1 for the full Sustainability & Resilience Plan.

2. **Community Environmental Justice Support**
   Developer will provide to City One Hundred Thousand Dollars ($100,000) in funding to support programs that improve environmental conditions in residential and/or commercial properties in zip codes in the vicinity of the Project site including: 94107, 94124, 94103, 94110, 94112, and 94134. Funding will be provided to the San Francisco Environment Department ("**SF Environment**") to support the SF Climate Equity Hub and similar programs that seek to utilize the City's transition to clean energy to address inequities in environmental justice communities. For example, the specific goal of the Climate Equity Hub is to eliminate greenhouse gas emissions from residential buildings, while advancing racial and social equity, health, economic revitalization, and resilience. The Climate Equity Hub's free heat pump water heater program implements this goal by subsidizing and supporting eligible households to transition to electric appliances.
   Developer's environmental justice support will be provided in one (1) payment of One Hundred Thousand Dollars ($100,000), to be paid to City within 60 days of the Initial Approvals becoming Finally Granted. Developer's environmental justice support will be utilized by SF Environment to augment the work of the Climate Equity Hub or similar programs.

# SCHEDULE L-1

## SUSTAINABILITY AND RESILIENCE PLAN

[Attached]

# SF GATEWAY
# SUSTAINABILITY & RESILIENCE PLAN

# TABLE OF CONTENTS



This Sustainability & Resilience Plan was developed with the support, guidance, and research of teams with expertise in industry best practices, sustainable development and planning, building systems, programming and integration of sustainable design principles.


PROLOGIS®

*Development, Mobility, and Renewables Teams*

Jackson Liles ARCHITECTURE

*Project Architect*

BranchPattern

*Sustainability Consultant*

# PLAN OVERVIEW

## SF GATEWAY APPROACH

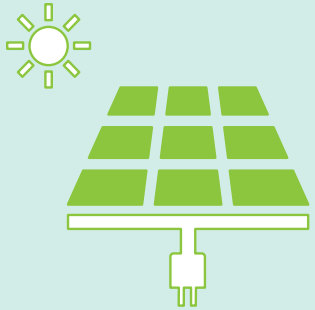
The SF Gateway Project is dedicated to providing industry leading sustainability solutions in the design and development of a state-of-the-art Production, Distribution and Repair (PDR) project. Our approach stands on the cornerstones of carbon reduction, renewable energy generation, electrification, community well-being, and long-term operational resilience. This Plan outlines the key elements and framework for accountability that will enable the SF Gateway to be the first **Zero Carbon Project** of its kind in San Francisco.

*Sustainability Highlights*

### Commit to Zero Carbon

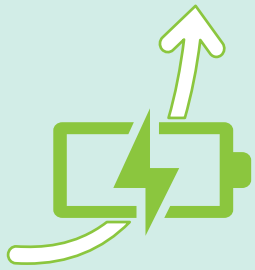

*The Project will meet the rigorous standards required for Zero Carbon Certification*

### Expansive Rooftop Solar



*The Project will include an expansive solar array to generate enough renewable energy to offset the building's estimated operational energy needs*

### Maximize EV Charging



*The Project will provide substantial electric vehicle (EV) charging infrastructure and equipment for both autos and commercial fleets to enable and accelerate EV adoption*

## SUSTAINABILITY & RESILIENCE CORNERSTONES

The cornerstones of the SF Gateway Sustainability & Resilience Plan rigorously reduce the Project's carbon footprint and provides specific and actionable commitments that can be validated through the framework of third party certifications. These cornerstones, along with more than 25 other project sustainability features, will work together to position the SF Gateway Project as a Citywide and industry model for combating climate change.

### 1. Reduce Carbon Emissions

The Project will commit to significant reductions in carbon emissions to meet the rigorous standards for Zero Carbon Certification. This requires not only reducing emissions from building operations and mobile sources, but also targeting the embodied carbon emissions in the selection of materials, system design and construction process as well.

### 2. Provide and Utilize Renewable Energy

The SF Gateway will include an expansive solar array to generate enough renewable energy to offset the building's estimated operational energy needs. This extensive array will not only power the building but will also help reduce reliance on the energy grid and mitigate the building's carbon footprint.

### 3. Reduce Energy Consumption

Through smart building technologies, energy-efficient HVAC systems, LED lighting, and advanced building performance strategies, the Project will reduce its energy consumption by at least 20% below the Project baseline. These measures will ensure optimal comfort for building occupants while significantly lowering the demand for energy.

### 4. Enable Electrification

The Project will feature substantial electric vehicle (EV) charging infrastructure and equipment for both autos and commercial fleets. Maximizing the Project's charging potential aims to accelerate the growing adoption of EVs with a focus on supporting the transition to all electric fleets. Fleet electrification has the most potential to meaningfully reduce mobile emissions.

### 5. Promote Community and Workforce Well-Being

The SF Gateway Project provides a unique opportunity to bolster the City's PDR workforce and neighbors. The Project generates new jobs for District 10 residents, provides access to healthy food options within the Market Zone community and supports workers through careful consideration of indoor air quality and comfort. Each building's rooftop will feature an outdoor space for employee well-being and enjoyment.

### 6. Build Resilience

The scale, flexibility, and siting of the Project all contribute to the longevity and resilience to the City's supply chain. Significant upgrades to the infrastructure and streetscape will activate a formerly underutilized urban infill site. The Project design responds to potential sea level rise and integrates a robust battery back up system with on-site renewable energy generation. These features paired with the adaptability of a large scale, state-of-the-art facility enable the SF Gateway to mobilize quickly to support District 10 and the City's emergency response efforts into the future.

# ACCOUNTABILITY FRAMEWORK

Third party certifications are the key to guide and validate the SF Gateway Sustainability & Resilience Plan. The team has worked closely with BranchPattern, a third party sustainability consultancy, to develop ambitious and attainable certifications through well established third party programs that the Project is committed to achieving.

## *Certification & CalGreen Commitments*

Achieve current

### LEED Gold Certification

*Achieve over 60 LEED credits through commitments in key areas of Location and Transportation, Water Efficiency, Energy and Atmosphere, Materials and Resources, and Innovation*

Achieve current

### Zero Carbon Certification

*Achieve carbon neutrality for both embodied and operational carbon by pursuing best-in-class Zero Carbon Certification*

Exceed current

### CalGreen Standards

*Meet or exceed several CalGreen Tier 2 Voluntary measures such as reduction in global warming potential and augmented vehicle charging, auto and bike parking*

Commiting to these certifications requires careful consideration of development timing, feasibility of the pathways to compliance, and benchmarks for certification processing and completion. Addressing these considerations early in the development process will aid the Project in avoiding potential roadblocks in the future.

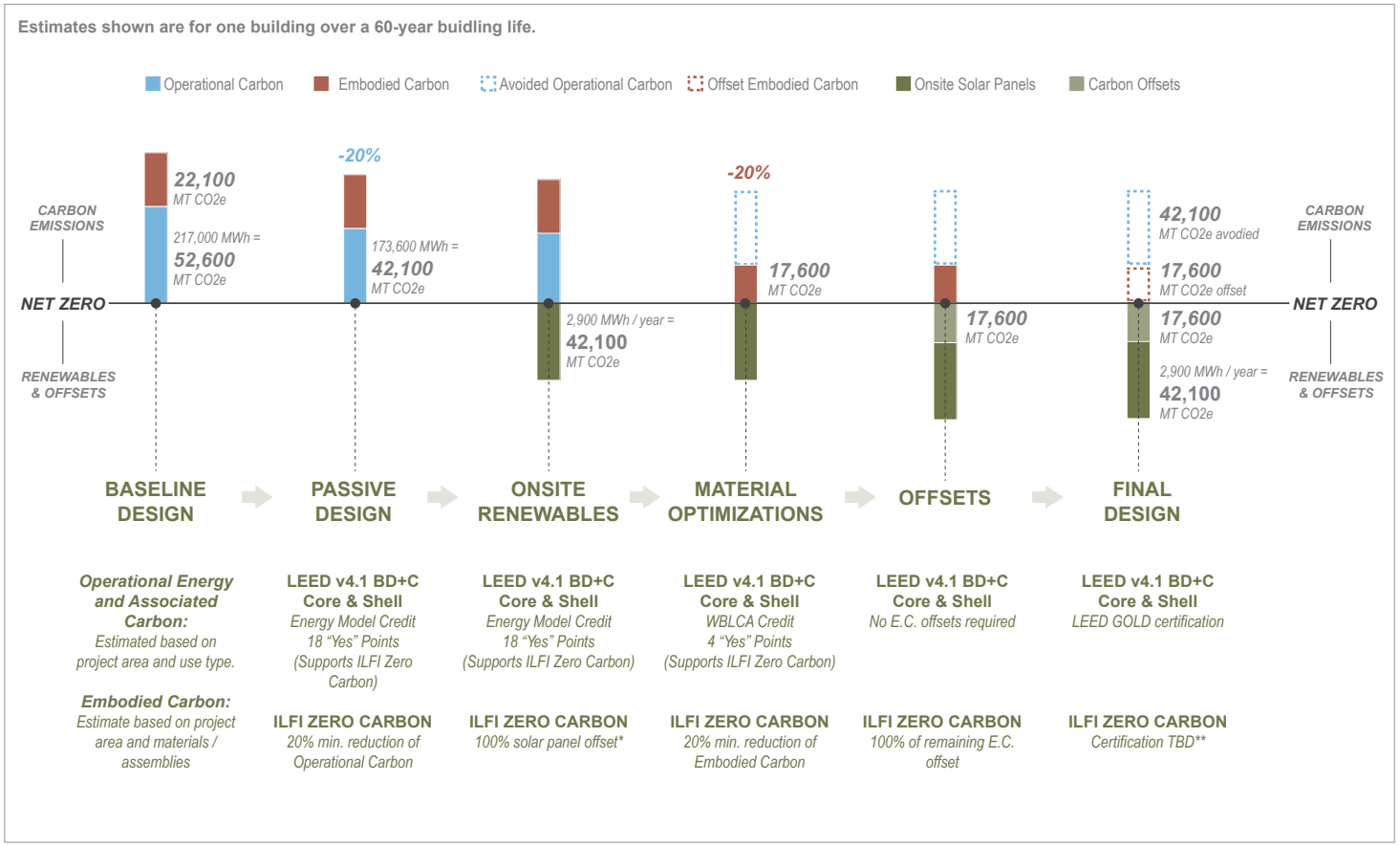
## TIMING AND VERIFICATION CONSIDERATIONS

The main method for verifying this Sustainability & Resilience Plan will be through the completion of third party certification. The SF Gateway is committed to achieving the performance standards set forth in the current versions of LEED Gold (v4) and CalGreen (2022 including 2024 Supplement). For Zero Carbon, the Project commits to achieving certification through one of the following programs: current LEED Zero Carbon, current ILFI Zero Carbon, or other verified third party that provides an equivalent degree of accountability. This commitment includes compliance with any updates to the current Zero Carbon certification requirements made prior to 2030. Independent of this Project, third party certification programs will evolve over time which creates uncertainty as requirements may change significantly. The commitment to achieve certification will remain effective through 2030, and beyond that date, the Project will strive to meet evolving standards of future certification.

Certification is a methodical process that includes energy modeling, whole building life cycle assessment (WBLCA) and analysis of building and systems design. Both LEED Gold and CalGreen require submittal of checklists during the permitting process to ensure that the building's design is aligned with program requirements. LEED and Zero Carbon certifications also require a building monitoring and reporting period of approximately 12 months post occupancy, at which point the Project can submit the last required data to the certification organization for their validation. The commitments of this Plan will be complete at the time of third party certification.

## PATHWAYS TO CERTIFICATION

The Project's goals and certification benchmarks can be achieved utilizing numerous strategies and pathways. To assist the Project team in forging a path that is responsive to City needs, community input, project sponsor's goals, and emerging technologies, BranchPattern has developed the SF Gateway Carbon Roadmap. This document provides the Project team with potential pathways, key strategies, and minimum benchmarks to aid the Project in meeting the commitments of this Sustainability & Resilience Plan. The figure below demonstrates one feasible pathway to accomplishing a Zero Carbon certification.




*Pathway to Net-Zero. BranchPattern 2025*

# Project Features Matrix

The main method of verifying this Plan's commitments will be through achieving third party certification. The following matrix illustrates in detail the intended features that contribute to the Project's cornerstones and support pathways to certification. Included in this matrix are CEQA Mitigation Measures (CEQA MM) which are requirements adopted by the City in connection with the Project's EIR. Where applicable, each feature identifies the certification and/or supporting standard associated with it. Lastly, the matrix identifies additional reach goals that the Project will pursue, recognizing the context of evolving requirements, technologies, and sustainable strategies.

| 1 REDUCE CARBON EMISSIONS | | | SUPPORTING STANDARDS | | | |
|---|---|---|---|---|---|---|
| TOPIC | KEY FEATURES | DESCRIPTION | CEQA MM | LEED GOLD | ZERO CARBON | CALGREEN TIER 2 |
| **EMBODIED CARBON REDUCTION** | Design and construction will reduce emissions related to material extraction, transportation, assembly, and construction as compared to a baseline project of this type | Reduce the Project's GWP (global warming potential) by 20% or more below Project baseline | | ✓ | ✓ | ✓ |
| CARBON ACCOUNTING | Utilize sustainability experts to support and guide Plan and to track and validate the Project's commitment to reducing embodied carbon emissions | Complete zero carbon roadmap to guide Project development, articulate best practices, and provide pathway to meeting or exceeding commitments<br><br>Pursue as a goal - Third party carbon accounting to determine actual emissions reduction from construction as compared to baseline | | | ✓<br><br>✓ | |
| TRUCK IDLING | Design incorporates vehicle ramping to move trucks on-site and into loading positions quickly, minimizing off-site idling and street congestion. Restricted on-site idling times reduce emissions further | Limit on-site truck idling to a maximum of 2 minutes | ✓ | ✓ | | |
| CLEAN AIR VEHICLE AND BIKE PARKING | Prioritize parking availability for clean vehicles | Meet or exceed CalGreen Tier 2 Voluntary Measure by designating 50% total parking spaces for zero emission and or high efficiency vehicles<br><br>Meet or exceed CalGreen short-term and long-term bicycle parking requirements | ✓<br><br>✓ | ✓<br><br>✓ | | ✓<br><br>✓ |
| VEHICLE MODEL YEAR | Ensure that visiting large trucks are running on current engine technology to minimize emissions | Limit model year of visiting trucks such that they are no more than nine years old upon the completion of project construction activities | ✓ | | | |
| GENERATOR EFFICIENCY | Reduce diesel emissions by maintaining high performance generator | Meet or exceed air board's Tier 4 final off-road emissions standards for on-site generator | ✓ | | | |
| MAKER SPACE EMISSIONS | Reduce emissions of stationary equipment by setting limit on daily NOx emissions | Limit NOx emissions of Maker Space activities to no more than 10 lbs/day | ✓ | | | |
| OPERATIONAL EMISSIONS MANAGEMENT PLAN | Provide process of assessment and reporting to ensure project NOx emissions do not exceed thresholds | Implement OEMP to track and demonstrate that the Project's net operational emissions do not exceed air district threshold | ✓ | | | |

## 2 PROVIDE AND UTILIZE RENEWABLE ENERGY

| TOPIC | KEY FEATURES | DESCRIPTION | SUPPORTING STANDARDS: CEQA MM | LEED GOLD | ZERO CARBON | CALGREEN TIER 2 |
|---|---|---|---|---|---|---|
| **ROOFTOP SOLAR ARRAY** | Provide solar array elevated on structure to maximize coverage, provide shading for employee parking, and screen parking from surrounding hilltop views | Exceed code minimums and size rooftop solar array to offset 100% of estimated building operations | | ✓ | ✓ | |
| 100% RENEWABLE ENERGY | Utilize clean power, support and incentivize providers to generate renewable energy | Purchase 100% of electrical power for the Project from renewable sources | | ✓ | ✓ | ✓ |

## 3 REDUCE ENERGY CONSUMPTION

| TOPIC | KEY FEATURES | DESCRIPTION | SUPPORTING STANDARDS: CEQA MM | LEED GOLD | ZERO CARBON | CALGREEN TIER 2 |
|---|---|---|---|---|---|---|
| **ENERGY USE REDUCTION** | Employ all feasible strategies and technologies to reduce Project's energy consumption | Reduce energy use by at least 20% below Project baseline for building operations | | ✓ | ✓ | |
| ENHANCED BUILDING PERFORMANCE | Design building systems and features that are consistently monitored, streamlined, and updated to minimize inefficiencies and maximize employee comfort and resource conservation | Implement industry-leading low-impact lighting, energy efficient HVAC systems, enhanced commissioning, and optimized energy saving systems | | ✓ | ✓ | |

## 4 ENABLE ELECTRIFICATION

| TOPIC | KEY FEATURES | DESCRIPTION | SUPPORTING STANDARDS | | | |
|---|---|---|---|---|---|---|
| | | | CEQA MM | LEED GOLD | ZERO CARBON | CALGREEN TIER 2 |
| **EV CHARGING** | Provide all infrastructure including charging equipment to incentivize and accelerate the adoption of electric vehicles for both employees and businesses | Exceed current CalGreen Tier 2 Voluntary Measure for vehicle charging:<br>• Charging capacity and equipment for 60% of auto spaces<br>• Charging capacity and equipment for 50% of delivery vans and box trucks and 10% of semi-trucks present in facility | | ✓ | ✓ | ✓ |
| | | Pursue as a goal - Provide capacity to enable EV charging for 100% of autos and commercial fleets by 2042 or as required by Advanced Clean Fleet guidance | | ✓ | ✓ | ✓ |
| ELECTRIC CONSTRUCTION EQUIPMENT | Reduce emissions related to gas powered construc-tion equipment by requiring use of as much electric equipment as is feasible | Require contractor use electric construction equipment to the maximum extent feasible throughout construction | ✓ | | | |
| | | Pursue as a goal - Develop an equipment plan with contractor to maximize utilization of electric equipment | ✓ | | | |
| OPERATIONAL EQUIPMENT | Improve work environment and reduce emissions related to gas powered operational equipment by requiring use of electric yard equipment | Require all electric forklifts and yard equipment | ✓ | | | |
| TRANSPORT REFRIGERATION UNITS | Accelerate adoption of all electric TRUs by prohibiting gas powered units within the facility | Require all TRU (Transport Refrigeration Units) coming onto site to be electric. Provide sufficient plug-in capacity at truck docking locations occupied by TRUs for on-site operation | ✓ | | | |
| ALL ELECTRIC SYSTEMS | Remove sources of emissions and support adoption of all electric developments | Require all electric building systems | | ✓ | ✓ | |

| 5 PROMOTE COMMUNITY WELL-BEING | | | SUPPORTING STANDARDS | | | |
|---|---|---|---|---|---|---|
| TOPIC | KEY FEATURES | DESCRIPTION | CEQA MM | LEED GOLD | ZERO CARBON | CALGREEN TIER 2 |
| **OUTDOOR EMPLOYEE SPACE** | Improve experience of workers by providing dedicated outdoor space for relaxation and maintaining well-being. | Reserve a portion of the rooftop for employee well-being space. Outdoor space to include seating, walking paths and landscaped areas | | ✓ | | |
| ENHANCED AND EXPANDED STREETSCAPE | Provide fully improved streetscapes surrounding the project site to improve safety, pedestrian comfort, and environmental quality in the area | Construct full streetscape, including opposite side of street surface, curb, gutter, sidewalk and up to 233 new street trees | | ✓ | | |
| CUSTOM TDM PLAN | Create a set of measures that address the unique needs of a PDR neighborhood. Increase accessibility, safety and riding sharing. | Implement custom TDM plan that significantly exceeds City requirements and provides enhanced measures that support Project and Market Zone needs | | ✓ | | |
| PEDESTRIAN EXPERIENCE | Improve the environmental quality of the surrounding area to encourage and welcome pedestrian activity and invigorate street life | Provide evergreen street trees at specific areas to mitigate wind discomfort<br><br>Design retail and maker spaces to provide accessible and active ground floor and street frontage<br><br>Provide art installation(s) by local artist to improve enjoyment of the area by Project occupants and neighbors | ✓ | ✓<br><br>✓ | | |
| HEALTHY RETAIL | On-site retail component provides opportunity for healthy and accessible food options for project employees and neighboring PDR businesses | Pursue as a goal - Select and support retail tenants to provide healthy food options and fund enrollment in Healthy Retail SF or similar program | | ✓ | | |

| 6 BUILD RESILIENCE | | | SUPPORTING STANDARDS | | | |
|---|---|---|---|---|---|---|
| TOPIC | KEY FEATURES | DESCRIPTION | CEQA MM | LEED GOLD | ZERO CARBON | CALGREEN TIER 2 |
| SEA LEVEL RISE | Accommodate potential sea level rise through building siting and design. This commitment is integral to Project site design and resilience but current standards do not address this particular topic | Design Project such that all enclosed and essential systems and components of the building are sufficiently protected from 100 year flood | | | | |
| BATTERY BACKUP | Provide a resilient system for storing power to minimize dependence on energy grid and increase emergency preparedness | Pursue as a goal - Incorporate a robust backup battery storage system to store on-site energy for future emergency use | | | ✓ | |
| RESOURCE CONSERVATION | Employ indoor and outdoor water use reduction measures | Meet or exceed 20% savings over the water use baseline | | ✓ | | ✓ |
| STORMWATER MANAGEMENT | Minimize runoff impacts on City infrastructure and improve stormwater design | Mitigate stormwater runoff through a combination of on-site volume retention planters and precipitation capture via on-site cisterns and green roof elements | | ✓ | | ✓ |

PROLOGIS®
*Development, Mobility, and Renewables Teams*

Jackson Liles ARCHITECTURE
*Project Architect*

BranchPattern
*Sustainability Consultant*

# EXHIBIT N

## COMMUNITY BENEFITS SCHEDULE

Unless otherwise specified in this Exhibit N, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit N is a part, by and between the City and County of San Francisco, a municipal corporation ("**City**"), and Prologis, L.P., a Delaware limited partnership ("**Developer**"). Pursuant to Article 4 of the Agreement, Developer is obligated to provide certain Associated Community Benefits, to be delivered in accordance with this Community Benefits Schedule and Community Benefits Linkages Table ("**Linkages Table**") shown in Schedule N-1. This Exhibit N and its Linkages Table present the overall schedule and specific milestones the Parties have agreed to regarding the timing of Developer's obligations to perform certain Associated Community Benefits. This Community Benefits Schedule and the Linkages Table are presented for convenience of the Parties, and specific commitments for Associated Community Benefits are contained in Exhibits D, I, L, and P, which control in the event of a conflict with this Community Benefits Schedule and the Linkages Table.

1. **Phasing and Benefits, Generally.** The Project would include the construction of two new multi-story PDR Buildings, which Developer intends to build sequentially. The Approvals permit either Building to be constructed first. Developer is generally obligated to provide benefits in three stages of the Project: (1) upon the Initial Approvals becoming Finally Granted, (2) during the permitting and construction of the first Building, and (3) during the permitting and construction of the second Building, as further described below. Unless otherwise stated, Associated Community Benefits payments shall be delivered to the Office of Economic and Workforce Development ("**OEWD**"), for distribution to other City entities or community-based organizations as applicable. Refer to Section 4.1.2 of the Agreement for City and Developer rights and obligations related to withholding TCOs and Later Approvals, and provision of adequate security to allow for issuance of TCOs and Later Approvals. For ease of reference, "**TCO**" means a first certificate of occupancy, including a temporary or final certificate of occupancy, as defined in Section 1.105 of the Agreement.

a. **Initial Approvals Becoming Finally Granted**. This group of obligations must be met within 60 days of the Initial Approvals becoming Finally Granted, as defined in Section 1.45 of the Agreement.

b. **Prior to Issuance of Site Permit**. The issuance of a site permit for the development of a Building, or its equivalent if a site permit is not obtained, is conditioned on Developer performing certain benefits prior thereto.

c. **Prior to Issuance of First Addenda**. The issuance of any addenda to a previously approved site permit for a Building, or its equivalent if a site permit is not obtained, is conditioned on Developer performing certain benefits prior thereto.

d. **Prior to Issuance of TCO**. Any TCO for a Building in the Project, is conditioned on Developer having met a defined benefit, below.

e. **Prior to Issuance of Final Certificate of Occupancy or 24 Months Following Issuance of a TCO**. No later than the earlier of (1) City's issuance of a Final Certificate of Occupancy, or (2) 24 months from the issuance of a TCO, Developer must meet the obligations discussed below.

2. **Associated Community Benefits Linked to Initial Approvals Becoming Finally Granted**. Within 60 days of the Initial Approvals becoming Finally Granted, Developer must make the following payments, in accordance with the provisions of Exhibits D and L: (1) $500,000, the first of two installments, to OEWD, Real Estate Division to support capital improvements for the Reinvestment and Expansion Plan of the SF Produce Market ("**SF Market**"); (2) $250,000, the first of three installments, to OEWD's Community Economic Development division ("**CED**") to support Bayview Hunters Point small businesses and local organizations; (3) $300,000 to the Department of Children, Youth, and Their Families ("**DCYF**") to support early education programs; and (4) $100,000 to the San Francisco Environment Department ("**SF Environment**") to support the SF Climate Equity Hub and similar programs.

3. **Associated Community Benefits Linked to the First Building in Project.**

a. **Prior to Issuance of Site Permit.** Prior to the City's issuance of a site permit for the first Building in the Project, Developer must make the following payments, in accordance with the provisions of Exhibit I: (1) $268,750, the first of two installments, to CityBuild, the City of San Francisco's comprehensive pre-apprenticeship and construction administration training program – these funds will support CityBuild's Academy and other training programs managed by OEWD that are designed to prepare San Francisco residents for employment opportunities in the construction of the Project and careers in the building trades; and (2) $150,000 to the City's Contract Monitoring Division ("**CMD**") to fund its Contractor Development Program, which is designed to support the City's efforts to assist certified Local Business Enterprise contractors.

b. **Prior to Issuance of First Addenda.** Prior to the City's issuance of the first site permit addenda (or its equivalent if a site permit is not obtained) for the first Building in the Project, Developer must make the following payment, in accordance with the provisions of Exhibit D: $250,000, the second of three installments, to OEWD's CED to support Bayview Hunters Point small businesses and local organizations.

c. **Prior to Issuance of TCO.** Prior to the City's issuance of a TCO associated with the first Building in the Project, Developer must make the following payment, in accordance with the provisions of Exhibit I: $268,750, the first of two installments, to OEWD's Workforce Division to support workforce training programs focused on operational jobs in the Project and other tenant-based employment opportunities. After assessing the types of jobs expected in the Project and reviewing the pipeline of qualified job-seekers, OEWD may identify the need for additional training offerings in particular industries. OEWD partners with residents and Community Based Organizations when filling such an identified need.

d. **Prior to Issuance of Final Certificate of Occupancy or 24 Months Following Issuance of a TCO.** Prior to the City's issuance of (1) a Final Certificate of Occupancy for the first Building within the Project or (2) 24 months after the City's issuance of any TCO for

the first Building in the Project, whichever milestone occurs first, Developer must make the following payments, in accordance with the provisions of Exhibits D and P: (1) $500,000, the second and final installment to support capital improvements for the Reinvestment and Expansion Plan of the SF Market; (2) $2,000,000, the first of two installments, to PW to support future streetscape and infrastructure improvements in San Francisco's Market Zone neighborhood, as depicted on Exhibit D, Schedule D-1; and (3) $175,000, the first of two installments, to the City's Department of Early Childhood ("**DEC**") to support affordable childcare options in the Bayview Hunters Point community. OEWD will partner with DEC in the expenditure of these funds.

Developer will also complete the first phase of the Project's Streetscape Improvements by this time, as further described in Exhibit P. This work will enhance the public realm experience in the immediate neighborhood and will improve access for the SF Market and other stakeholders in the area. By this point in the Project, Developer will construct and make available between 10,000-20,000 SF of Maker Space, as further detailed in Exhibit D.

4. **Associated Community Benefits Linked to Second Building in Project.**

a. **Prior to Issuance of Site Permit**. Prior to the City's issuance of a site permit associated with the second Building in the Project, Developer must make the following payments, in accordance with the provisions of Exhibits D and I: (1) $250,000, to support the production of an art installation on the Project Site; and (2) $268,750, the second and final installment to support CityBuild's Academy and other training programs managed by OEWD that are designed to prepare San Francisco residents for employment opportunities in the construction of the Project and careers in the building trades.

b. **Prior to Issuance of First Addenda**. Prior to the City's issuance of any addenda to a site permit for the second Building in the Project (or its equivalent if a site permit is not obtained), Developer must make the following payment, in accordance with the provisions of Exhibit D: $250,000, the third and final installment to OEWD's CED to support Bayview Hunters Point small businesses and local organizations.

c. **Prior to Issuance of TCO**. Prior to the City's issuance of any TCO associated with the second Building in the Project, Developer must make the following payment, in accordance with the provisions of Exhibit I: $268,750, the second and final installment, to OEWD's Workforce Division to support workforce training programs focused on operational jobs in the Project and other tenant-based employment opportunities. After assessing the types of jobs expected in the Project and reviewing the pipeline of qualified job-seekers, OEWD may identify the need for additional training offerings in particular industries. OEWD partners with residents and Community Based Organizations when filling such an identified need.

d. **Prior to Issuance of Final Certificate of Occupancy or 24 Months Following Issuance of a TCO**. Prior to the City's issuance of (1) a Final Certificate of Occupancy for the second Building within the Project or (2) 24 months after the City's issuance of any TCO for the second Building in the Project, whichever milestone occurs first, Developer must make the following payments, in accordance with the provisions of Exhibits D and P: (1) $2,000,000, the second and final installment to PW to support future streetscape and infrastructure improvements in San Francisco's Market Zone neighborhood, as depicted on Exhibit D, Schedule D-1; and

(2) $175,000, the second and final installment, to the City's DEC to support affordable childcare options in the Bayview Hunters Point community.

Developer will also complete the second and final phase of the Project's Streetscape Improvements by this time, as further described in Exhibit P. This work will enhance the public realm experience in the immediate neighborhood and will improve access for the SF Market and other stakeholders in the area. By this point in the Project, Developer will construct and make available the remainder, if any, of the required Maker Space, as further detailed in Exhibit D.

## SCHEDULE N-1
## COMMUNITY BENEFITS LINKAGES TABLE

| BENEFIT NAME AND MILESTONE | | PRIMARY DOCUMENT WHERE DISCUSSED | SECTION OF PRIMARY DOCUMENT | NOTES and/or KEY AGENCIES INVOLVED |
|---|---|---|---|---|
| **INITIAL APPROVALS BECOMING FINALLY GRANTED** | | **Development Agreement** | **1.45** | |
| SF Market Capital Project Support - 1st of 2 | $500,000 | Exhibit D - Community, Small Business & PDR Support Plan | (C)(2) | OEWD, Real Estate Division (RED) |
| Bayview Small Business Support - 1st of 3 | $250,000 | Exhibit D - Community, Small Business & PDR Support Plan | (B) | OEWD's Community Economic Development Division (CED) |
| Early Education | $300,000 | Exhibit D - Community, Small Business & PDR Support Plan | (F) | OEWD, Department of Children, Youth, and their Families (DCYF) |
| Environmental Equity Support | $100,000 | Exhibit L - Sustainability | 2 | OEWD, San Francisco Environment Department |
| **BUILDING 1** | | | | |
| PRIOR TO ISSUANCE OF SITE PERMIT | | | | |
| Construction Job Training (CityBuild) - 1st of 2 | $268,750 | Exhibit I - Workforce Agreement | (D)(2) | OEWD's Workforce Division (WD) |
| Contractor Development Program (LBE) - 1st of 1 | $150,000 | Exhibit I - Workforce Agreement | (D)(3) | OEWD's Contract Monitoring Division (CMD) |
| PRIOR TO ISSUANCE OF FIRST ADDENDA | | | | |
| Bayview Small Business Support - 2nd of 3 | $250,000 | Exhibit D - Community, Small Business & PDR Support Plan | (B) | OEWD's Community Economic Development Division (CED) |
| PRIOR TO ISSUANCE OF TEMPORARY CERTIFICATE OF OCCUPANCY | | | | |
| Operational Job Training (OEWD/CBOs) - 1st of 2 | $268,750 | Exhibit I - Workforce Agreement | (D)(4) | OEWD's Workforce Division (WD) |
| PRIOR TO ISSUANCE OF FINAL CERTIFICATE OF OCCUPANCY OR 2 YEARS FOLLOWING TEMPORARY CERTIFICATE OF OCCUPANCY | | | | |
| SF Market Capital Project Support - 2nd of 2 | $500,000 | Exhibit D - Community, Small Business & PDR Support Plan | (C)(2) | OEWD, Real Estate Division (RED) |
| Market Zone Neighborhood Infrastructure - 1st of 2 | $2,000,000 | Exhibit D - Community, Small Business & PDR Support Plan | (C)(1) | OEWD, Department of Public Works (DPW) |
| Affordable Childcare Support - 1st of 2 | $175,000 | Exhibit D - Community, Small Business & PDR Support Plan | (G) | OEWD, Department of Early Childhood (DEC) |
| First Phase of Project Streetscape Improvements - 1st of 2 | | D.A; Exhibit P - Infrastructure Plan | D.A. Section 3.4; Exhibit P Section 6 | Department of Public Works (DPW) |
| Affordabe PDR Program (Between 10,000-20,000 SF of Maker Space) | | Exhibit D - Community, Small Business & PDR Support Plan | (A) | Minimum of 10,000 SF to be provided in Building 1 |

| BENEFIT NAME AND MILESTONE | | PRIMARY DOCUMENT WHERE DISCUSSED | SECTION OF PRIMARY DOCUMENT | NOTES and/or KEY AGENCIES INVOLVED |
|---|---|---|---|---|
| **BUILDING 2** | | | | |
| **PRIOR TO ISSUANCE OF SITE PERMIT** | | | | |
| Art Installation Funding and Implementation - 1st of 1 | $250,000 | Exhibit D - Community, Small Business & PDR Support Plan | (E) | OEWD, Mayor's Office of Housing and Community Development (MOHCD) |
| Construction Job Training (CityBuild) - 2nd of 2 | $268,750 | Exhibit I - Workforce Agreement | (D)(2) | OEWD's Workforce Division (WD) |
| **PRIOR TO ISSUANCE OF FIRST ADDENDA** | | | | |
| Bayview Small Business Support - 3rd of 3 | $250,000 | Exhibit D - Community, Small Business & PDR Support Plan | (B) | OEWD's Community Economic Development Division (CED) |
| **PRIOR TO ISSUANCE OF TEMPORARY CERTIFICATE OF OCCUPANCY** | | | | |
| Operational Job Training (OEWD/CBOs) - 2nd of 2 | $268,750 | Exhibit I - Workforce Agreement | (D)(4) | OEWD's Workforce Division (WD) |
| **PRIOR TO ISSUANCE OF FINAL CERTIFICATE OF OCCUPANCY OR 2 YEARS FOLLOWING TEMPORARY CERTIFICATE OF OCCUPANCY** | | | | |
| Market Zone Neighborhood Infrastructure - 2nd of 2 | $2,000,000 | Exhibit D - Community, Small Business & PDR Support Plan | (C)(1) | OEWD, Department of Public Works (DPW) |
| Affordable Childcare Support - 2nd of 2 | $175,000 | Exhibit D - Community, Small Business & PDR Support Plan | (G) | OEWD, Department of Early Childhood (DEC) |
| Second Phase of Project Streetscape Improvements - 2nd of 2 | | D.A; Exhibit P - Infrastructure Plan | D.A. Section 3.4; Exhibit P Section 6 | Department of Public Works (DPW) |
| Affordabe PDR Program (Between 0-10,000 SF of Maker Space) | | Exhibit D - Community, Small Business & PDR Support Plan | (A) | Remainder of Maker Space Requirement, if any (i.e. 20,000 SF minus square footage in Building 1) |

# EXHIBIT O

## COMMUNITY ENGAGEMENT

This Exhibit O documents community outreach and engagement by Developer for the San Francisco Gateway Project that (i) has been completed prior to Project approval, and (ii) will be completed in the future. Unless otherwise specified in this Exhibit O, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit O is a part, by and between the City and County of San Francisco, a municipal corporation (the "**City**"), and Prologis L.P., a Delaware limited partnership ("**Developer**").

1. **Completed Community Outreach.** Developer engaged in a number of meetings and events that were generally accessible by members of the public, as well as a number of meetings with one or more representatives of key stakeholder community organizations, associations, businesses, and working groups, in three general timeframes: (a) prior to publication of the Notice of Preparation/Initial Study in March 2022; (b) after the close of the Initial Study scoping period on April 8, 2022 and prior to publication of the Draft Environmental Impact Report on August 2, 2023; and (c) after publication of the Draft EIR and prior to consideration of the Project by the Planning Commission on May 22, 2025.

   These efforts included, but were not limited to, presenting to the Bayview Hunters Point Community Advisory Committee and Bayview Hunters Point Environmental Justice Response Task Force; meetings with the Bayview Hyperlocal Contractors, SF Market, Market Zone Working Group; and convening the SF Gateway Advisory Committee, made up of community members meeting for multiple in-depth discussions to assist and advise on the Project's Community Benefits package.

2. **Community Engagement Obligations.**

   a. Project Webpage. Developer will maintain a publicly accessible webpage regarding the Project, beginning within thirty (30) days following the Effective Date of the Development Agreement and will use good faith efforts to maintain the webpage throughout its Term.

      i. Initial Contents. The Project webpage will initially include readily accessible links to the Project's Draft and Final EIR and Mitigation Monitoring and Reporting Program ("**MMRP**"), all Project Approvals granted by the Board of Supervisors or Planning Commission, and the final Development Agreement. The webpage will also include contacts (phone number and email address) to request more information from Developer and the Planning Department regarding implementation of the MMRP.

      ii. Annual Reports. Over time, the webpage will be updated each time an Annual Review is completed pursuant to Article 8 of the Development Agreement. Developer's annual report submitted to the City will include a compliance tracker identifying the status of the Project's compliance with all mitigation measures defined in the MMRP (for example, whether the

project sponsor has submitted a required plan or monitoring report to the Planning Department). With respect to Mitigation Measure M-AQ-3i, the compliance tracker will describe whether an Operational Emission Management Plan ("**OEMP**") is in place, whether additional emission reduction measures are required to ensure the performance standard is not exceeded, and the status of any reports associated with the OEMP. This annual report will be posted on the Project's webpage within thirty (30) days of submittal to the City, and any City Report will be posted on the Project's webpage within thirty (30) days after Developer receives such report from the City.

iii. Additional Project Information. Over time, Developer agrees to make good faith efforts to communicate information about Project implementation through the website. At a minimum, Developer will provide timely notifications on the website (a) upon approval of a Site Permit; (b) prior to Commencement of Construction of any Project phase; and (c) in advance of any public events relating to Community Benefits (for example, notification of any upcoming job fair).

b. Additional Engagement. Developer agrees to make good faith efforts to engage with (i) neighboring property owners, tenants, and Market Zone Working Group members in advance of and during Project construction; (ii) Bayview small businesses and contractors; and (iii) Bayview community organizations, in relation to the above and any Associated Community Benefits.

# EXHIBIT P

## INFRASTRUCTURE PLAN

# SAN FRANCISCO GATEWAY

# INFRASTRUCTURE PLAN

## MAY 13, 2025

BKF ENGINEERS
255 SHORELINE DRIVE, SUITE 200
REDWOOD CITY, CA 94065

# TABLE OF CONTENTS

**ATTACHMENTS**



**LIST OF FIGURES**



**ABBREVIATIONS**

| | |
|---|---|
| APN | Assessor's Parcel Number |
| AWSS | Auxiliary Water Supply System |
| BGS | Below Ground Surface |
| BOD | Basis of Design |
| CCSF | City and County of San Francisco |
| CS | Combined Sewer |
| DA | Development Agreement |
| EX | Existing |
| FEIR | Final Environmental Impact Report |
| FHWA | Federal Highway Administration |

| | |
|---|---|
| FPS | Feet per Second |
| GPD | Gallons per Day |
| GPM | Gallons per Minute |
| LPW | Low Pressure Water |
| MUP | Master Utility Plan |
| PDR | Production, Distribution and Repair |
| PG&E | Pacific Gas & Electric |
| PR | Proposed |
| RCP | Reinforced Concrete Pipe |
| SCP | Stormwater Control Plan |
| SMR | Stormwater Management Requirements |
| SFFD | San Francisco Fire Department |
| SFMTA | San Francisco Municipal Transportation Agency |
| SFPUC | San Francisco Public Utilities Commission |
| SFPW | San Francisco Public Works |

# 1. INTRODUCTION

**Purpose**

The Infrastructure Plan is an exhibit to the Development Agreement (DA) between Prologis, L.P. (Project Sponsor) and the City of San Francisco. The Infrastructure Plan defines the public improvements for the Project and identifies the responsibilities of the City and Project Sponsor for design, construction and operation of the improvements.

**Project Description**

The Project Sponsor proposes to redevelop two parcels in a core industrial area of San Francisco's Bayview Hunters Point neighborhood. The project site is located at 749 Toland Street and 2000 McKinnon Avenue and consists of two parcels (Assessor's Block 5284A, Lot 008; and Block 5287, Lot 002), including Selby Street between Kirkwood and McKinnon Avenues, and portions of the adjacent streets to the centerline – Toland St, Kirkwood Ave, Rankin St and McKinnon Ave. The combined total gross site area is approximately 743,800 square feet (17.1 acres).

The proposed project would demolish the existing four single-story PDR buildings on site and would construct two new three-story buildings (plus active roof), totaling approximately 1,646,000 gross square feet of enclosed floor area, or 2,160,000 gross square feet including 514,000 square feet of active roof. Each building would have a maximum height of approximately 97 feet (115 feet with rooftop appurtenances included). The proposed building west of Interstate 280 (I-280) at 749 Toland Street is "Building A" and the proposed building east of I-280 at 2000 McKinnon Ave is "Building B". Both Building A and Building B would include three levels of Production, Distribution and Repair (PDR) space with a multi-level vehicular system (comprising staging, circulation, and logistic yard areas) serving each level. In both buildings, all three levels of the PDR space would have direct vehicular access via a one-way ramp system for vehicles as large as tractor trailers. The roof level would provide a solar array and a screened, open-air, multipurpose deck that could be used for parking and vehicle staging.

**Overview of Proposed Street and Utility Improvements**

The Project proposes to construct street and utility improvements (together referred to as public improvements) in the streets adjacent to the project site. These public improvements will be constructed to City standards and offered for acceptance to the City, with the intent the City will accept the improvements for ownership, maintenance and liability.

The Project does not seek a subdivision and for this reason will not involve a subdivision map. However, the street and utility improvements will comply with the 2015 Subdivision Regulations and SFPUC standards for installation of new utilities, and the SFPUC Asset Protection Standards for protection of existing utilities when designing a new streetscape project around existing utilities.

Public improvements including new sidewalks, street trees and curb ramps will be installed on both sides of the streets in accordance with Better Streets Plan guidelines for industrial streets, along with new street paving on each street segment adjacent to the project site. The street profiles will be designed to meet minimum longitudinal slopes and cross slopes for improved drainage.

Low pressure water (LPW) mains will be installed in streets where they currently do not exist. The new LPW mains will be connected to the existing LPW mains to provide a looped system around the Project site. New domestic, irrigation and fire water services will be provided for each building and new LPW fire hydrants will be installed around the project frontages.

The Project may be required to upsize or install new combined sewer lines, if the existing sewer lines to do not have capacity to serve the project. Where required by this Infrastructure Plan, new combined sewers shall be constructed in a manner that meets the requirements of the Subdivision Regulations. New combined sewer laterals will be provided for each building along with new catch basins in the streets to improve street drainage.

Electric service will be provided either by PG&E or the SFPUC, pending SFPUC's completion of a feasibility study. The point of connection and routing of these services will be determined by the utility provider. New transformers will be located on private property, either pad mounted or within a transformer room in the building. Gas service is not proposed for the Project.

As described in the Project's Development Agreement, the Developer will provide the SFPUC with all Project information the SFPUC requires to determine the feasibility of providing electric service to the Project Site (the "Feasibility Study"). The SFPUC will complete the Feasibility Study within thirty (30) days after the date that Developer provides to the SFPUC all Project information needed to complete the Feasibility Study. If the SFPUC determines it is feasible to provide electricity for the Project Site, then the SFPUC will be the exclusive power provider to the Project Site. The SFPUC electrical power will be provided under the SFPUC's Rules and Regulations Governing Electric

Service and at rates that are comparable to rates in San Francisco for comparable service from other providers. If needed, the SFPUC requires adequate space for the Wholesale Distribution Tariff (WDT) intervening facilities be provided as an easement or fee title land rights.

**Applicability of Uniform Codes and Infrastructure Standards**

The Infrastructure Plan is intended to comply with the current City of San Francisco Subdivision Regulations. The Infrastructure Plan may be modified in the future to the extent that future modifications are in accordance with the current City of San Francisco Subdivision Regulations and the DA. Approval of future modifications will require approval from the relevant City agencies.

# 2. MAPPING AND RIGHT-OF-WAY

## Existing Mapping

The Project site currently consists of two assessors' parcels, which are also legal parcels: Block 5284A, Lot 8 and Block 5287, Lot 2. The parcel lines of each parcel extend to the centerline of Toland St, Kirkwood Ave, Rankin St, McKinnon Ave and Selby St respectively. The City and County of San Francisco has a roadway easement over Kirkwood Ave per documents A729 O.R. 747, recorded in the Official Records on March 10, 1964 (covering the portion of Kirkwood Ave between Toland St and Selby St) and A374 O.R. 274, recorded in the Official Records on January 30, 1962 (covering the portion of Kirkwood Ave between Selby St and Rankin St).

Toland St, Rankin St and Selby St have 64-foot wide public right-of-ways. The Kirkwood Ave and McKinnon Ave public right-of-ways are both 80-feet, with the exception of small jogs around existing fire sprinkler risers that protrude out from the buildings on the Project site. Per the assessors' maps and easement legal descriptions, the right-of-ways along Kirkwood Ave and McKinnon Ave are essentially located at the face of the existing buildings.

The City and County of San Francisco may have certain easement rights over the former alignment of La Salle Ave running east-west through the project site between Selby St and Rankin St, per Record of Survey Map of Marine Corps Supply Forwarding Annex (Islais Creek) filed on April 25, 1961 in Book "T" of Maps at pages 6 and 7, and document A374 O.R. 274. This former alignment of La Salle Ave is not reflected on City Assessor maps and is not used as part of the public street system.

The elevated portion of I-280 is located above Selby St and the State of California (Caltrans) has a 92-foot wide easement over Selby Ave for the elevated highway per 7059 O.R. 435, recorded in the Official Records on April 26, 1957 (easement originally granted to City and County of San Francisco, and subsequently conveyed to the State of California by deed recorded May 21, 1962, Recorder's Series Number K91798, in Reel A423 Image 802). The portions of the public right-of-way owned by the City are subject to certain third-party reservations of railroad easements, per documents. The Project Sponsor has provided the City with a current title report identifying applicable easements.

Refer to Fig 2.1.

**Right-of-Way Dedications and Vacations**

The Project proposes to offer for dedication to the City fee title to the portions of the public right-of-ways that are currently owned by the Project sponsor. This will likely occur via a quitclaim deed. Per Section 66428(a)(2) and Appendix A, Section VIII of the San Francisco Subdivision Regulations, no Parcel Map or Final Map is required for the conveyance of fee title to the City.

The small portions of private property on Kirkwood Ave and McKinnon Ave that jog around the existing fire sprinkler risers will be offered for dedication as public right-of-way so that the proposed right-of-way line will be straight without any jogs.

The segments of McKinnon Ave, Rankin St, Kirkwood Ave, and Selby St that adjoin and bisect the project site are part of the public street network but have not been accepted for ownership and maintenance by the City. The segment of Toland St that adjoins the Project site has been accepted by the City. As a phased project, the Project will offer for acceptance the public improvements constructed with each phase and fee title to the portions of the public right-of-way owned by the Project Sponsor in the phase in accordance with the San Francisco Subdivision Regulations, unless otherwise approved by the City.

It likely will be necessary for the City to vacate or otherwise terminate any easements it may hold in La Salle Ave. The City will work in good faith with the Project sponsor to determine what access or rights of the public, if any, City has in La Salle Ave, to pursue a street vacation of rights of the public in La Salle Avenue if necessary to clear title, subject to approval of the BOS, and to quitclaim any such interest to the Project sponsor, as described in the Development Agreement.

**Offer of Infrastructure**

Since the Project will be phased, the Project will offer for acceptance the public improvements constructed with each phase and fee title to the portions of the public right-of-way owned by the Project Sponsor in that phase in accordance with the San Francisco Subdivision Regulations, unless otherwise approved by the City.

Utilities and other infrastructure improvements to be offered by the Project Sponsor for City acceptance cannot rely on utilities constructed to a temporary standard. Any offer of utilities that rely on utilities constructed to a non-permanent standard will require authorization by the Public Works Director with the consent of the affected City department.

Utility relocations may be required by the project in order to build the streetscape to City standards and comply with the SFPUC Asset Protection Standards, both requirements for City Acceptance.

**Operation and Maintenance**

Following the City's formal acceptance of the offers of fee title to the public right-of-way and the offers of public improvements installed by the Project, the City will be responsible for maintenance of the public improvements installed by the Project, except as otherwise agreed to in writing by the Project and the City.

**Adjacent Property Ownership and Right-of-Way Obstructions**

The Project Sponsor does not own fee title to the public right-of-way from the centerline to the far side of the right-of-way, or the parcels on the opposite sides of Toland St, Kirkwood Ave, Rankin St and McKinnon Ave from the Project site. These properties are under various ownership, as follows:

- Kirkwood Ave (Toland St to Rankin St) and Rankin St (Kirkwood Ave to McKinnon Ave): City and County of San Francisco
- McKinnon Ave (Toland St to Selby St): San Francisco Unified School District
- McKinnon Ave (Selby St to Rankin St) and Toland St (Kirkwood Ave to McKinnon Ave): Private parties not affiliated with Project sponsor.

Because the Project sponsor does not own these properties, the Project sponsor does not have legal authority to offer for dedication in fee the full width of the street right-of-ways to the City.

**Right-of-Way Obstructions and Nonconforming Conditions**

Over the years, improvements have been constructed in the vicinity of the Project Site that appear to encroach into the existing public right-of-way from neighboring properties, generally in the following categories:

- **Physical encroachments into street right-of-way:** These include fences, temporary and permanent structures near the intersection of Rankin St and McKinnon Ave; curbs and wheel stops within the future extent of Kirkwood Ave at Toland St; and curbs and fire hydrant on Kirkwood Ave at Rankin St.
- **Physical encroachments into sidewalk right-of-way:** A number of off-site building features extend into areas intended for future sidewalk improvements on

Toland St, Kirkwood Ave and McKinnon Ave, including stairs, fences, downspouts, fire risers, electrical boxes, etc.

Additionally, there are a variety of existing conditions on surrounding properties that may not conform to current City standards and/or that may conflict with construction of the full extent of public right-of-way improvements proposed as part of the Project. As a result, the Project may require exceptions from the City's Subdivision Regulations to allow for integration of the Project's public improvements with these existing conditions, generally in the following categories:

- **Conflicting physical conditions:** Construction of the full extent of public right-of-way improvements would potentially create conflicts between future sidewalk grades and finished floor elevations, doors, stairs, ramps, and stormwater drainage facilities, on off-site properties not owned by the Project sponsor.
- **Conflicting operational conditions:** Construction of the full extent of public right-of-way improvements would also potentially create conflicts with vehicle ingress/egress operations due to installation of sidewalks, curb cuts, and street trees, on properties not owned by the Project sponsor.

Together, these encroachments and conditions are referred to as "Existing Off-Site Conditions." The locations of the Existing Off-Site conditions are generally identified on Fig 2.2, Fig 2.2A and Fig 2.2B.

Development Agreement Exhibit V, List of Required Exceptions to Subdivision Regulations, identifies the known Existing Off-Site Conditions that may conflict with construction of the full scope of public improvements to City standards. For each of these Existing Off-Site Conditions that are still in place at the time the Project sponsor submits an application for a Tentative Street Improvement Permit, the Project sponsor may seek an exception from applicable City standards. For this reason, Exhibit V lists the known potential exceptions that may be required based on present circumstances.

However, it is likely that certain Existing Off-Site Conditions will be removed or modified before the time the Project sponsor submits an application for a Tentative Street Improvement Permit, such that not all exceptions listed on Exhibit V may be required. For example, the SF Market redevelopment project may proceed ahead of the Project, as described below, which would affect the Existing Off-Site Conditions on Kirkwood Ave. Additionally, it is possible that certain Existing

Off-Site Conditions can be addressed through engineering solutions that do not require exceptions from City standards.

**Process to Address Existing Off-Site Conditions**

Prior to submittal of an application for a Tentative Street Improvement Permit, the Project sponsor, in coordination with the City, will use commercially reasonable efforts to conduct outreach to the adjacent private property owners regarding treatment of the Existing Off-Site Conditions. The Project sponsor will seek property owners' commitment to (i) remove any existing encroachments from the right-of-way, to the extent feasible, or (ii) to seek a Minor or Major Encroachment Permit for any Existing Off-Site Conditions that are not feasible to remove or that the owner intends to retain. If any individual property owner does not agree to either remove Existing Off-Site Conditions or obtain an Minor or Major Encroachment Permit, as applicable, after the Project sponsor has engaged in commercially reasonable efforts to obtain such agreement for a period of sixty (60) days, then the Project sponsor will have no further obligation to conduct outreach and may proceed to submit an application for a Tentative Street Improvement Permit.

The Project sponsor's submittal of an application for a Tentative Street Improvement Permit for a given phase will identify, among other information, (i) Existing Off-Site Conditions in place as of the time the application is submitted (whether or not the applicable property owner has committed to seek an Encroachment Permit for those Existing Off-Site Conditions); and (ii) specific treatment of each Existing Off-Site Condition, which may include a requested exception to accommodate integration of the public improvements and the Existing Off-Site Conditions. When issued by the City, the Tentative Street Improvement Permit will identify specific conditions that must be met for issuance of a Street Improvement Permit. Without limitation, the Project sponsor's obligations to complete any specific off-site improvements affected by the Existing Off-Site Conditions that are present at that time will be contingent upon the occurrence of one of the following for each Existing Off-Site Condition, prior to the time that Project sponsor commences work on any portion of the improvements in a given phase:

(1) City will remove or cause to be removed, at its cost, the Existing Off-Site Conditions located in the public right-of-way on properties owned by City or City Agencies; or

(2) City will grant all appropriate exceptions from City standards that allow Existing Off-Site Conditions on public or private property to remain in place, and accommodate integration of those Existing Off-Site Conditions with the public improvements to be constructed by the Project. City will cooperate reasonably

and in good faith with the Project sponsor to address Existing Off-Site Conditions on private properties in a manner that minimizes conflict with those Existing Off-Site Conditions (except as necessary to address material public health or safety concerns). Nothing in this Infrastructure Plan is intended to limit the City's ability to issue Minor or Major Encroachment Permits for Existing Off-Site Conditions or to seek removal of any unpermitted encroachments from the public right-of-way in connection with granting these exceptions.

**Coordination with SF Market**

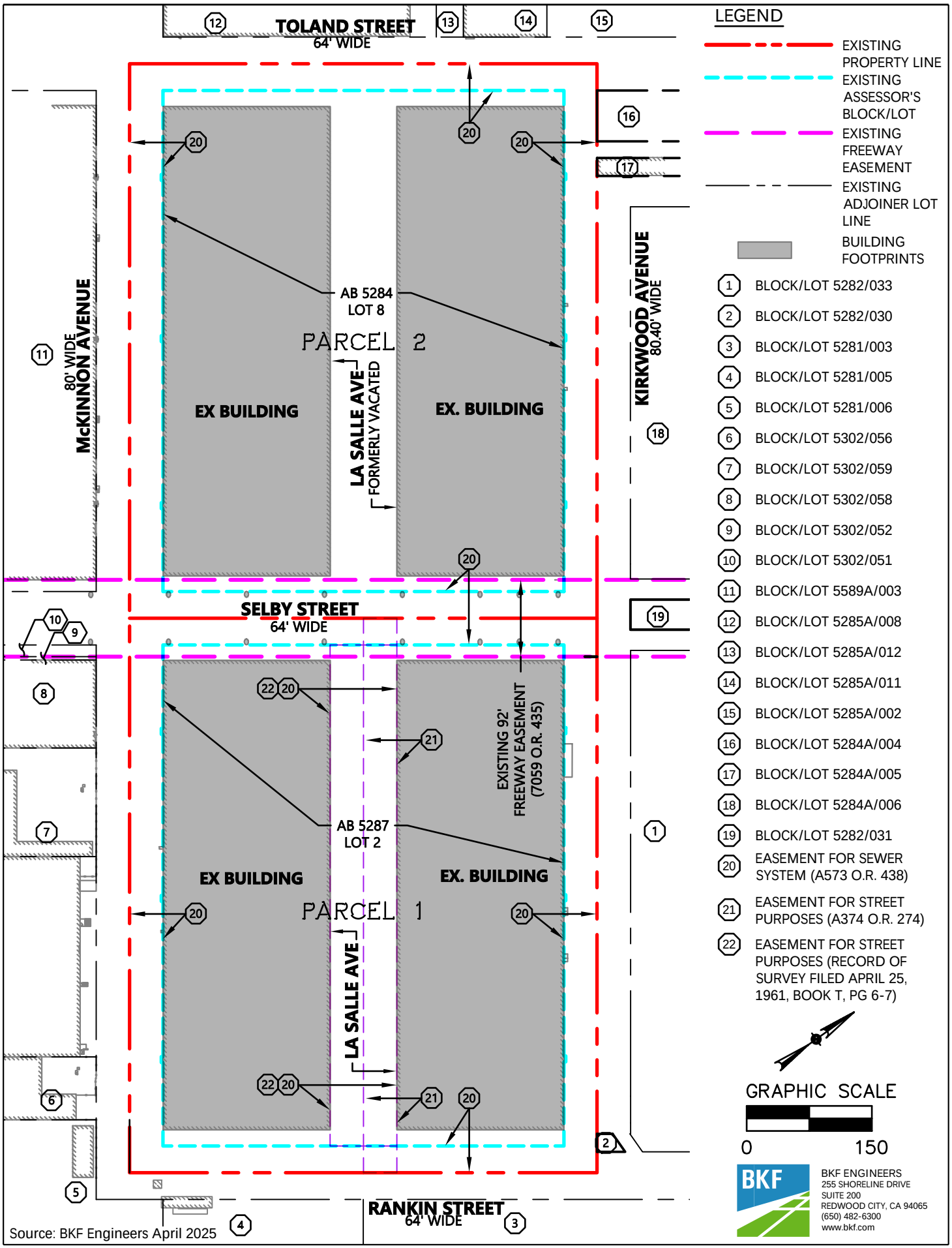
The SF Market (SFM) is located north of Kirkwood Ave. The SFM is currently implementing its Reinvestment Project which is a multi-year project to upgrade and expand its facilities, with an emphasis on street and utility infrastructure. The City is the owner of the SFM site and has entered into a long-term ground lease with the SFM. As the SF Gateway and SFM projects progress through City approvals and detailed design, it will be critical for both projects to have ongoing coordination discussions, specifically where the two projects interface on Kirkwood Ave.

Below is an outline of the SFM plan with respect to street right-of-way vacations and dedications and planned improvements in the area adjacent to the Project site.

- Right-of-Way Vacations – Vacate Jerrold Ave and all smaller right-of-ways including Lettuce Lane and Milton I Ross Lane. Street Vacations have been conditionally approved by the City.
- The SFM and the City are preparing to submit a Final Map to finalize the vacations and dedications. Prior to final approval of the Final Map, the SFM anticipates removing physical improvements located in future right-of-ways, specifically at the future intersection of Toland St and Kirkwood Ave.
- Street Improvements – The street improvements proposed by the SF Gateway Project have been coordinated with the SFM via numerous meetings and are aligned with the SFM Reinvestment Plan and entitlements.

The Project team will continue its ongoing coordination effort with the City and SFM during the design and implementation of the public improvements along Kirkwood Ave. In the event that the Project seeks a Street Improvement Permit for any work within Kirkwood Avenue prior to the time that the SFM obtains a Street Improvement Permit for such work, the Project sponsor's

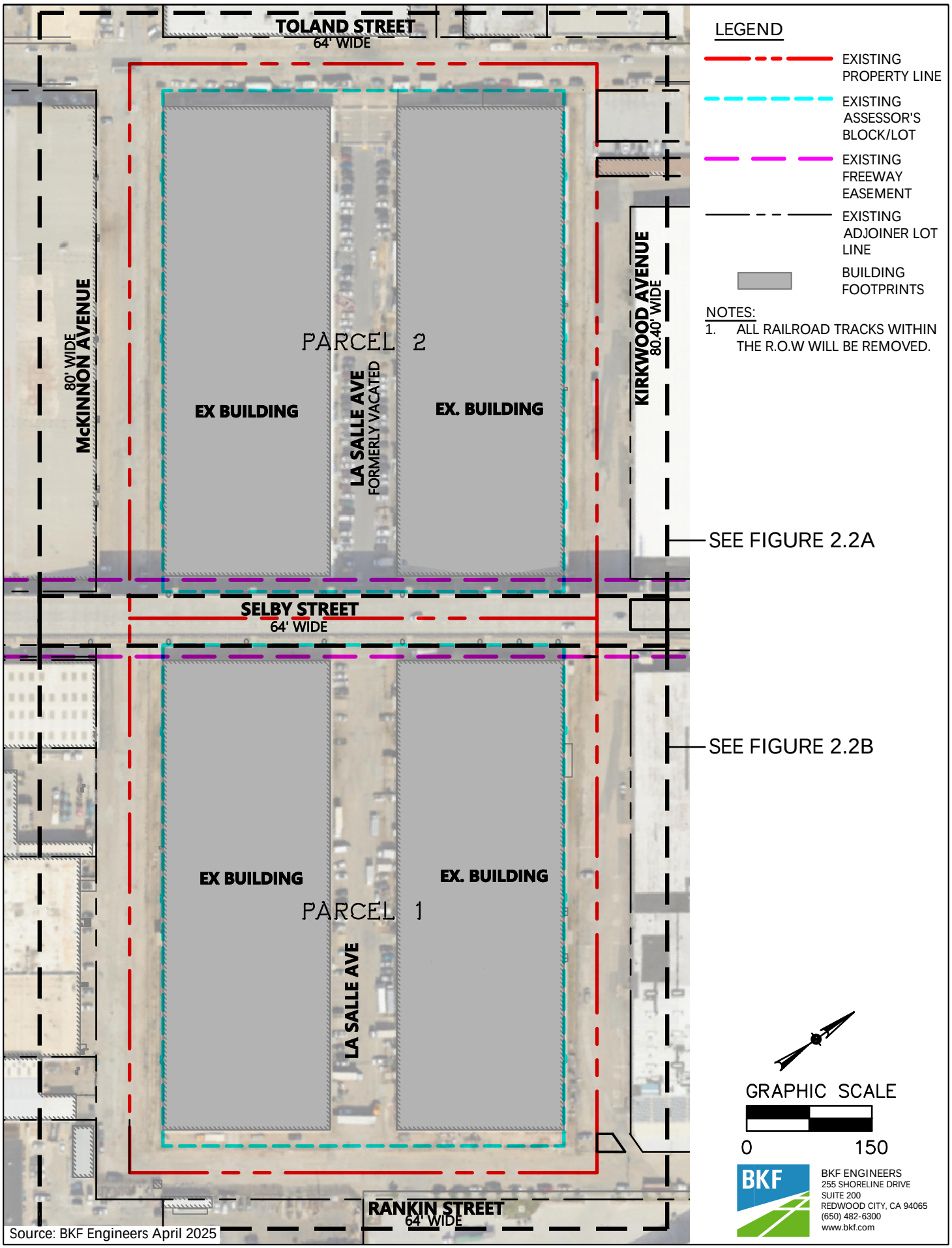
application shall include all identified improvements for the relevant phase within and adjacent to Kirkwood Avenue (see Section 6).




Source: BKF Engineers April 2025

SAN FRANCISCO GATEWAY INFRASTRUCTURE PLAN

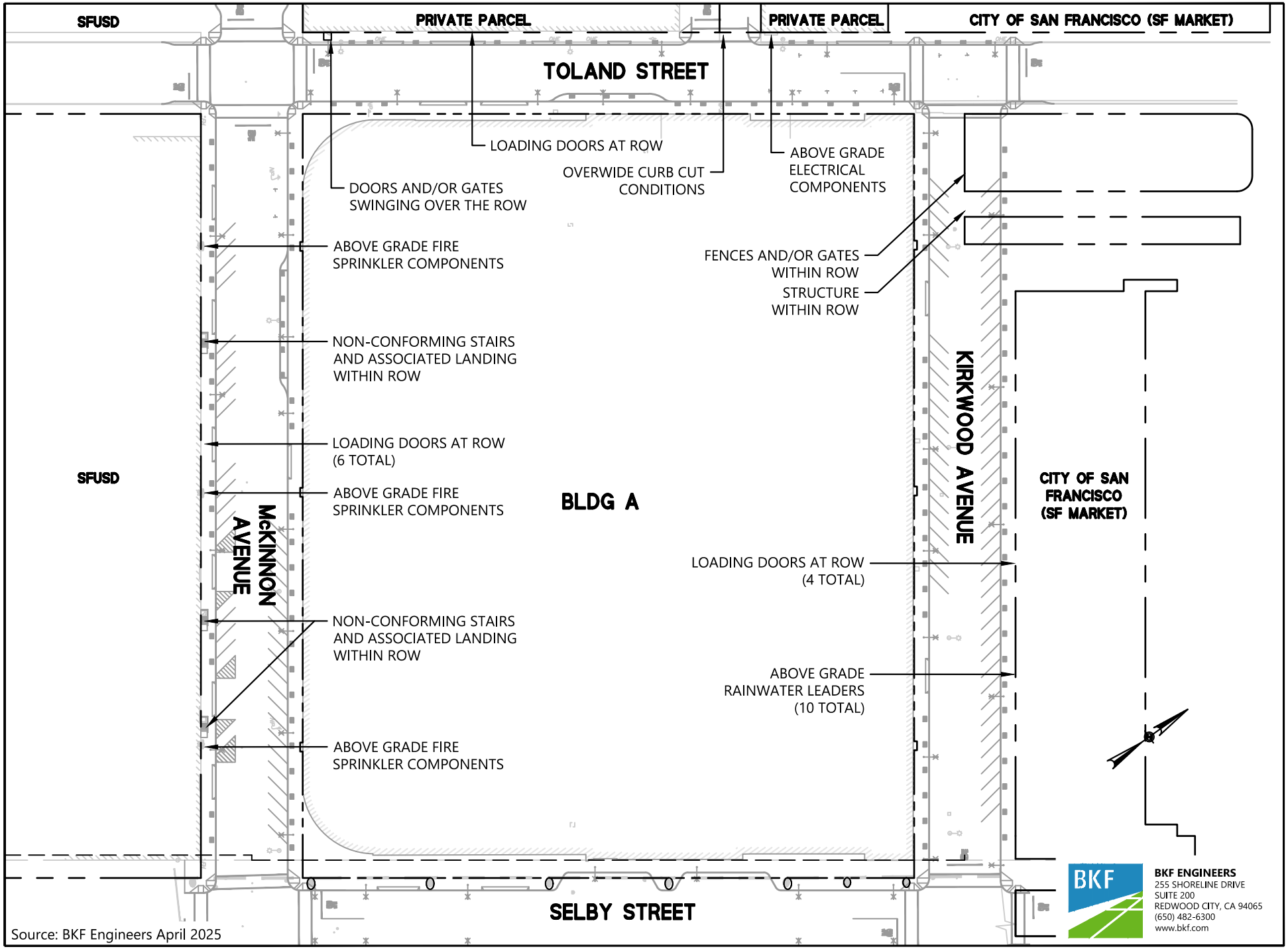
Fig 2.1 - EXISTING MAPPING AND OWNERSHIP




Source: BKF Engineers April 2025



Fig 2.2 - EXISTING OFF-SITE CONDITIONS KEY PLAN




Source: BKF Engineers April 2025

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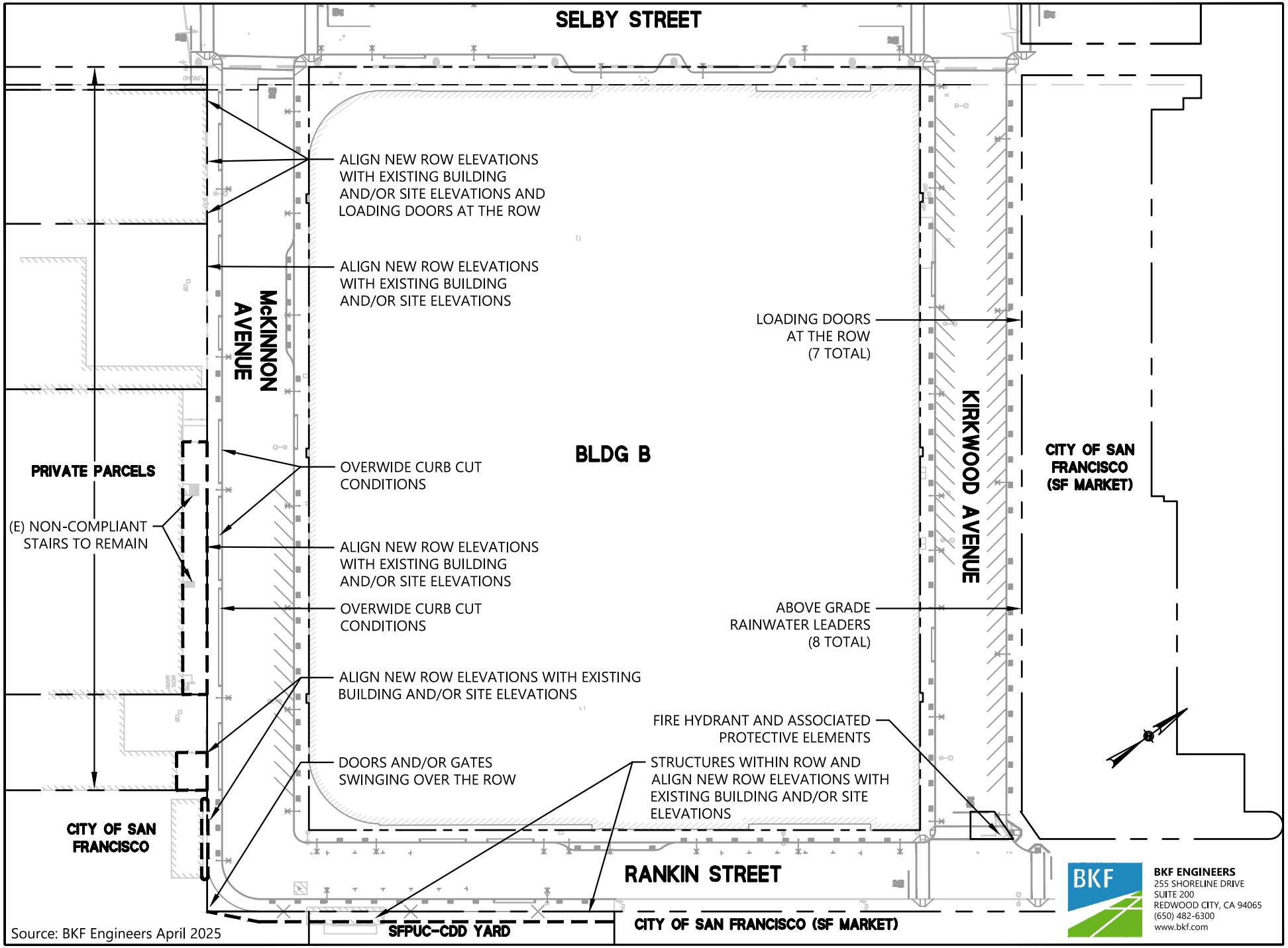
**Fig 2.2A - EXISTING OFF-SITE CONDITIONS ON PARCELS NOT OWNED BY PROJECT SPONSOR**




Source: BKF Engineers April 2025

**SAN FRANCISCO GATEWAY INFRASTRUCTURE PLAN**

**Fig 2.2B - EXISTING OFF-SITE CONDITIONS ON PARCELS NOT OWNED BY PROJECT SPONSOR**

# 3. EXISTING CONDITIONS AND PROPOSED DEMOLITION

## Existing Site Conditions

The project site is currently occupied by four, one-story structures, totaling approximately 448,000 square feet of production, distribution, and repair (PDR) space. The surrounding existing streets adjacent to the project site, which are part of the public street network but (with the exception of Toland St) have not been accepted by the City for maintenance, are substandard and do not meet current City design standards. The street paving is in very poor condition and lacks proper grading design to manage stormwater runoff. There are no sidewalks or street trees and very limited street lighting. There are old railroad rails in portions of the streets and there are many locations where private improvements (including those on neighboring parcels) encroach into the public street area. The Project Sponsor has not identified any third-party easements for existing railroad tracks within the portions of the right-of-way owned by the Project Sponsor. The elevated section of I-280, which runs through the middle of the site above Selby Street, is located within a Caltrans easement.

## Existing Utility Infrastructure

There are City low pressure water (LPW) and combined sewer mains in some of the adjacent streets. Along Toland St, there are overhead facilities with power, telephone and CATV. There are other overhead facilities around the perimeter and within the project area that either provide power and telephone to the existing buildings or provide power to wood pole mounted street lights. There are also PG&E gas distribution lines in the surrounding streets.

## Proposed Demolition

All buildings and site improvements on the parcels will be demolished. Underground utilities within the parcels will be removed or abandoned as appropriate. Surface improvements within the street right-of-ways will be removed including curbs, pavement, railroad tracks, bollards, fencing, wood poles, etc. Select subsurface utilities such as segments of combined sewers and laterals will be removed or abandoned in place, as appropriate.

# 4. PUBLIC UTILITIES

The Project is surrounded by existing streets with public utilities such as low pressure water, combined sewer, power, gas and communications. The Project will connect to and be served by these existing utilities. Where new or upgraded utilities are required solely to support the Project, the Project will install or replace such utilities to meet the proposed utility demands of the Project. In these instances, new City utilities will be designed per City standards such as the 2015 Subdivision Regulations and 2020 SFPUC-CDD Standard Plans and Specifications for low pressure water. The Project is required to install new or replace existing utilities only when the capacity demands of the Project require this upsized or new infrastructure, and not to address existing deficiencies or desired improvements that are not required to serve the Project.

**Low Pressure Water System**

In general, there are existing LPW mains in the adjacent streets around the Project site. The LPW mains range in size from 8-inches to 12-inches and are part of the University Mound pressure zone. Fire hydrant flow tests from 2018 indicate a static pressure around 60 to 65 psi. Below is a description of the existing LPW facilities around the Project.

- Toland St – 8-inch LPW main that runs the entire length of the Project site between Kirkwood Ave and McKinnon Ave.
- Kirkwood Ave – 12-inch main between Rankin St and Selby St. There is no LPW main between Selby St and Toland St.
- Rankin St – 8-inch LPW main that runs the entire length of the Project site between Kirkwood Ave and McKinnon Ave.
- McKinnon Ave – 8-inch LPW main between Selby St and Toland St. There is no LPW main between Rankin St and Selby St.
- Selby St – Private fire line within the project site.

The Project proposes to improve the LPW system by installing new mains in streets where none currently exist and to install new LPW fire hydrants around the site. Below is a description of the proposed LPW improvements.

- Kirkwood Ave – Install new 12-inch LPW main between Toland St and Rankin St. The new LPW will connect to the existing 8-inch mains in Toland St and Rankin St and the 8-inch LPW main in Selby St, north of the project site.

- McKinnon Ave – Install new 8-inch water main between Rankin St and Selby St. The new LPW will connect to the existing 8-inch main at the intersection of McKinnon Ave and Selby St and the existing 8-inch main in Rankin St.
- Selby St – Remove the private fire system between Kirkwood Ave and McKinnon Ave.
- Site Perimeter – Install new LPW fire hydrants per SFFD requirements.

The Project will assist the SFPUC City Distribution Division to update their water system model and perform hydraulic modeling for the proposed low pressure water system improvements. Low pressure hydrant locations shall be approved by SFFD and shown in the figure 4.2. Hydrants shall be located at the intersections, readily accessible and visible. Any additional needed per code can be place mid-block. Hydrants shall be located within 2-feet from face of curb and have 5 feet clearance around them. A clear path from the staged fire engine to hydrant shall be 10-feet max in length. Meter and lateral sizing will comply with SFPUC CDD Standards for Water Main Installation.

Prior to submittal of an application for a Street Improvement Permit, the Project team will perform an analysis to determine the required fire flow for the Project. This will occur after Project Approvals including the adoption of the Project's Infrastructure Plan.

Refer to Fig 4.1 and Fig 4.2.

**Combined Sewer System**

The Project site is within the City's combined sewer (CS) area. Below is a description of the existing CS facilities around the Project.

- Toland St – 15-inch CS flowing south to north toward Kirkwood Ave.
- Kirkwood Ave – 18-inch CS main on both sides of Selby St. Both mains flow towards Selby St.
- Rankin St – 15-inch CS flowing south to north toward Kirkwood Ave
- McKinnon Ave – 54-inch CS main between Toland St and Selby St that flows west to east towards Selby St.
- Selby St – Two 8.5-foot by 11-foot box culverts flowing south to north.

The City was granted rights to the existing sewage distribution system lying within the former alignment of La Salle Ave running east-west between Selby St and Rankin St, under document

A573 O.R. 438, recorded April 15, 1963; however, there are no existing City sewer facilities located within this area. As described in Section 2, the Project Sponsor will request that the City vacate its rights in the former La Salle Ave if necessary to clear title, and the City agrees to cooperate and work in good faith with the Project Sponsor to pursue such a vacation, subject to approval of the SFPUC and BOS, and subsequently to quitclaim any such rights to the Project Sponsor.

Using the SFPUC's non-potable water calculator, the estimated proposed indoor water demand for both buildings is 6,370 gpd. Using a 5% reduction factor to calculate wastewater flows, the estimated wastewater flow for both buildings is 6,052 gpd.

Both existing parcels are almost 100% impervious area consisting of building roofs, pavement and concrete. The Project will reduce the amount of impervious area with the addition of planters, bioretention planters, street trees and other areas of landscaping. With the increase in pervious area, the proposed peak rate of runoff from the Project to the City's CS system will be less than the existing condition.

Stormwater runoff will be calculated per the Subdivision Regulations and a hydraulic modeling report will be prepared in collaboration with SFPUC staff and submitted to the SFPUC for approval during detailed design. The project will install new combined sewer lines of an anticipated 30" in diameter (and associated catch basins) in the following right-of-ways: Rankin St between Kirkwood Ave and McKinnon Ave, and Kirkwood Ave between Rankin St and Selby St (see Figure 4.4). Construction of these new sewer lines will adhere to the Subdivision Regulations, including final sizing based on conveyance of the 5-year design storm. No other upsizing of combined sewers is required.

**Street Lights**

There is a very limited number of street lights around the Project site. All are mounted on wood poles.

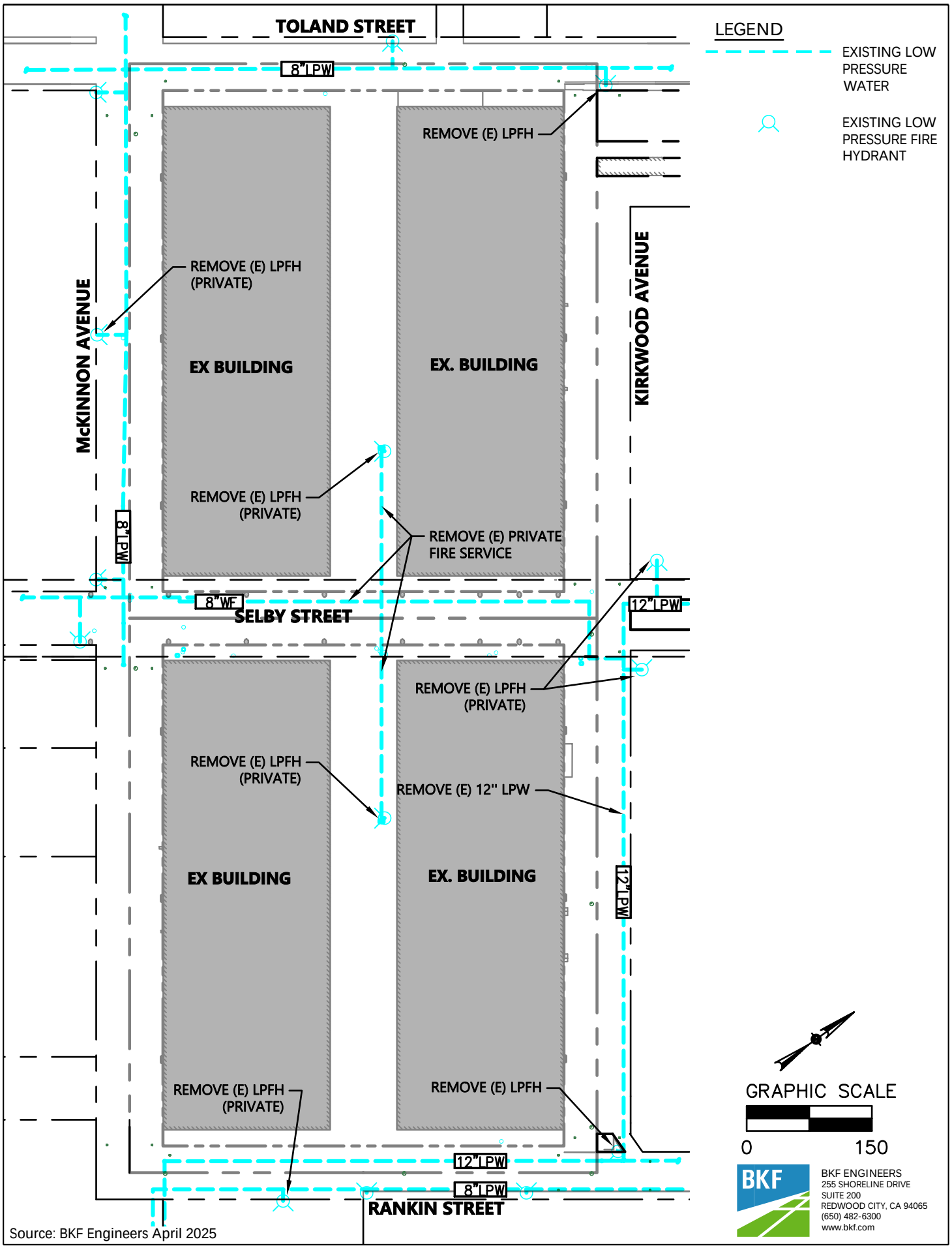
- Toland St – Approximately 4 street lights mounted on joint poles (power, CATV and telephone) on the west side of the street.
- Kirkwood Ave – Approximately 7 street lights mounted on joint poles (communications and street light power).
- Rankin St – Approximately 4 street lights mounted on wood poles with only street lights and overhead street light wiring.

- McKinnon Ave – Approximately 7 street light mounted on wood poles with only street lights and overhead street light wiring.
- Selby St – No streetlights.

The Project proposes to install new street lights around the project site to the SFPUC standards at the time of permit review. The street lights will be fed from new underground street light conduits. SFPUC streetlights will need to be installed on streets to be accepted by DPW in accordance with SFPUC Streetlight Standards. Intersection, street and sidewalk lighting on accepted streets will conform to SFPUC streetlight photometric requirements. Lighting luminaires and poles must be approved by SFPUC engineer and be listed in the SFPUC streetlight catalog.

**Dry Utilities**

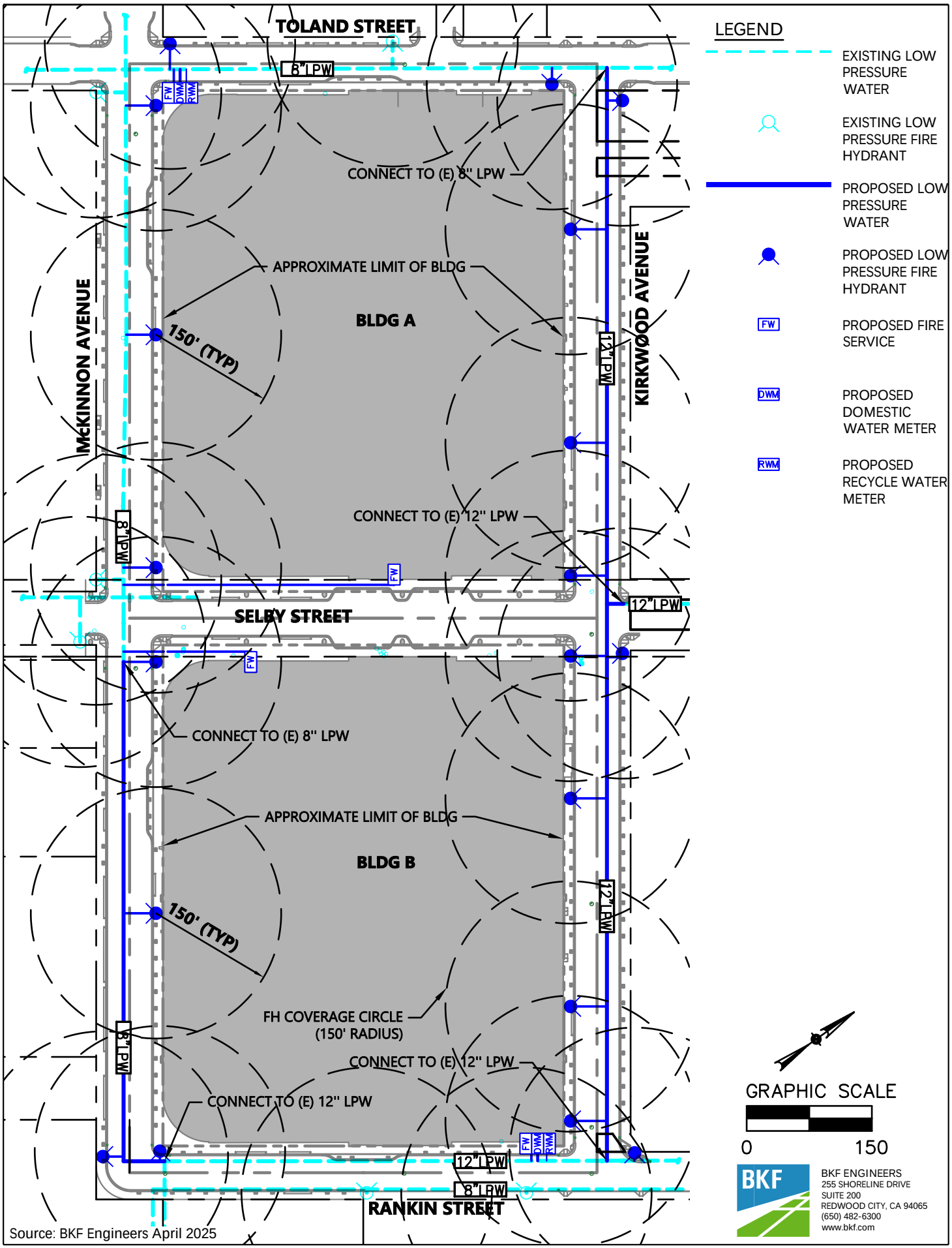
With the exception of the existing overhead lines and joint poles on the west side of Toland St, the Project proposes to either remove or underground the overhead facilities adjacent to the site. The Project will work with PG&E or the SFPUC to determine the point of connection and routing of the new electrical service to each building. New transformers will be located above grade on private property, either on the site or within the buildings. New communication services to the buildings will also be underground. Gas services are not proposed.




Source: BKF Engineers April 2025



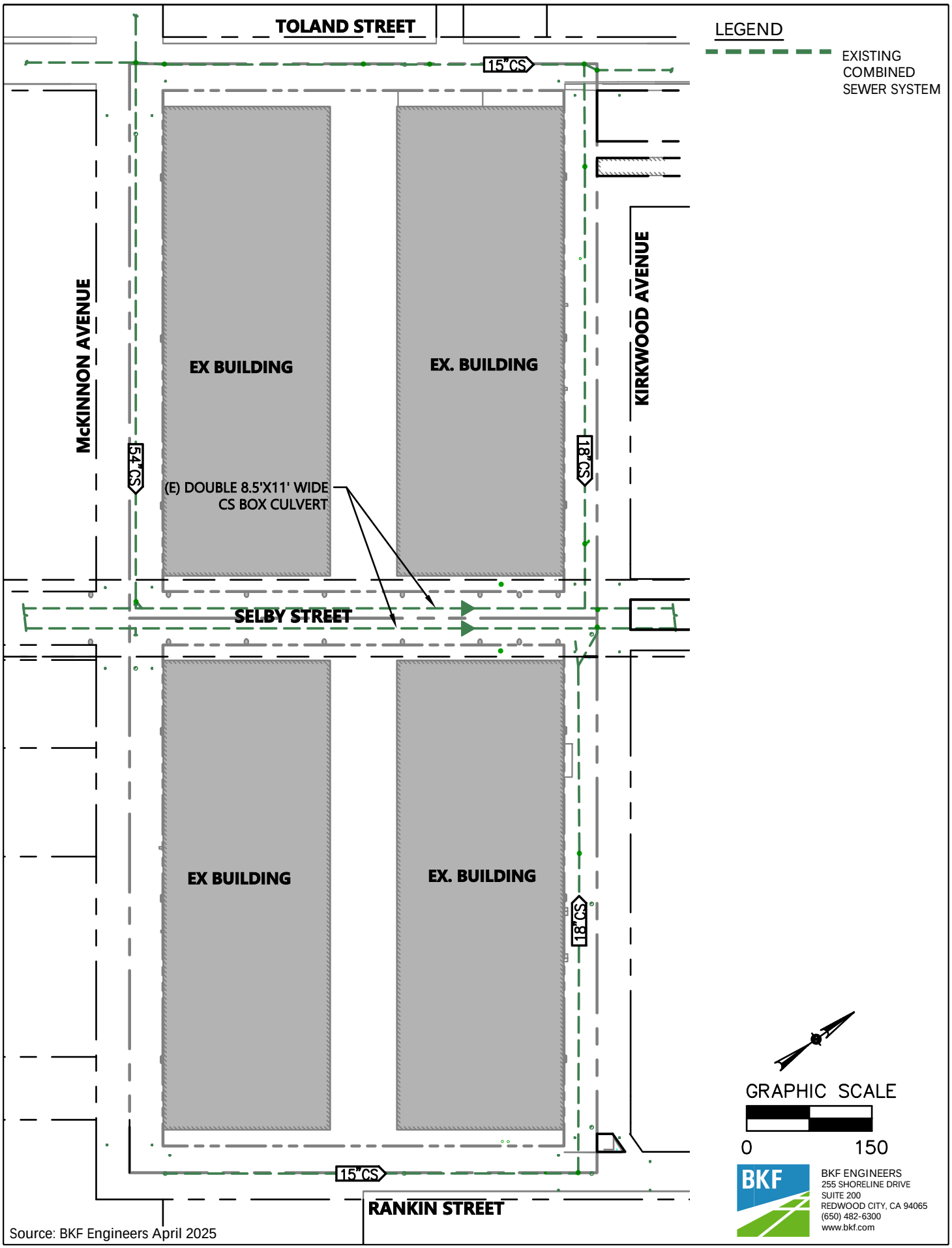
Fig 4.1 - EXISTING LOW PRESSURE WATER SYSTEM




Source: BKF Engineers April 2025

SAN FRANCISCO GATEWAY INFRASTRUCTURE PLAN

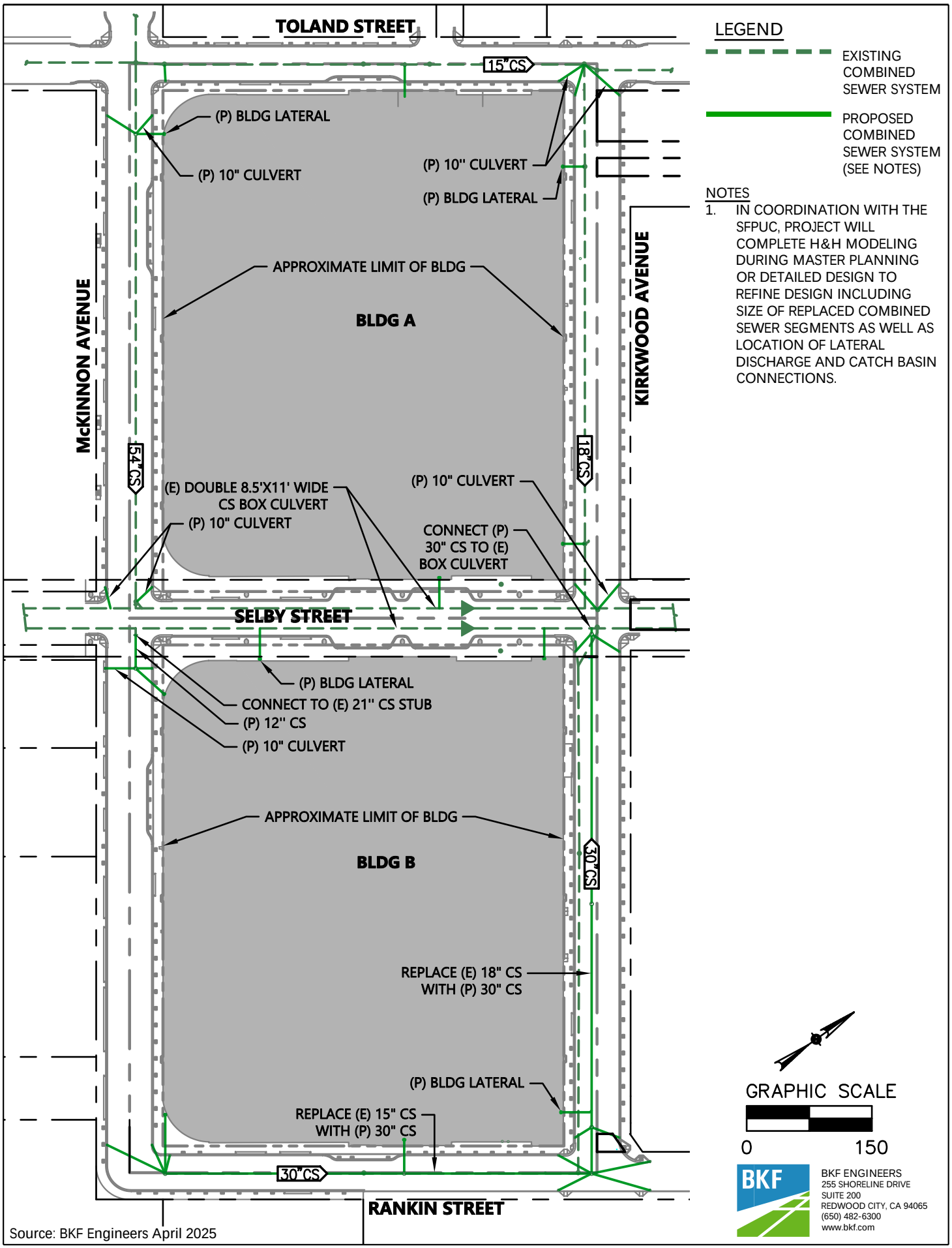
Fig 4.2 - PROPOSED LOW PRESSURE WATER SYSTEM




Source: BKF Engineers April 2025



Fig 4.3 - EXISTING COMBINED SEWER SYSTEM




Source: BKF Engineers April 2025

# 5. STREET IMPROVEMENTS

### Existing Street Improvements

As shown in Fig 5.1, the existing street improvements are substandard and in very poor condition. With the exception of the west side of Toland St, there are no sidewalks, street trees, planters or other street furnishings in the public right-of-ways adjacent to the project site.

### Proposed Street and Sidewalk Improvements

Fig 5.2 shows the new street improvements the Project is proposing to construct on both sides of Toland St, Kirkwood Ave, Rankin St, Selby St and McKinnon Ave. The new street improvements will be designed per the San Francisco Subdivision Regulations and the Better Streets Plan. All streets will include new curb ramps at intersections, street lighting, and street signage and pavement markings per City standards. Below is a description of the proposed improvements on each street.

- Toland St (between Kirkwood Ave and McKinnon Ave) has a 64-foot right-of-way. The Project will retain a 44-foot curb-to-curb width with two 14-foot wide travel lanes. It will construct 10-foot wide sidewalks on both sides of the street, with street tree wells in the furnishing zone and an approximately 100-foot long mid-block bulb-out along the east side of the street.

- Kirkwood Ave (between Toland St and Rankin St) has an 80-foot wide right-of-way. The Project will retain a 56-foot curb-to-curb width with one 26-foot wide travel lane. It will construct 12-foot wide sidewalks on both sides of the street, with street tree wells in the furnishing zone.

- Rankin St (between Kirkwood Ave and McKinnon Ave) has a 64-foot right-of-way. The Project will retain a 44-foot curb-to-curb width with two 14-foot travel lanes. It will construct 10-foot wide sidewalks on both sides of the street, with street tree wells in the furnishing zone and an approximately 100-foot long mid-block bulb-out along the west side of the street.

- McKinnon Ave (between Rankin St and Selby St) has an 80-foot right-of-way. The Project will retain a 56-foot curb-to-curb width with two 16.5-foot wide lanes. It will construct 12-foot wide sidewalks on both sides of the street, with tree wells in the furnishing zone and an approximately 100-foot long mid-block bulb-out along the north side of the street.

- McKinnon Ave (between Selby St and Toland St) has an 80-foot wide right-of-way. The Project will retain a 56-foot curb-to-curb width with one 26-foot wide travel lane. It will construct 12-foot wide sidewalks on both sides of the street, with tree wells in the furnishing zone and an approximately 100-foot long mid-block bulb-out along the north side of the street.

- Selby St (between Kirkwood Ave and McKinnon Ave) has a 64-foot right-of-way and is located under the elevated Interstate 280 freeway. The project will retain a 44-foot curb-to-curb width with 22-foot wide travel lanes. It will construct 10-foot wide sidewalks on both sides of the street. To accommodate structural impediments from the freeway above, sidewalks will range from 10 to 24 feet at bulb-outs surrounding freeway columns.

New curb ramps and crosswalks will be installed at all intersections.

The design of the new street pavement will require the evaluation of the traffic volume and the percentage of truck traffic to confirm if the City standard pavement section of 2-inch AC over 8-inch concrete is adequate, or if a thicker pavement section is required.

Any modification to the official sidewalk width will require sidewalk legislation.

Fire truck ladder access shall be between 15 feet to 30 feet measured from the façade of the external building wall to the fire truck turn table.

Refer to Fig 5.3, Fig 5.4, Fig 5.5, Fig 5.6, Fig 5.7 and Fig 5.8 for the proposed street cross sections.

**Proposed Grading**

The proposed grading of the public streets will be designed per City standards. Street profiles will be constructed to the Official Grade and will be designed to meet minimum longitudinal and cross slope requirements. The elevations of the new street profiles will be close to the existing elevations and not require significant fill or excavation. Per the Subdivision Regulations, the streets will also be designed to convey the 100-year, 24-hour storm event without overtopping the top of curb. New sidewalks, curb ramps and crosswalks will meet the City's accessibility requirements.

The building footprints occupy the majority of each parcel. Due to existing soil conditions, the building finish floor elevations and foundations will be set to minimize excavation into the existing soil. Ramps and stairs will provide access to the buildings from the sidewalk.

The City has informed the Project team that there are existing flooding and drainage issues around the site. These drainage issues will be evaluated during detailed design with the intent that the proposed street and drainage improvements will address, to the extent feasible, the preexisting drainage issues.

The Project site is located outside of the 100-year flood zone per the City's 100-Year Storm Flood Risk Map. Interactive maps projecting sea level rise and associate flooding have been prepared by the San Francisco Bay Conservation and Development Commission (BCDC) (https://explorer.adaptingtorisingtides.org/explorer). The current version of these maps does not show flooding impacts at the site with 48-inches of sea level rise and a 50-year king tide.

**Existing Circulation, Loading and Parking**

The existing streets around the Project are unimproved and lack sidewalks, defined street parking areas and loading zones. The streets accommodate two-way traffic with a single lane in each direction, however there is no lane striping. Most adjacent intersections are uncontrolled without stop signs or legends. Refer to Fig 5.9.

There is not a functional intersection at Kirkwood Ave and Toland St. The west end of Kirkwood Ave ends about 120-feet short of Toland St and is blocked by an existing carport, parking lot and associated structures.

**Proposed Circulation, Loading and Parking**

The traffic circulation around the Project site will be modified to operate more efficiently to improve connectivity to the site and to better organize the flow of vehicles to and from the project and adjacent buildings. Fig 5.10 shows the new vehicle circulation pattern, loading, and parking the Project is proposing to construct in the right-of-ways surrounding the project.

- A new intersection will be constructed at Toland St/Kirkwood Ave, provided that all improvements currently located within the future Kirkwood Ave right-of-way are removed by the City, which owns the real property in question, or by the SFM, which ground leases the real property in question, in connection with recording a Final Map for the SFM.

- Toland St will remain two-way traffic in the north-south direction (single lane in each direction). Striping will be provided for approximately four 8-foot wide parallel parking stalls on the east side of the street with one 40-foot long passenger loading zone mid-block.
- Kirkwood Ave will change from two-way to one-way (single lane) east bound traffic Striping will be provided for approximately 122 45-degree reverse parking stalls with a depth of 15 feet on both sides of the street. Two 100-foot long commercial loading zones will be provided on the south side of the street, one near the Selby Street intersection and another near the Rankin Street intersection.
- Rankin St will remain two-way traffic in the north-south direction (single lane in each direction). Striping will be provided for approximately five 8-foot wide parallel parking stalls on the west side of the street with one 40-foot long passenger loading zone mid-block.
- McKinnon Ave (between Toland St and Selby St) will change from two-way traffic to one-way (single lane) east bound traffic. Striping will be provided for approximately twenty-four 45-degree reverse parking stalls, with a depth of 15 feet, on both sides of the street. One 240-foot long commercial loading zone will be provided mid-block on the north side.
- McKinnon Ave (between Selby St and Rankin St) will remain two-way traffic in the east-west direction (single lane in each direction). Striping will be provided for approximately twenty-four 45-degree reverse parking stalls, with a depth of 15 feet, on the north side, and 8-foot wide parallel parking stalls on the south side. One 240-foot long commercial loading zone will be provided mid-block on the north side.
- Selby St will remain two-way traffic in the north-south direction (single lane in each direction). Striping will be provided for approximately eight parallel parking stalls located between the existing I-280 columns on both sides of the street.

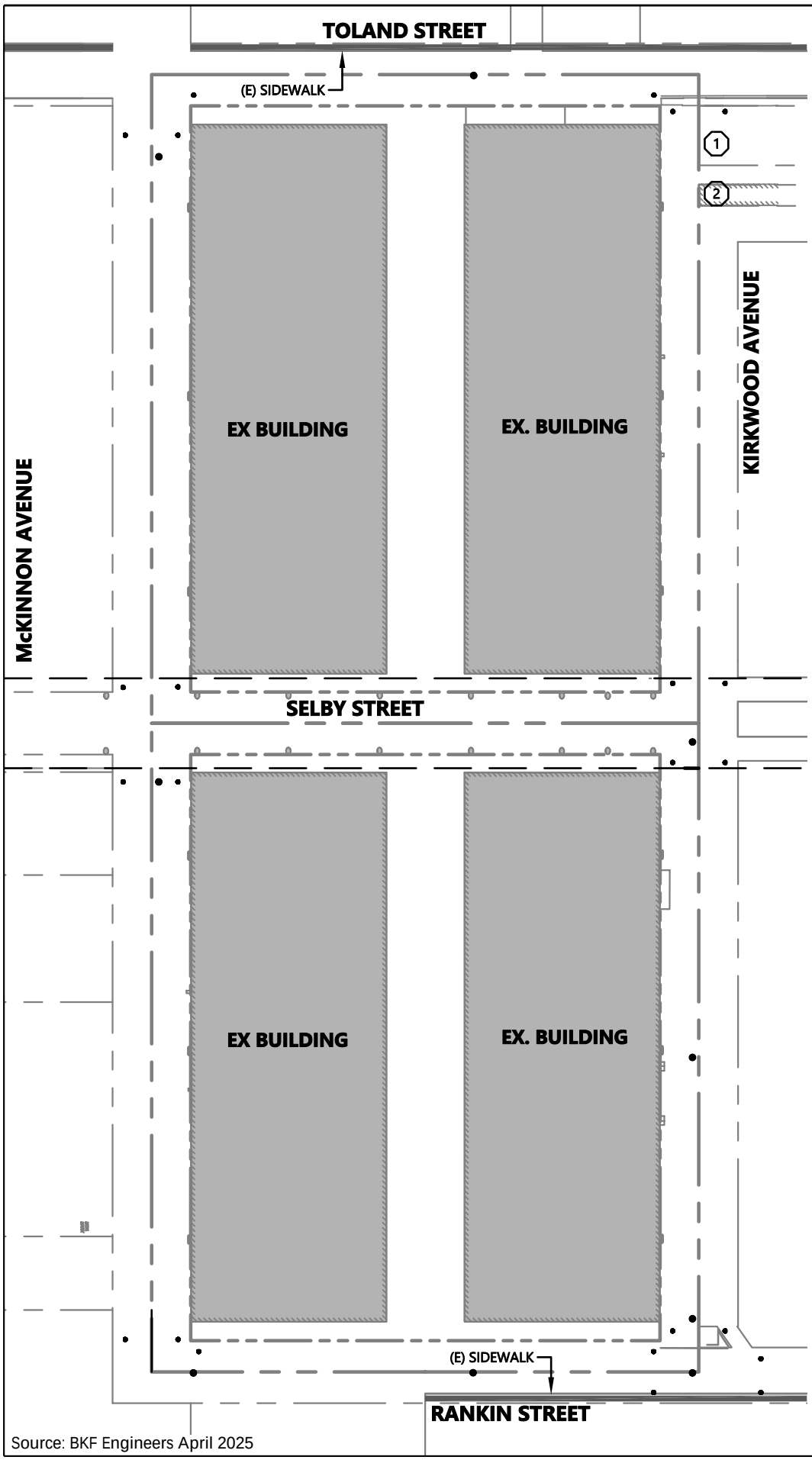
Modifications to the flow of traffic (from two-way [bi-directional] to one way [uni-directional]), as well as establishment of angled parking spaces, will require legislation by SFMTA.

For the reconstructed streets, a minimum of 4% of the on-street parking stalls shall be accessible.

Prior to detailed design:

- The proposed angled parking stalls shall be evaluated to confirm vehicle overhangs will not impact pedestrian paths or the furnishing zone.

- Design truck and fire truck turning templates shall be prepared to demonstrate the street design will accommodate the design vehicles.




NOTES:

1. WITH THE EXCEPTION OF THE WEST SIDE OF TOLAND ST, THERE ARE NO EXISTING SIDEWALKS, CROSSWALKS, STREET TREES, ETC ALONG THE PROJECT FRONTAGES.

(1) FENCES AND/OR GATES WITHIN ROW

(2) STRUCTURES WITHIN ROW

GRAPHIC SCALE

0 150

BKF ENGINEERS
255 SHORELINE DRIVE
SUITE 200
REDWOOD CITY, CA 94065
(650) 482-6300
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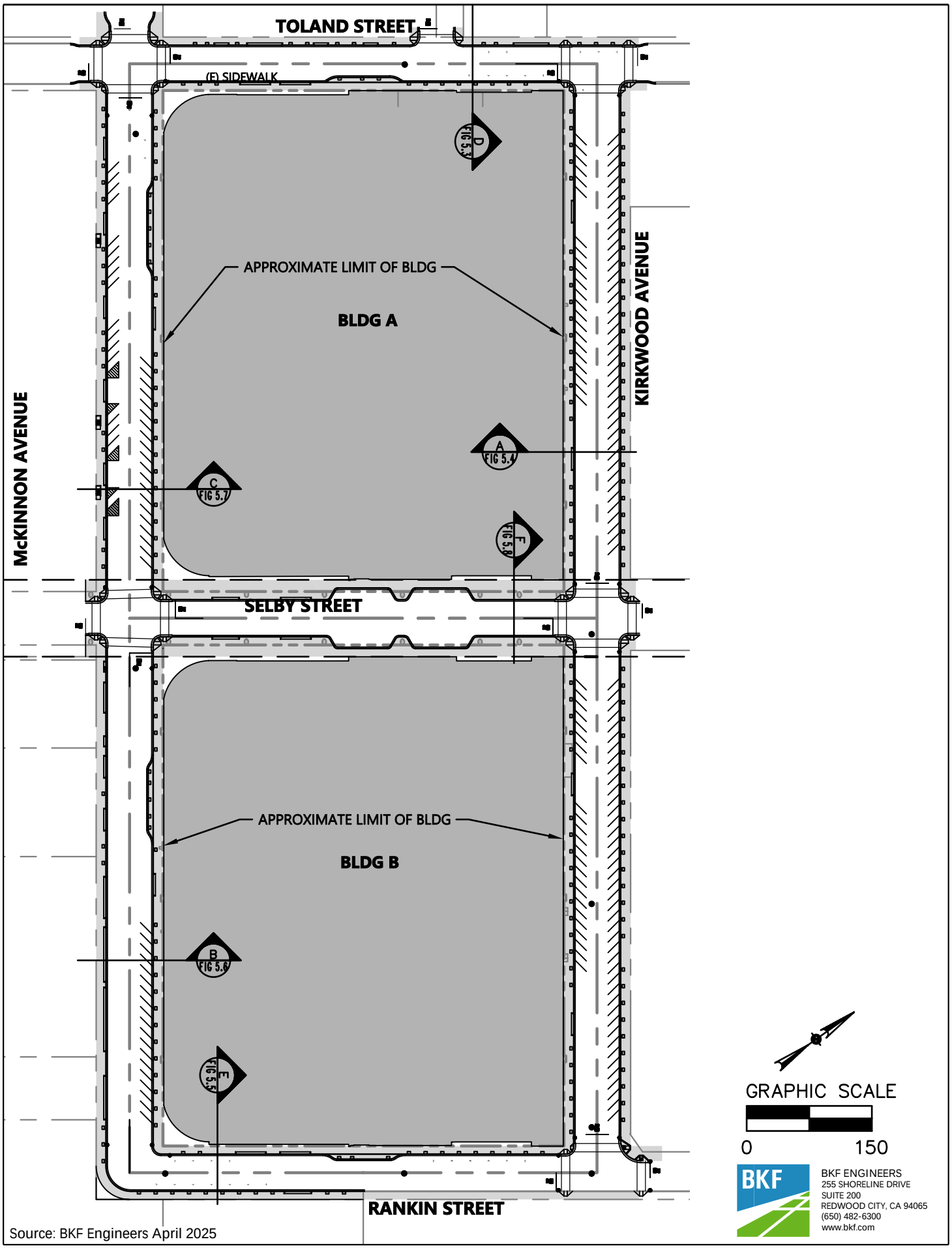
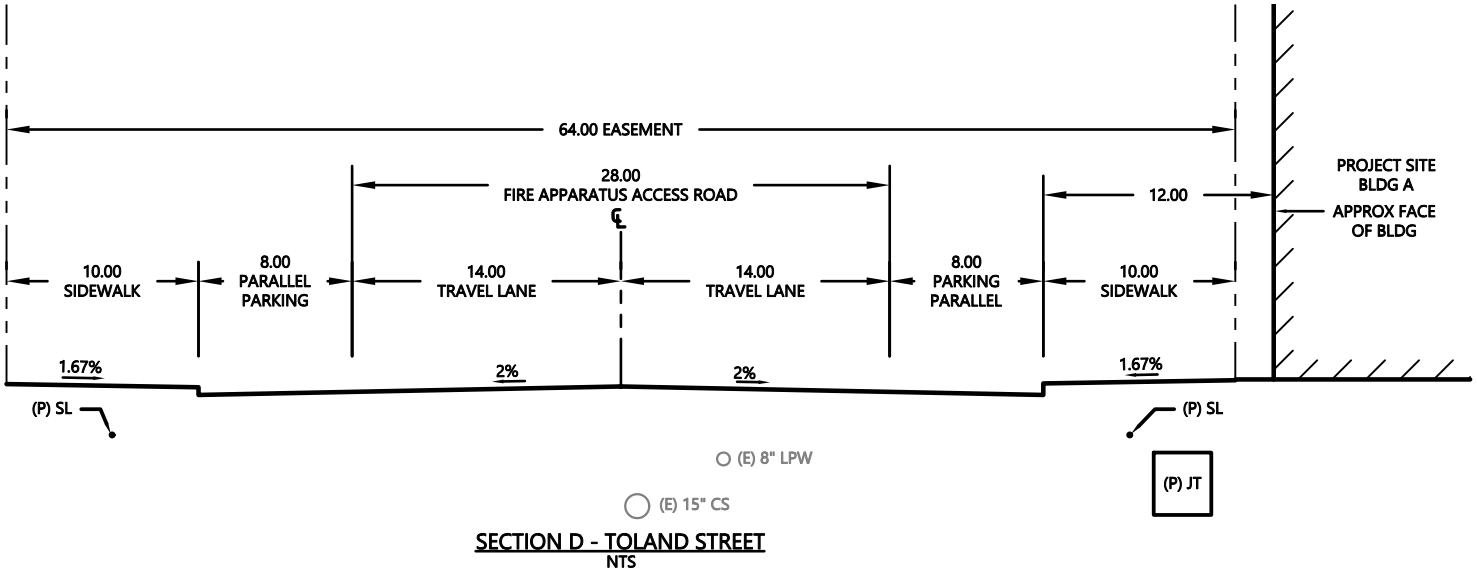
Source: BKF Engineers April 2025



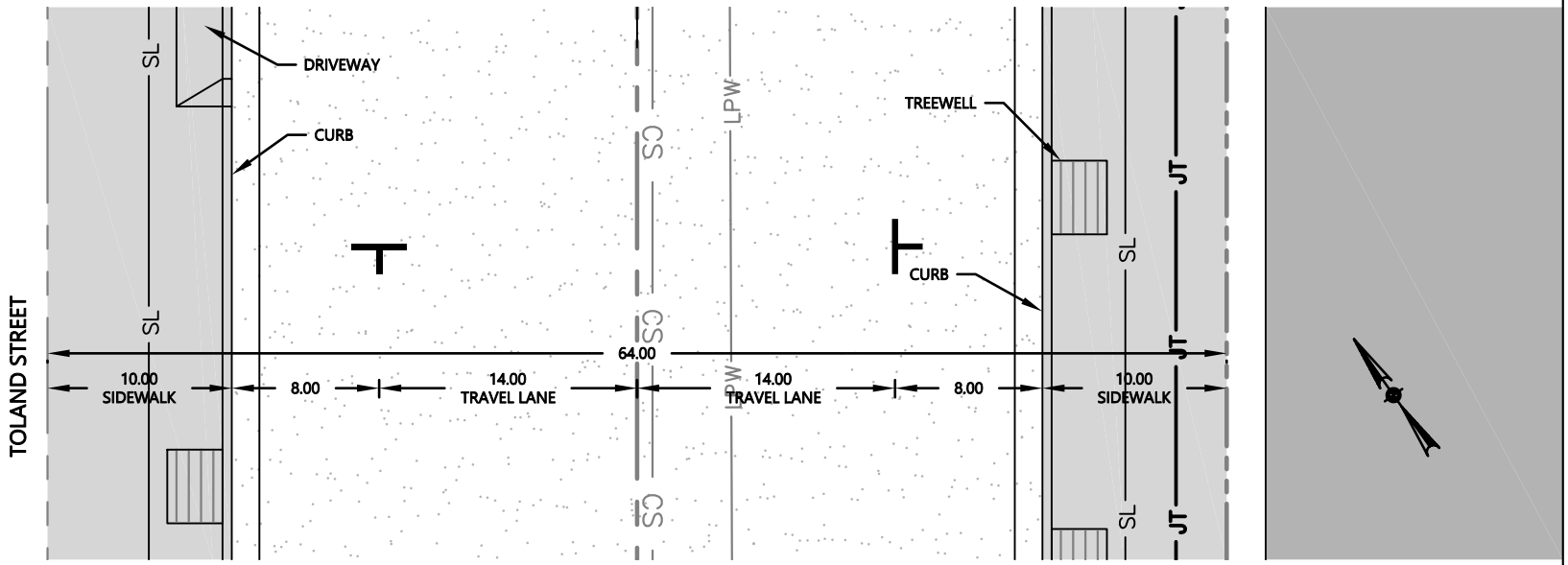

Source: BKF Engineers April 2025



Fig 5.2 - PROPOSED STREETSCAPE




SECTION D - TOLAND STREET
NTS

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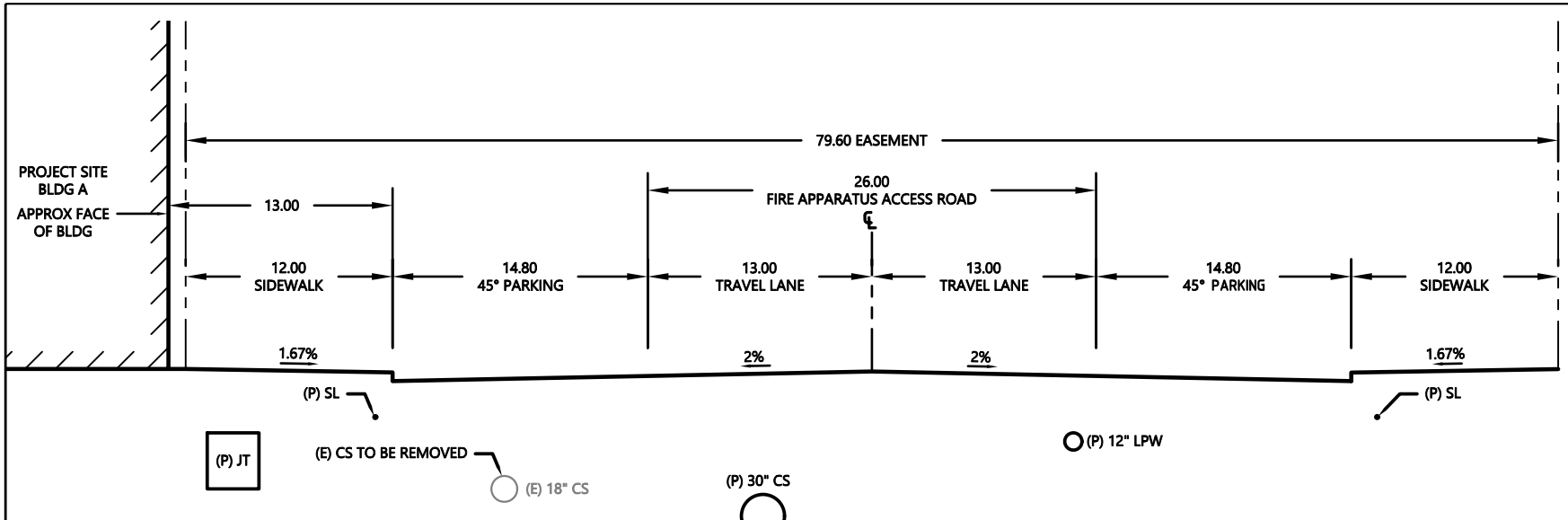


SECTION A - KIRKWOOD AVENUE
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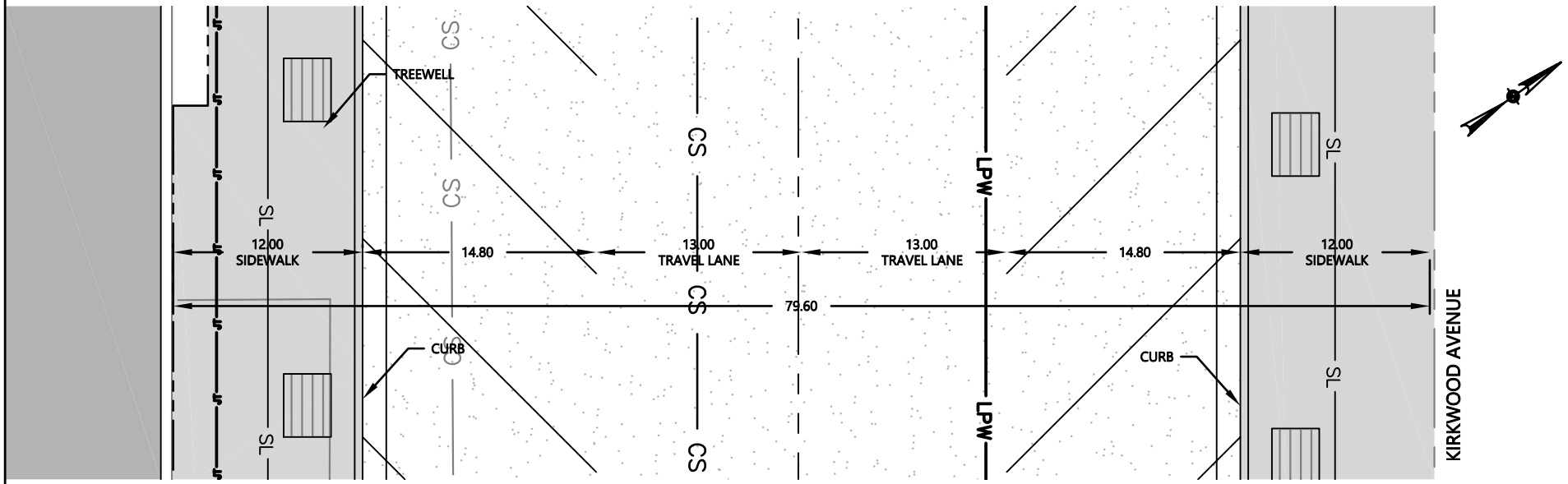


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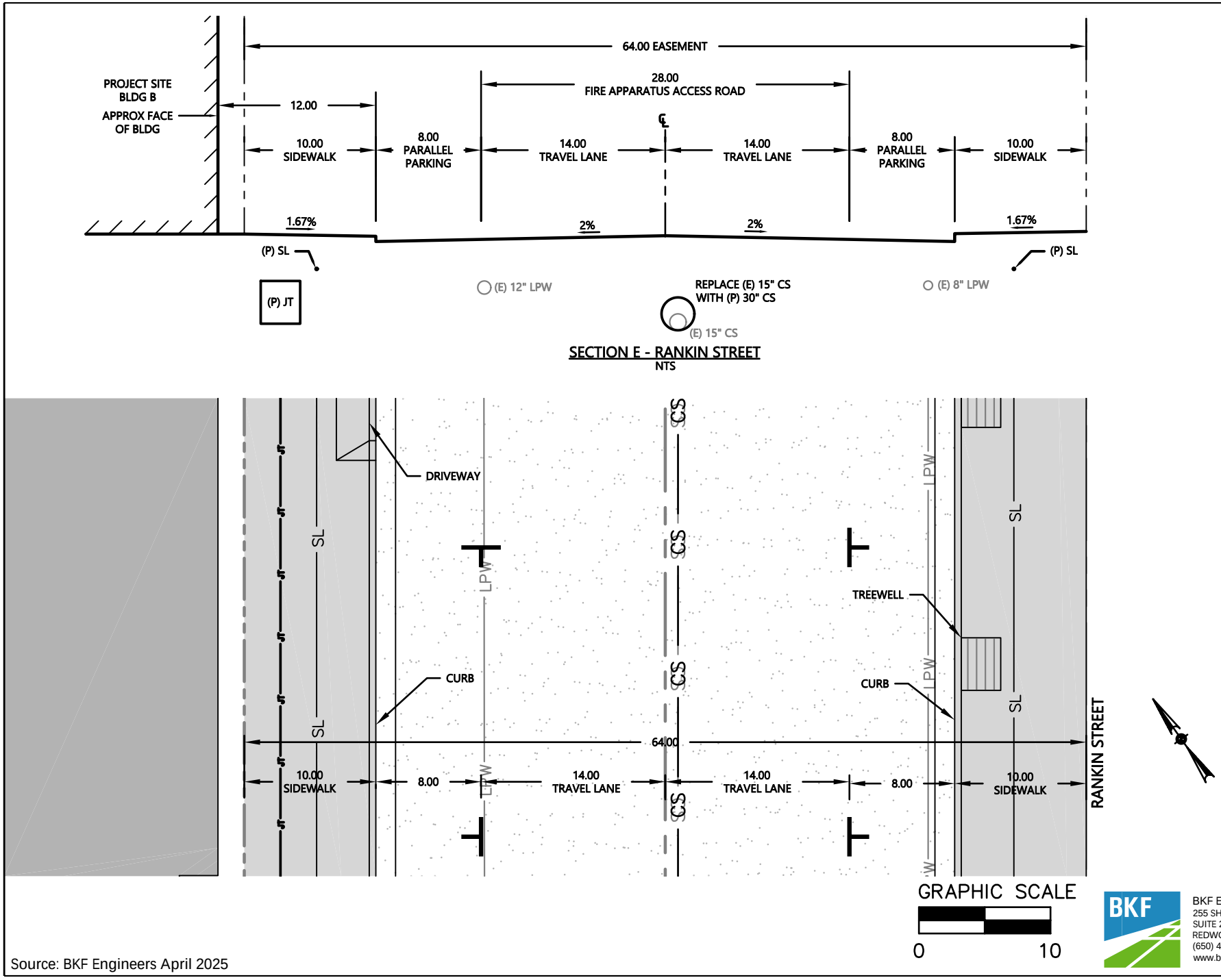


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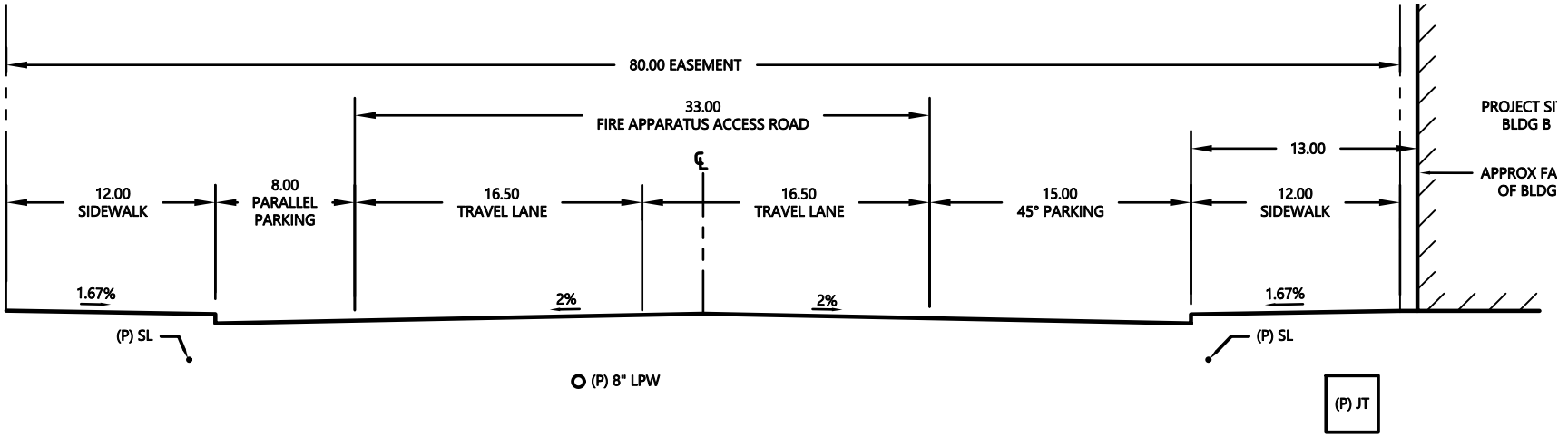
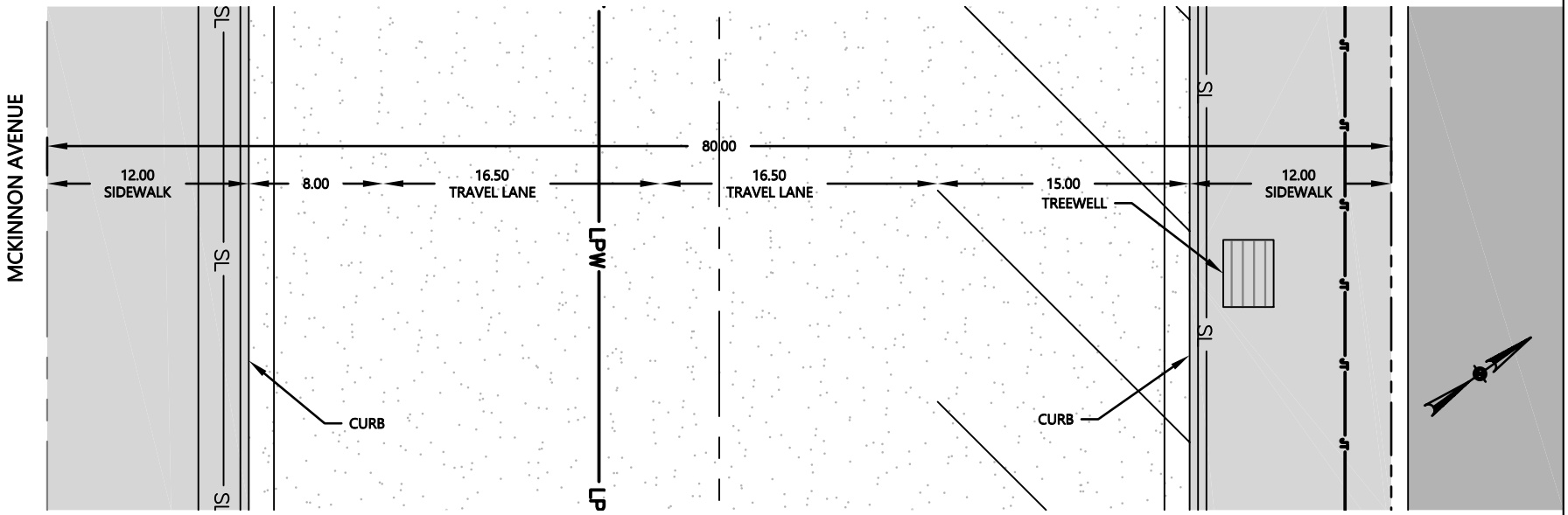



SECTION B - MCKINNON AVENUE (RANKIN STREET TO SELBY STREET)
NTS

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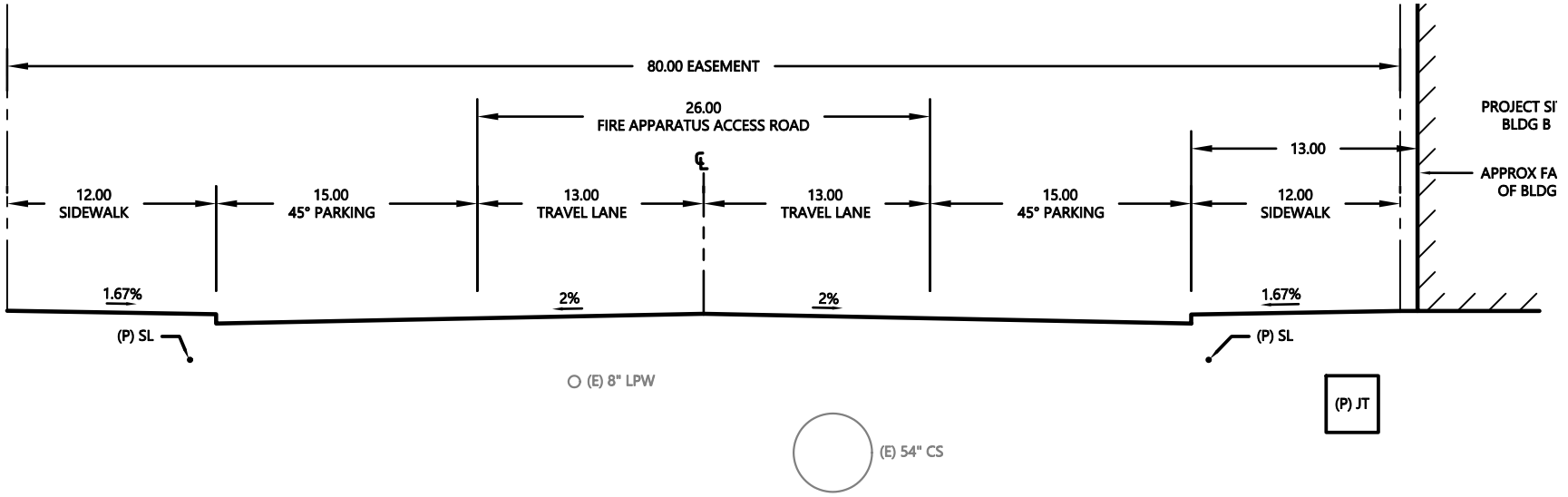


SECTION C - MCKINNON AVENUE (SELBY STREET TO TOLAND STREET)
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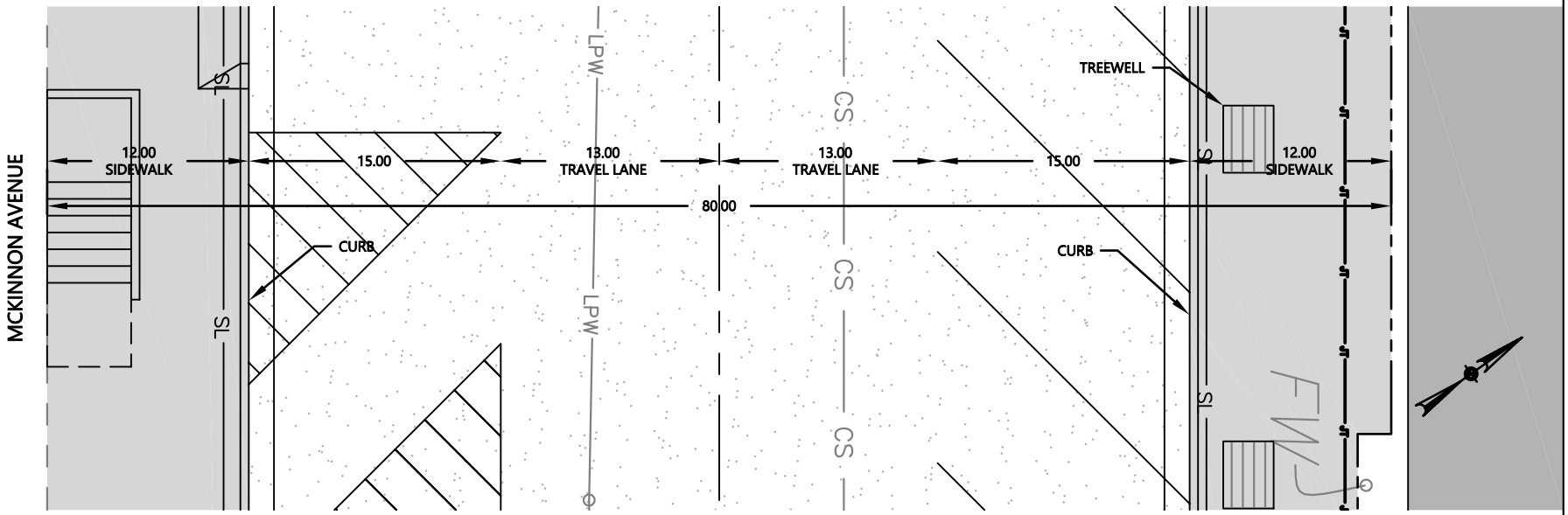


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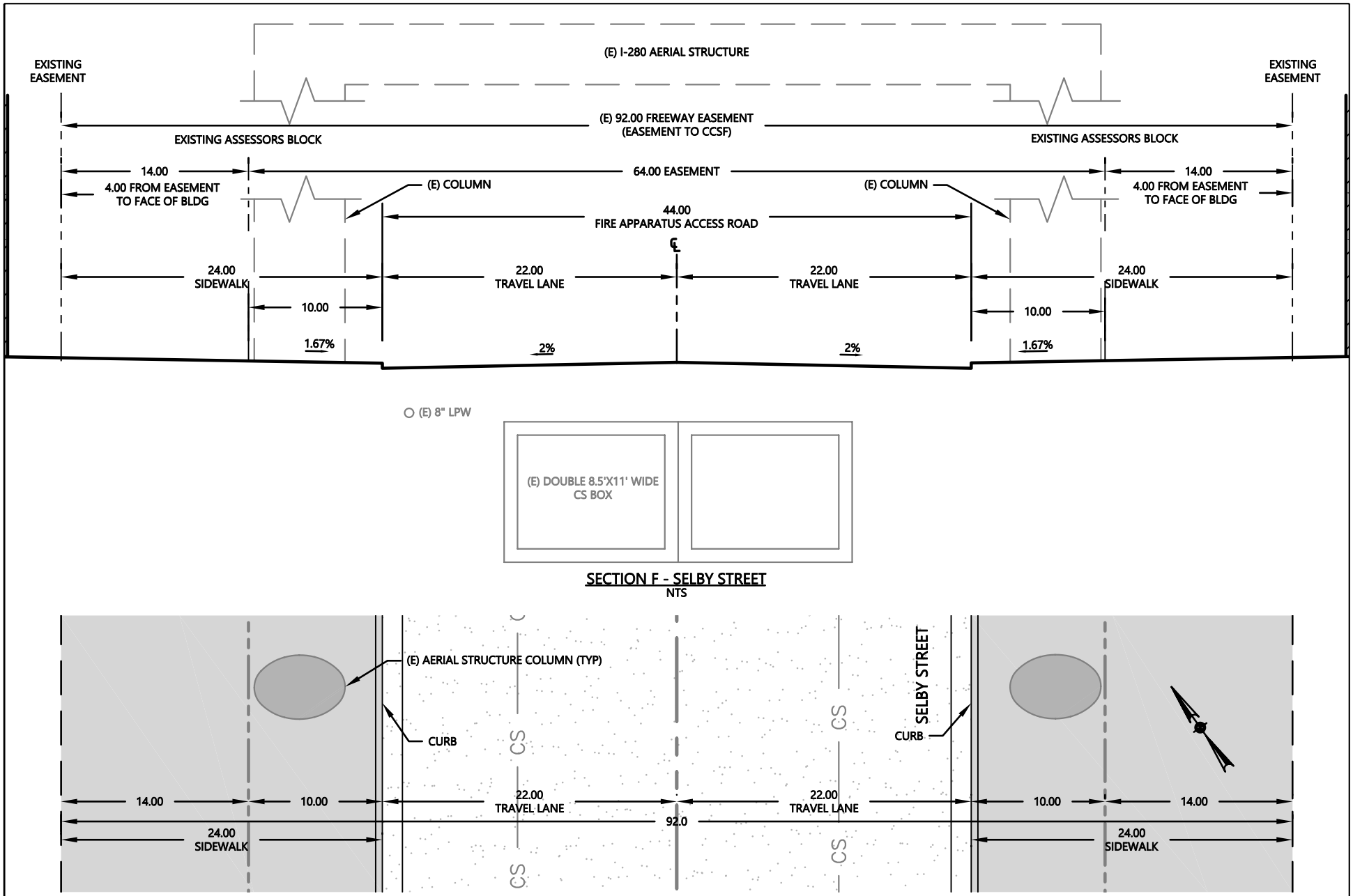


SECTION F - SELBY STREET
NTS




GRAPHIC SCALE
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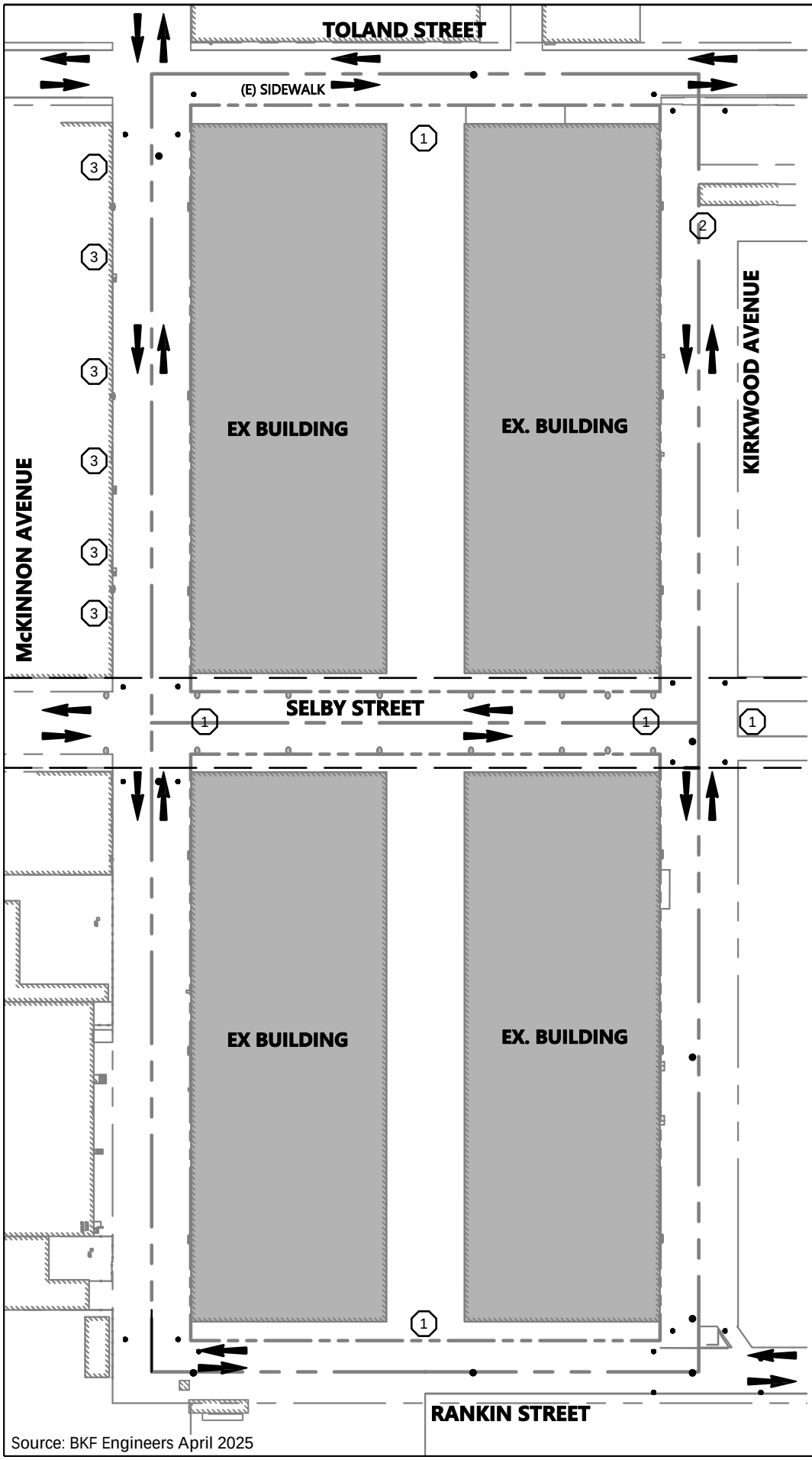


NOTES:

1. THERE ARE NO MARKED STREET PARKING STALLS, BUT INFORMAL PARKING OCCURS ALONG THE STREET FRONTAGES THROUGHOUT.

(1) GATED ACCESS

(2) END OF KIRKWOOD AVENUE. NO DIRECT ACCESS TO TOLAND STREET.

(3) LOADING DOCK

GRAPHIC SCALE

0 150

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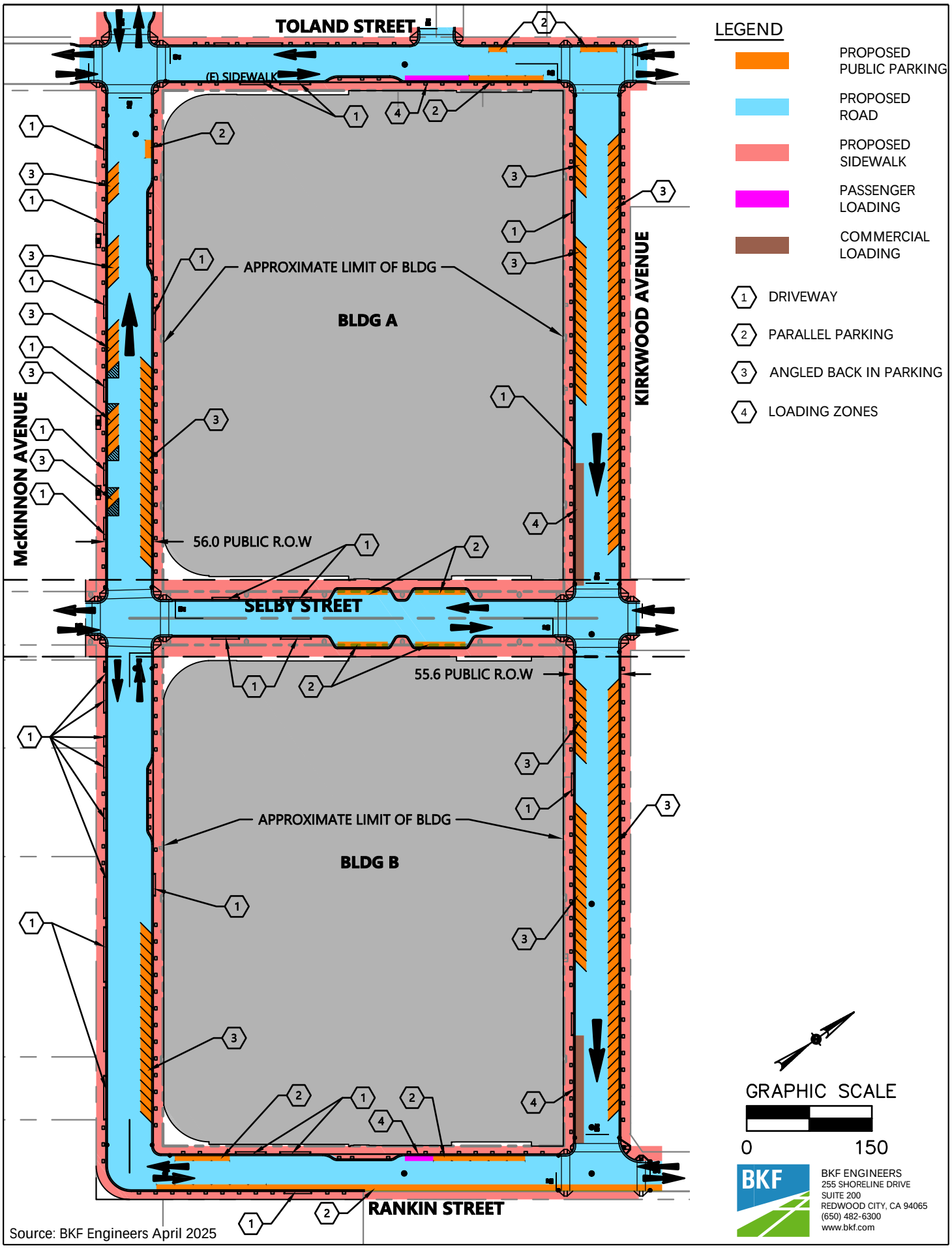
Fig 5.9 - EXISTING STREET CIRCULATION, PARKING, AND LOADING




Source: BKF Engineers April 2025



Fig 5.10 - PROPOSED STREET CIRCULATION, PARKING, AND LOADING

# 6. PROJECT PHASING

The Project is considering two phasing approaches for the buildings and corresponding public improvements. The selection of the phasing approach will be determined in the future solely by the Project sponsor. In order for the City to accept the public improvements in any phase, all utilities constructed and offered for acceptance must be complete systems and not rely on interim/temporary improvements.

Below is a description of the two potential phasing approaches.

**Phasing Approach 1 – Building B (East) followed by Building A (West)**

In the first phase of this approach, Building B will be constructed first along with the street improvements adjacent to Building B as described below:

Building B Improvements

- Kirkwood Ave – Street and utility improvements from Selby St to Rankin St. The 12-inch LPW from Selby St to Toland St will also be installed, but not the surface-level street improvements from Selby St to Toland St.
- Rankin St – Street and utility improvements from Kirkwood Ave to McKinnon Ave
- McKinnon Ave – Street and utility improvements from Rankin St to Selby St
- Selby St – Sidewalk improvements from Kirkwood Ave to McKinnon Ave on the east side of Selby St. Final paving and the west sidewalk will be installed with Building A.

At the time Building B improvements are complete, the Project will offer for acceptance this first phase of improvements in accordance with the Subdivision Regulations.

In the second phase, Building A and the following street and utility improvements will be constructed.

Building A Improvements

- McKinnon Ave – Street and utility improvements from Selby St to Toland St
- Toland St – Street and utility improvements from McKinnon Ave to Kirkwood Ave
- Kirkwood Ave – Street improvements and remaining utility improvements from Toland St to Selby St
- Selby St – Sidewalk on the west side of Selby St from Kirkwood Ave to McKinnon Ave and final street paving.

At the time Building A improvements are complete, the Project will offer for acceptance this second phase of improvements in accordance with the Subdivision Regulations.

Refer to Fig 6.1

**Phasing Approach 2 – Building A (West) following by Building B (East)**

In first phase of this approach, Building A will be constructed first along with the street improvements adjacent to Building A as described below:

Building A Improvements

- McKinnon Ave – Street and utility improvements from Selby St to Toland St
- Toland St – Street and utility improvements from McKinnon Ave to Kirkwood Ave
- Kirkwood Ave – Street and utility improvements from Toland St to Selby St. Between Selby St and Rankin St, the 12-inch LPW will also be installed along with the sidewalk and curb and gutter on the north side of Kirkwood Ave. the remainder of the street improvements on Kirkwood Ave from Selby St to Rankin St will not in installed in this phase.
- Selby St – Sidewalk improvements from Kirkwood Ave to McKinnon Ave on the west side of Selby St. Final paving and the east sidewalk will be constructed with Building B.

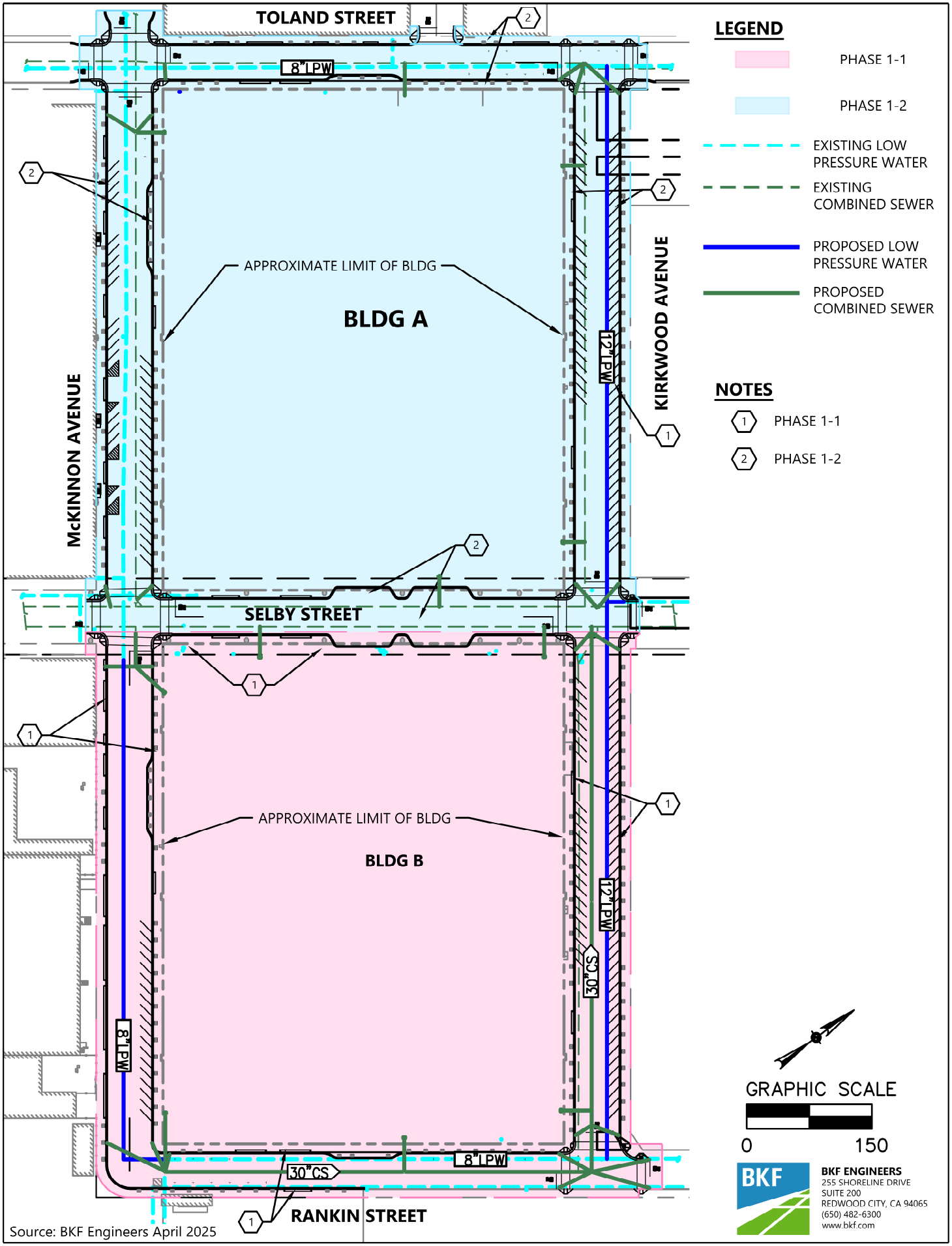
At the time Building A improvements are complete, the Project will offer for acceptance this first phase of improvements in accordance with the Subdivision Regulations.

In the second phase the construction of Building B, the following street and utility improvements will be constructed.

Building B Improvements

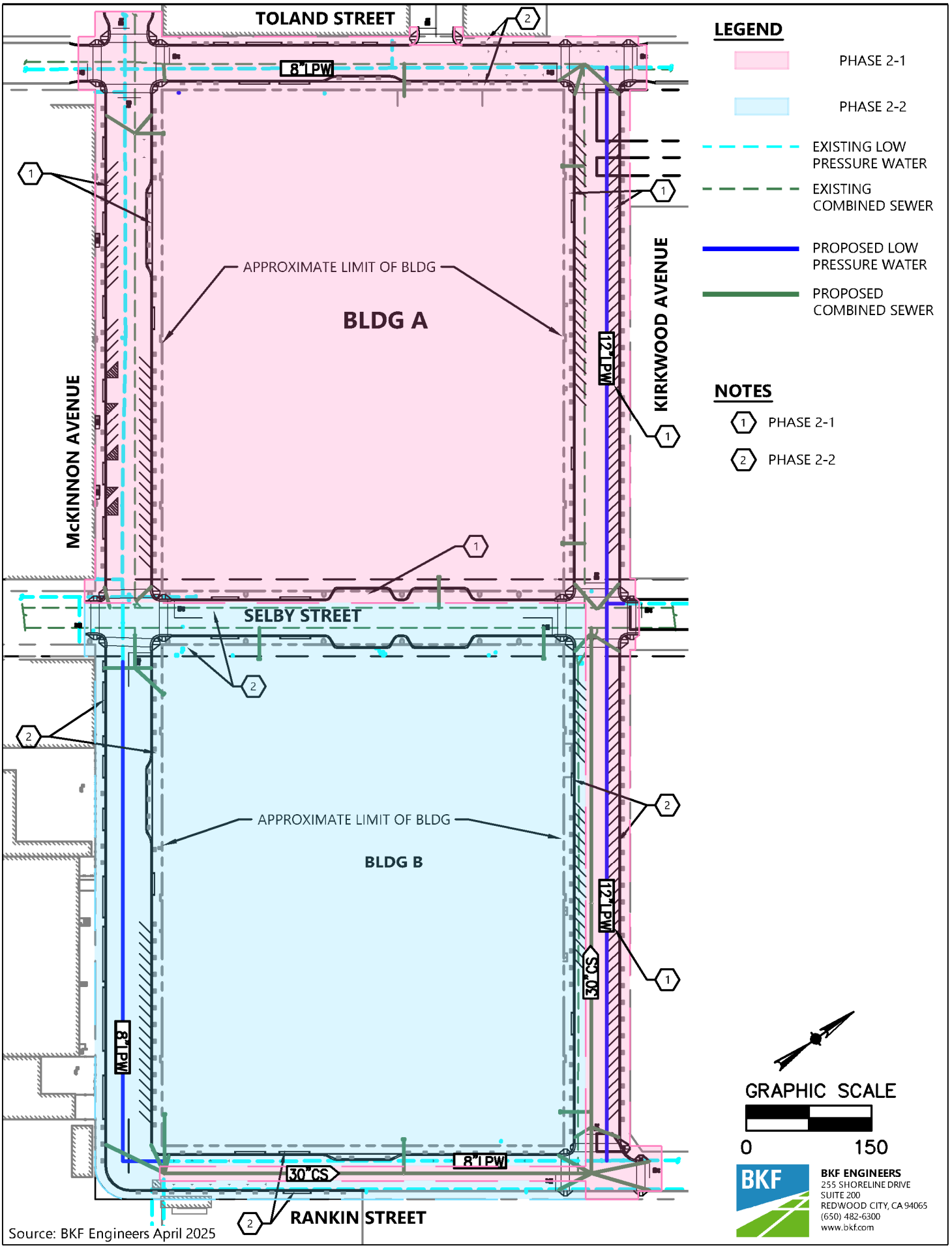
- Kirkwood Ave – Street improvements and remaining utility improvements from Selby St to Rankin St
- Rankin St – Street and utility improvements from Kirkwood Ave to McKinnon Ave
- McKinnon Ave – Street and utility improvements from Rankin St to Selby St
- Selby St – Sidewalk on the east side of Selby St from Kirkwood Ave to McKinnon Ave and final street paving.

At the time Building B Improvements are complete, the Project will offer for acceptance this second phase of improvements in accordance with the Subdivision Regulations.
Refer to Fig 6.2.




Source: BKF Engineers April 2025

**SAN FRANCISCO GATEWAY INFRASTRUCTURE PLAN** **Fig 6.1 - PROJECT PHASING - PHASING APPROACH 1**




Source: BKF Engineers April 2025

**SAN FRANCISCO GATEWAY INFRASTRUCTURE PLAN** **Fig 6.2 - PROJECT PHASING - PHASING APPROACH 2**

# 7. OTHER AREAS OF COMPLIANCE

**Stormwater Management Requirements**

The Project is required to comply with the SFPUC's Stormwater Management Requirements (SMR) to manage post-construction stormwater runoff. For the SF Gateway project, the SMR applies only to the private parcels. The SMR will not be applied to the Project's dedications of proposed right-of-way, or the portions of the public improvements on the opposite side of the right-of-way centerline.

Where it applies, the Project will comply with the SMR at the end construction of each phase, whether Building A or Building B. The project will be required to submit a Preliminarily SCP and obtain SFPUC approval to document SMO compliance. The Preliminary SCP shall be approved prior to the DBI Building Permit Application.

As allowed by the Stormwater Management Ordinance as a form of Alternate Compliance, the project may choose to propose privately-owned stormwater controls within the public right-of-way in order in support achievement of SMO compliance for the private parcels. If this approach is chosen, the Project will coordinate with SF Planning, SFPW, and SFPUC.

**Non-Potable Water Ordinance**

Per Article 12C of the San Francisco Health Code, new development projects that apply for a site permit after January 1, 2022 of 100,000 gross square feet or more are required to install and operate an onsite water reuse system. The code's definition of "Development Project" excludes "*…(4) Production, Distribution, and Repair Use Buildings*". Because the two new buildings are designed for PDR per the San Francisco Planning Code, the project is exempt from the Non-Potable Water Ordinance.

**Recycled Water Ordinance**

The City and County of San Francisco's Recycled Water Ordinance requires property owners to install recycled water systems in new construction, modification, or remodel projects. The ordinance defines certain areas of the City that are designated recycled water use areas. For the SF Gateway project site, the east half of the site (Building B) is located within the recycled water use area. Building A is not. Therefore, Building B will be designed with dual plumbing for recycled water.

**Auxiliary Water Supply System (AWSS)**

The nearest AWSS line is located in Oakdale Ave, approximately 570-feet south of McKinnon Ave and the project site. Along Oakdale Ave, there are HPFHs at the intersections of Quint St, Rankin St, Selby St, Toland St and Barneveld Ave. Based on the project description, type of building construction, proposed street and utility improvements and the close proximity of the existing AWSS, the San Francisco Fire Department has confirmed that no improvements to or extension of the AWSS will be required for the Project.

# ATTACHMENT A

THE SF MARKET™
SOURCE FOR FRESH PRODUCE

**THE SF MARKET**
San Francisco's Wholesale Produce Market

2095 Jerrold Avenue, Suite 212
San Francisco, California 94124

**PHONE**
415.550.4495

**FAX**
415.821.2742

August 23,2024

On behalf of the San Francisco Market Corporation, which manages The SF Market (formerly known as The San Francisco Wholesale Produce Market), I am writing to acknowledge our review of the proposed SF Gateway Projects' streetscape and roadway design. We have collaborated with the Prologis team, who has kept us informed throughout the project's development.

The project includes streetscape improvements around the site, aligning with the City's Better Streets Standards. These upgrades—new sidewalks, lighting, curbs, gutters, and street trees—along with the proposed intersection and lane changes, will enhance safety and security in the area.

The SF Market is fully aware of and supportive of these proposed streetscape improvements and roadway changes, as they are expected to significantly enhance safety and security in the area.

Michael Janis
General Manager, San Francisco Wholesale Produce Market

# EXHIBIT R

## APPLICABLE IMPACT FEES AND EXACTIONS

This Exhibit R documents the Impact Fees and Exactions that are applicable in connection with buildout of the San Francisco Gateway Project. Unless otherwise specified in this Exhibit R, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit R is a part, by and between the City and County of San Francisco, a municipal corporation (the "**City**"), and Prologis, L.P., a Delaware limited partnership (the "**Developer**"). All Impact Fees and Exactions listed in this Exhibit R will escalate in accordance with Section 5.7.2 of the Development Agreement.

1. **Transportation Sustainability Fee**. Planning Code Section 411A applies to the Project. The Parties agree that as of the Effective Date, the Project Site contains 448,000 gross square feet of PDR uses, which will be credited against the Project's total gross square feet to determine the "new gross square feet" under Planning Code Section 411A.4.

   The calculation of "new gross square feet" will include only those areas within the definition of "Gross Floor Area" in Planning Code Section 102, and pursuant to Planning Code Section 401, shall exclude those areas devoted to off-street parking that would otherwise constitute "Gross Floor Area." For illustrative purposes only, in the building configuration shown in the plans attached to the Conditional Use Authorization for a Planned Unit Development, the 55,900 square feet of accessory parking shown on the ground level would be subject to the exception for off-street parking and would not constitute new gross square feet for purposes of calculating Planning Code Section 411A fees. For avoidance of doubt, the surface area of the open-air, multi-purpose deck at the rooftop level of the Project is not subject to Planning Code Section 411A fees, because it does not constitute "Gross Floor Area."

   All gross square feet of development in the Project that are subject to Planning Code Section 411A fees, whether resulting from new construction or a "Change or Replacement of Use" as described in Planning Code Section 411A.3, will be assessed at the "Production, Distribution and Repair" rate under Planning Code Section 411A.5, with the exception of 1) the ground level retail uses permitted under the Project SUD, and 2) any Laboratory uses as defined in Planning Code Section 102 established in the Project by new construction, or by a change or replacement of use, both of which will be subject to the higher, "Non-Residential" rate under Section Planning Code 411A.5.

2. **Bicycle Parking (Class 2) In-Lieu Fee**. Planning Code Section 430 applies to the Project.

3. **Street Trees In-Lieu Fee**. Public Works Code Article 16, Sections 802 and 806(d)(4) apply to the Project.

**EXHIBIT S**

**FORM OF GRANT DEED**

| | |
|---|---|
| RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:<br><br>Director of Property<br>Real Estate Division<br>City and County of San Francisco<br>25 Van Ness Avenue, Suite 400<br>San Francisco, California 94102<br><br>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**
(Lot No. ____ Block No. ___)

FOR VALUABLE CONSIDERATION, receipt and adequacy of which are hereby acknowledged, [NAME OF DEVELOPER], a [_____] ("**Grantor**"), 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 "**Land**"), together with any and all buildings, improvements and fixtures located thereon and any and all rights, privileges and easements appurtenant to the Land, including any and all minerals, oil, gas and other hydrocarbon substances on or under the Land, any and all development rights, air rights, water, water rights, riparian rights and water stock appurtenant to the Land, any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land as described in Exhibit A (collectively, the "**Property**").

[SIGNATURES ON FOLLOWING PAGE]

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

[NAME OF DEVELOPER],
a [_____]

By: _____
Name: _____
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 )
)
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' Ordinance No. _____ (File No. _____), approved _____, 20__, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____

Director of Property

GRANT DEED

EXHIBIT A

Legal Description of Property

**EXHIBIT T**

**FORM OF QUITCLAIM DEED**

| | |
|---|---|
| RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:<br>[DEVELOPER]<br>_____<br>_____<br>_____<br><br>The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt. Code § 27383) and Documentary Transfer Tax (CA Rev. & Tax Code § 11911) | |

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

**QUITCLAIM DEED**

(Lot No. ____ Block No. ___)

FOR VALUABLE CONSIDERATION, receipt and adequacy of which are hereby acknowledged, the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (the "**City**"), pursuant to [Ordinance No. _____, adopted by its Board of Supervisors on _____, 20__ and approved by the Mayor on _____, 20__], hereby RELEASES, REMISES AND QUITCLAIMS to [NAME OF DEVELOPER], a [_____], any and all right, title and interest the City may have in and to 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.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this Quitclaim Deed has been executed by the City and is effective as of [_____, 20__].

**CITY**:

**CITY AND COUNTY OF SAN FRANCISCO**,
a municipal corporation

By: _____
Name: _____
Title: Director of Property

Board of Supervisors Ordinance No. _____

APPROVED AS TO FORM:

_____
City Attorney

By: _____
Name: _____
Title: Deputy City Attorney

[If required: DESCRIPTION
CHECKED/APPROVED:

By: _____
Name: _____
Title: City Engineer]

**ACKNOWLEDGMENT**

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 _____)

On_____, 20 __ before me, _____
(insert name and title of the officer)
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

[To be inserted.]

# EXHIBIT V

## LIST OF REQUIRED EXCEPTIONS TO SUBDIVISION REGULATIONS TO IMPLEMENT INFRASTRUCTURE PLAN

Unless otherwise specified in this Exhibit V, definitions and rules of interpretation are as provided in the Development Agreement (the "**Agreement**") of which this Exhibit V is a part, by and between the City and County of San Francisco, a municipal corporation (the "**City**"), and Prologis L.P., a Delaware limited partnership ("**Developer**"). This Exhibit V identifies known conditions that exist in the public right-of-way ("**ROW"**) that may require exceptions from engineering and/or design standards in the Subdivision Regulations to complete the Public Improvements ("**Existing Off-Site Conditions**"), as set forth in Exhibit P, Infrastructure Plan. The list below identifies these Existing Off-Site Conditions generally by street segment. Prior to City's grant of any exceptions identified below, Developer shall complete the Process to Address Existing Off-Site Conditions as set forth in Chapter 2 of the Infrastructure Plan.

1. Existing encroachments that, if not removed by property owner, will require exceptions from the standards in Appendix A, Section VII.D and Appendix B, Section XIII of the Subdivision Regulations:

   A. **Structures within ROW** – Structures within the ROW, including foundations and utility connections, and "carport" at Kirkwood Ave near Toland St and the modular structures at Rankin St *(Kirkwood Ave between Toland St and Selby St; Rankin St between Kirkwood Ave and McKinnon Ave)*

   B. **Stairs and associated landings within ROW** – Stairs, including guardrails, handrails, foundation elements, and protective bollards within the ROW. *(McKinnon Ave between Toland St and Selby St*)

   C. **Above grade fire sprinkler components** – Above grade fire sprinkler riser, associated piping, bollards, and fencing which are located within the ROW. *(McKinnon Ave between Toland St and Selby St)*

   D. **Above grade electrical infrastructure** – Above grade electrical infrastructure on existing building(s) which overhangs the ROW. These elements include main electrical point of connection, utility boxes, conduit, and other elements. *(Toland St between McKinnon Ave and Kirkwood Ave)*

   E. **Fire hydrants and associated elements** – Fire hydrants and associated valves, curbs and structures located in ROW at Kirkwood Ave/Rankin St intersection. *(Kirkwood Ave between Selby St and Rankin St)*

   F. **Above grade rainwater leaders** – Above grade rainwater leaders and gutters, including associated piping and protection elements which are surface mounted to buildings or paving adjacent to or in the ROW. Rainwater leaders both extend into the ROW and discharge rainwater onto existing surface of the ROW. *(Kirkwood Ave between Toland St and Selby St)*

G. **Fences and/or gates within ROW** – Fences and gates serving adjacent properties extend into the ROW. *(Rankin St between Kirkwood Ave and McKinnon Ave; McKinnon Ave between Rankin St and Selby St)*

H. **Surface mounted elements within ROW** – Surface mounted piping, conduit, building trim, and/or elements of the existing structures extend into the ROW. *(These obstructions are typically minor and are located on each ROW segment)*

2. Existing conditions that, if not modified by the property owner, will require exceptions from Appendix B, Section XII of the Subdivision Regulations and/or the Better Streets Plan, incorporated by reference into the Subdivision Regulations:

A. **Doors and gates swinging over ROW** – Doors and gates swinging over the ROW, including flat level sidewalk landings at existing doors and gates. New flat level landings at existing doors and gates may require steeper than allowable sidewalk longitudinal or cross slopes adjacent to the level landings and/or other exceptions. *(Toland St between Kirkwood Ave and McKinnon Ave; McKinnon Ave between Selby St and Rankin St)*

B. **Loading doors at ROW** – Loading doors located in building walls immediately adjacent to the ROW will be accommodated with new curb cuts. Vehicles when using loading door(s) may block passage along the new sidewalk, requiring exceptions from pedestrian zone standards. *(McKinnon Ave between Toland St and Rankin St; Kirkwood Ave between Toland St and Rankin St; Toland St between Kirkwood Ave and McKinnon Ave)*

C. **Stairs and associated landings within ROW –** Landing elevations at existing stairs are not anticipated to be altered and as such may require steeper than allowable sidewalk longitudinal or cross slopes adjacent to the level landings and/or result in narrower sidewalk sections around stairways and/or other exceptions. *(McKinnon Ave between Toland St and Selby St)*

D. **Aligning new ROW elevations with existing building and/or site elevations** – Existing buildings and/or paving adjacent to the ROW have finished elevations at or near that of surrounding existing roadway elevations. The new public improvements (streets and sidewalks) are anticipated to adjust elevations in the ROW to establish required drainage for both the new streets and sidewalks. Mediating between the new elevations of the sidewalk at back of walk and the existing floor and/or paving elevations of adjacent structures may require steeper than allowable sidewalk longitudinal or cross slopes proximate to existing buildings and/or other exceptions. *(McKinnon Ave between Selby St and Rankin St; Toland St between Kirkwood Ave and McKinnon Ave)*

E. **Overwide curb cut conditions** – Properties with either overwide loading doors, overwide vehicle access gates, or no restrictions on vehicle entry at curb line. Additionally, several properties have multiple loading doors or gates in a series. These existing overwide doors/gates, series of doors/gates, and/or areas of unrestricted

vehicle movement require accommodation for driveways (curb cuts) that exceed 30'-0" in width. *(McKinnon Ave between Toland St and Rankin St; Toland St between Kirkwood Ave and McKinnon Ave; Rankin St between Kirkwood Ave and McKinnon Ave)*

3. Existing encumbrances affecting portions of the ROW, as disclosed on a Preliminary Title Report prepared by First American Title Co. as of August 16, 2024 (Order No. NCS-1222305-CO). that will require exceptions from Section X.f of the Subdivision Regulations:

   A. An easement for public street purposes over that portion of said land within R Street now Rankin Street, 11th Avenue now Kirkwood Avenue and 13th Avenue now McKinnon Avenue, as shown upon map of O'Neill and Haley Tracts, recorded January 31, 1867 in Book 2A & B, Page 27 of Maps; also private easements for ingress and egress in favor of owners of lots in said map of O'Neill and Haley Tracts, such easements having been acquired under conveyances of lots by reference to said map. *(Exception #4, affects portions of Kirkwood Ave, Rankin St, and McKinnon Ave)*

   B. Easements for Public Utilities, Roadways, Track and/or Spur Lines together with rights of the public as provided in various final judgments of condemnation as entered in that certain action entitled "United States of America vs. Windt Estate, etal.," United States District Court, Southern Division, Case No. 25268, recorded November 08, 1946 in Book 4538, Page 159 of Official Records. *(Exception #7, affects various portions of ROW)*

   C. An easement for freeway and incidental purposes, recorded April 26, 1957 in Book 7059, Page 435 of Official Records, as subsequently conveyed to the State of California by Deed recorded May 21, 1962, Recorder's Series Number K91798, in Reel A423 Image 802, San Francisco County Records. *(Exception #8, affects portions of Selby St)*

   D. An easement for state highway structure footing and incidental purposes, recorded March 09, 1993 as Instrument No. F306840 in Book F829, Page 0618 of Official Records. *(Exception #19, affects portions of Selby St)*

   E. An easement for state highway structure footing and incidental purposes, recorded March 05, 1993 as Instrument No. F308308 in Book F831, Page 0531 of Official Records. *(Exception #20, affects portions of Selby St)*

# EXHIBIT W

## DESIGN STANDARDS AND GUIDELINES


# SF GATEWAY

## DESIGN STANDARDS & GUIDELINES

## INTRODUCTION



## DESIGN FRAMEWORK


# DOCUMENT GUIDE

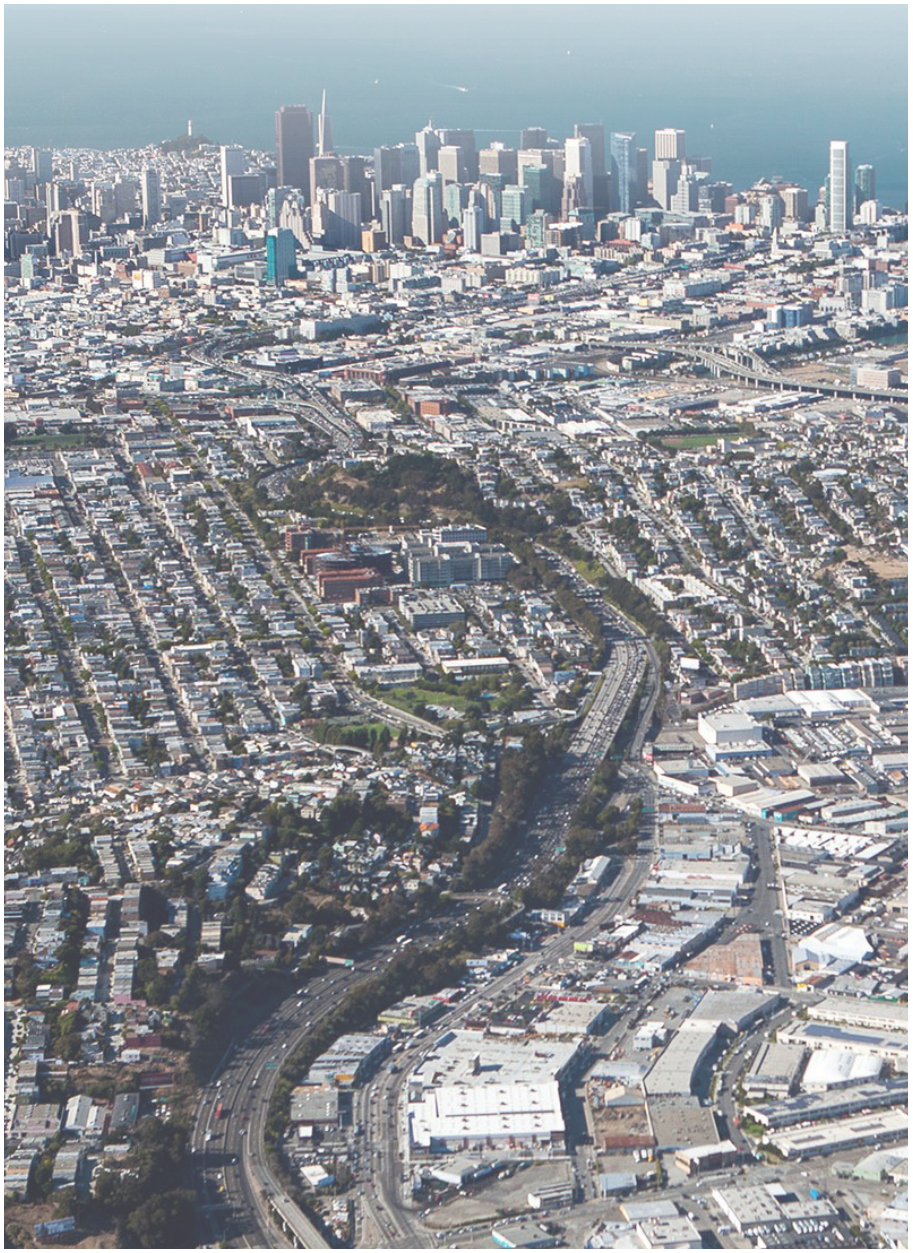
# DOCUMENT CONTENT

The Design Standards and Guidelines (the "DSG") document for the SF Gateway Project ("SF Gateway" or "project") provides a framework for the future development of the SF Gateway and implementation of the SF Gateway Special Use District ("SUD"). The DSG establishes the design intent and prescribes design controls to direct development on the 13 acres that will comprise the project site at the time of development.

# STANDARDS AND GUIDELINES

This DSG includes standards and guidelines that govern the construction and modification of buildings within the project site. Standards are quantifiable or objective requirements whereas guidelines are qualitative or subjective requirements, relating to matters such as the choice of façade articulation, patterning, color, material and cohesive quality of design. Each new building within the SF Gateway must meet the standards and guidelines prescribed herein unless modifications to these standards and/or guidelines are approved by the appropriate bodies. The procedure required to modify the standards contained in the DSG is described in the SF Gateway SUD. The project's Infrastructure Plan contains the streetscape improvements required to support the project.

References to the "Planning Code" or "Code" herein are references to the San Francisco Planning Code, as it exists as of the effective date of the Development Agreement.



# COMPANION DOCUMENTS

The following descriptions summarize various companion entitlement documents for the reader's convenience. Please refer to the underlying entitlement documents for additional details.

### SF Gateway Special Use District ("SUD")

The SF Gateway SUD is an overlay district incorporated into the Planning Code through zoning text and map amendment legislation. It establishes the permitted uses, development standards, and procedures for development within the district. The SUD also outlines the process for modifying the standards contained in the DSG.

### Conditional Use Authorization for a Planned Unit Development Authorization ("CU/PUD")

The CU/PUD, approved by the Planning Commission, authorizes development of the project consistent with the DSG, including exceptions to development standards that would otherwise be applicable under the Planning Code.

### Development Agreement ("DA")

The DA is the contract entered into by the City and the project sponsor to define the rules, regulations, commitments, and policies that govern the project for a specific period of time. The project's regulatory documents including the SUD, CU/PUD, and DSG are incorporated into the DA by reference.

As an exhibit to the DA, the Infrastructure Plan (IP) describes the infrastructure improvements required to support the project, including streets surrounding the project and associated utilities. It provides technical descriptions for how these elements are planned and identifies the responsible parties for design, construction and maintenance of the infrastructure.

# DEFINITIONS

**Building or buildings:** one or both buildings undertaken as a discrete phase that implements a portion of the overall project

**Building Segment:** an enclosed portion of a building with continuous frontage along a single plane

**Future property line:** the boundary between the privately-owned project site and the public right-of-way, following the project sponsor's completion of public improvements and dedication of fee title of the right-of-way to the City, as described in the project's DA

**PDR:** Production, Distribution, and Repair, as defined in the Planning Code

**PDR Maker:** a use category for purposes of this DSG, comprised of Light Manufacturing, Trade Shop, Agricultural and Beverage Processing 1, Catering, and Arts Activities use types as defined in the Planning Code, all of which are principally permitted within the PDR-2 district

**Variation Element:** a discrete element of the building façade that aids in modulation of building frontage by separating Building Segments

**Vehicular Screening:** an exterior element utilized to screen vehicular circulation visually from public right-of-ways. Vehicular screening is located along the building's frontage and permits air and water to circulate through its assembly

# DESIGN REVIEW AND MODIFICATIONS TO THE DSG

If modifications to the Design Standards and Guidelines are required, such modifications will be sought via a Design Review Application (DRA) and as outlined in the Project SUD. The chart below outlines the thresholds for modification of each standard and guideline included in this DSG.

| SECTION | STANDARD OR GUIDELINE | MINOR MODIFICATION | MAJOR MODIFICATION | |
|---|---|---|---|---|
| | | ADMIN APPROVAL DSG ONLY | PC APPROVAL DSG ONLY | PC APPROVAL DSG + CU/PUD |
| **S.1 LAND USE** | S.1.1 Maker Space Location | any modification | | |
| | S.1.2 Maker Space Frontage | less than 15% | | 15% or more |
| | S.1.3 Retail Sales and Services Location | any modification | | |
| **S.2 SETBACKS** | S.2.1 Ground Floor Setbacks | less than 15% | | 15% or more |
| | S.2.2 Upper Floor(s) Setbacks | less than 15% | | 15% or more |
| | S.2.3 Corner Setbacks | less than 15% | 15% - 50% | more than 50% |
| | S.2.4 Setback Exceptions | any modification | | |
| **S.3 BUILDING ARTICULATION & MODULATION** | S.3.1 Building Segments | less than 15% | 15% - 50% | more than 50% |
| | S.3.2 Variation Elements | less than 15% | 15% - 50% | more than 50% |
| | S.3.3 Variation Elements Height | less than 15% | 15% - 50% | more than 50% |
| | G.3.1 Building Articulation | any modification | | |
| | G.3.2 Variation Element Articulation | any modification | | |
| | G.3.3 Varied Roofline | any modification | | |
| **S.4 CEILING HEIGHTS** | S.4.1 Ground Floor Clear Heights | less than 15% | | 15% or more |
| | S.4.2 Roof Clearance | less than 15% | 15% - 50% | more than 50% |
| **S.5 AWNINGS** | S.5.1 Awning Height | less than 15% | 15% or more | |
| | S.5.2 Awning Length | less than 15% | 15% or more | |
| | S.5.3 Awning Clearance | less than 15% | 15% or more | |
| | S.5.4 Awning and Street Trees | any modification | | |

# DESIGN REVIEW AND MODIFICATIONS TO THE DSG

| SECTION | STANDARD OR GUIDELINE | MINOR MODIFICATION | MAJOR MODIFICATION | |
|---|---|---|---|---|
| | | ADMIN APPROVAL DSG ONLY | PC APPROVAL DSG ONLY | PC APPROVAL DSG + CU/PUD |
| **S.6 TRANSPARENCY AND FENESTRATION** | S.6.1 Translucency and Transparency | less than 15% | 15% - 50% | more than 50% |
| | S.6.2 Ground Floor Translucency | less than 15% | 15% - 50% | more than 50% |
| | S.6.3 Ground Floor Transparency | less than 15% | 15% - 50% | more than 50% |
| | S.6.4 Upper Floor(s) Transparency | less than 15% | 15% - 50% | more than 50% |
| | S.6.5 Upper Floor(s) Fenestration | less than 15% | 15% - 50% | more than 50% |
| | S.6.6 Variation Element Fenestration | less than 15% | 15% - 50% | more than 50% |
| **S.7 ROOF SCREENING** | S.7.1 Parapets | less than 15% | 15% or more | |
| | S.7.2 Roof Activity Screening | less than 15% | 15% or more | |
| **S.8 PEDESTRIAN ENTRIES** | S.8.1 Building Entries | less than 15% | 15% or more | |
| | S.8.2 Retail Sales and Services Entries | less than 15% | 15% or more | |
| | S.8.3 PDR Maker Space Entries | less than 15% | 15% or more | |
| **S.9 VEHICULAR ACCESS** | S.9.1 Vehicular Access and Curb Cuts | less than 15% | 15% or more | |
| **S.10 VEHICULAR SCREENING** | S.10.1 Vehicular Screening Location | less than 15% | 15% - 50% | more than 50% |
| | S.10.2 Vehicular Screening Openness | less than 15% | 15% - 50% | more than 50% |
| | G.10.1 Vehicular Screening Cohesion | any modification | | |

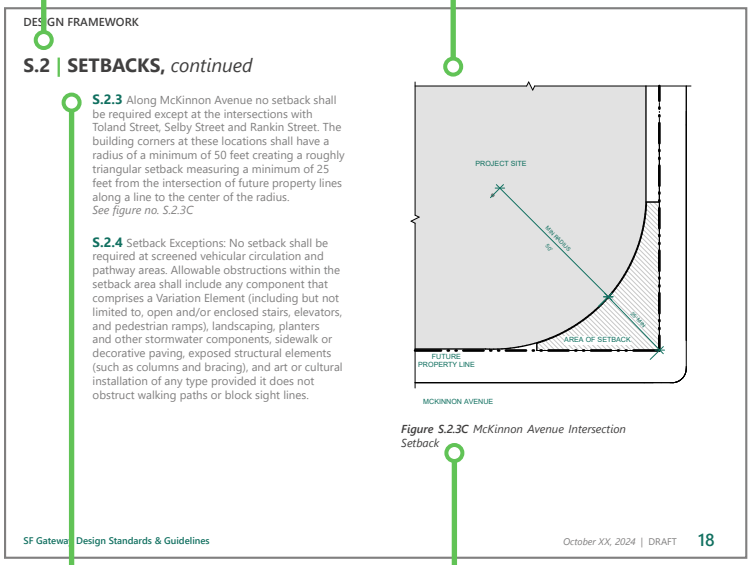
# USER GUIDE

## Section Number and Title

## Regulatory Figure

## Illustrative Figure

## Design Guideline



DESIGN FRAMEWORK

**S.2 | SETBACKS,** *continued*

**S.2.3** Along McKinnon Avenue no setback shall be required except at the intersections with Toland Street, Selby Street and Rankin Street. The building corners at these locations shall have a radius of a minimum of 50 feet creating a roughly triangular setback measuring a minimum of 25 feet from the intersection of future property lines along a line to the center of the radius.
*See figure no. S.2.3C*

**S.2.4** Setback Exceptions: No setback shall be required at screened vehicular circulation and pathway areas. Allowable obstructions within the setback area shall include any component that comprises a Variation Element (including but not limited to, open and/or enclosed stairs, elevators, and pedestrian ramps), landscaping, planters and other stormwater components, sidewalk or decorative paving, exposed structural elements (such as columns and bracing), and art or cultural installation of any type provided it does not obstruct walking paths or block sight lines.



***Figure S.2.3C*** *McKinnon Avenue Intersection Setback*

SF Gateway Design Standards & Guidelines

*October XX, 2024* | DRAFT 18

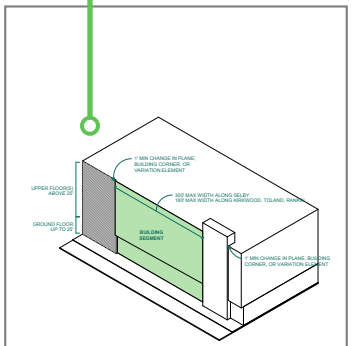
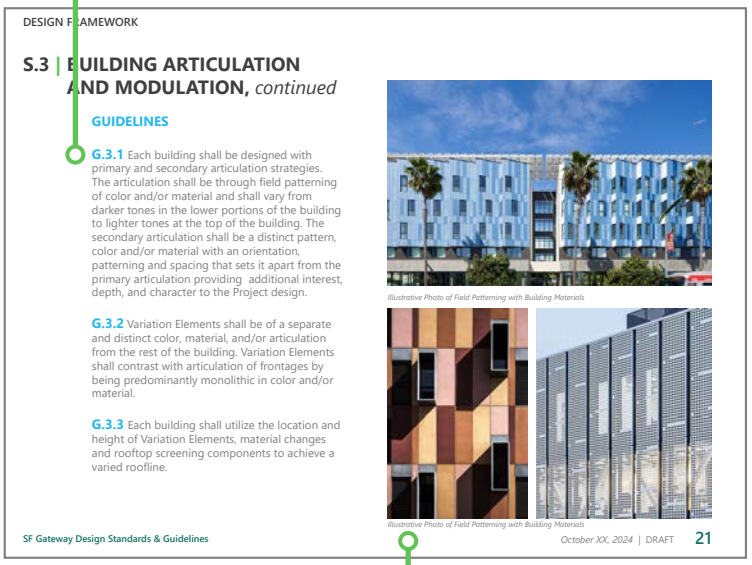




***Figure S.3.1A*** *Building Segment*

*October XX, 2024* | DRAFT 19



DESIGN FRAMEWORK

**S.3 | BUILDING ARTICULATION AND MODULATION,** *continued*

**GUIDELINES**

**G.3.1** Each building shall be designed with primary and secondary articulation strategies. The articulation shall be through field patterning of color and/or material and shall vary from darker tones in the lower portions of the building to lighter tones at the top of the building. The secondary articulation shall be a distinct pattern, color and/or material with an orientation, patterning and spacing that sets it apart from the primary articulation providing additional interest, depth, and character to the Project design.

**G.3.2** Variation Elements shall be of a separate and distinct color, material, and/or articulation from the rest of the building. Variation Elements shall contrast with articulation of frontages by being predominantly monolithic in color and/or material.

**G.3.3** Each building shall utilize the location and height of Variation Elements, material changes and rooftop screening components to achieve a varied roofline.



*Illustrative Photo of Field Patterning with Building Materials*



*Illustrative Photo of Field Patterning with Building Materials*

SF Gateway Design Standards & Guidelines

*October XX, 2024* | DRAFT 21

## Design Standard

## Figure Number and Name

## Illustrative Image

# PROJECT OVERVIEW

# VISION

The SF Gateway project will provide much-needed modern PDR space designed to support thriving PDR business, to adapt over time to their changing needs, and to serve critical community needs into the future. Because of limited local PDR space and aging building stock, PDR businesses (and the jobs they provide) face significant challenges and, in some cases, have been forced to leave San Francisco. Recognizing the need to protect this resource, the City implemented policies to preserve PDR-zoned land and identified priority production areas for the most efficient movement of goods and services to support city life.

By embracing state-of-the-art multistory design, the project reinforces the City and community's goals by providing crucial new PDR space, assisting businesses in their efforts to supply the City with goods and services efficiently—now and in the future.

# PROJECT AND SITE DESCRIPTION

The SF Gateway project site is bounded by Kirkwood Avenue to the north, Rankin Street to the east, McKinnon Avenue to the south, and Toland Street to the west. An elevated portion of Interstate 280 (I-280) bisects the project site, running in a north-south direction above the existing Selby Street right-of-way; the uppermost elevated roadbed is approximately 55 feet above-grade.

The SF Gateway project site is developed and is currently covered by four aged buildings surrounded by paved and gravel surfaces. These single story, low clear height existing buildings are constructed of siding over a wood column and truss structure. There are no sidewalks surrounding the project site, and the site does not contain any curb cuts, however vehicle access is designated at four access points. The entire site is fenced and level with the surrounding road base. Additionally, the project site does not contain any street trees, only a small amount of vegetation and no open space. An aerial California Department of Transportation (Caltrans) easement for the purpose of constructing and maintaining I-280 is in place between the two lots; the existing easement will not be affected by the project.

*Existing Aerial Diagram of Project Site*


*Existing View of Project Site along Rankin Street*


*Existing Aerial View of Project Site*

# PROJECT AND SITE DESCRIPTION, *continued*

Through the replacement of four 1940's era warehouses, the SF Gateway will expand and transform 448,000 sf of existing PDR into over 1 million square feet of flexible and innovative PDR space. Housed in two state-of-the-art multistory facilities, the SF Gateway is designed to meet the most pressing operational challenges of PDR businesses. A unique ramp design prioritizes efficient movement of goods and vehicles, allowing the facility to be self-contained and operate seamlessly within its surroundings. The design prioritizes delivering large open floor plates with contemporary vehicle access, while providing clear heights necessary to promote flexible space utilization in an urban infill context. Partially enclosed logistics yards are provided to support activities at upper levels. The project's open active roof provides space for accessory parking, supporting employees who often work shifts that do not align with most public transit schedules. The project will help drive the continued transformation of the Market Zone, provide amenities to enhance the neighborhood, create jobs and advance the local economy by supporting residents and small businesses. Improved streets, dedicated street-level PDR Maker and retail space will bring much-needed upgrades and activity to the neighborhood.

*Illustrative Rendering of Pedestrian Building Entry*


*Illustrative Rendering of Ground Floor Retail Space*

# PROJECT AND SITE DESCRIPTION, *continued*

SF Gateway will help usher the transition to a more resilient and sustainable future through significant investments in energy efficiency, rooftop solar, electric vehicle charging infrastructure, and other carbon reduction strategies. Efficient all-electric systems, access to light and air, and a landscaped outdoor employee space will improve the environment fro workers both inside and out.

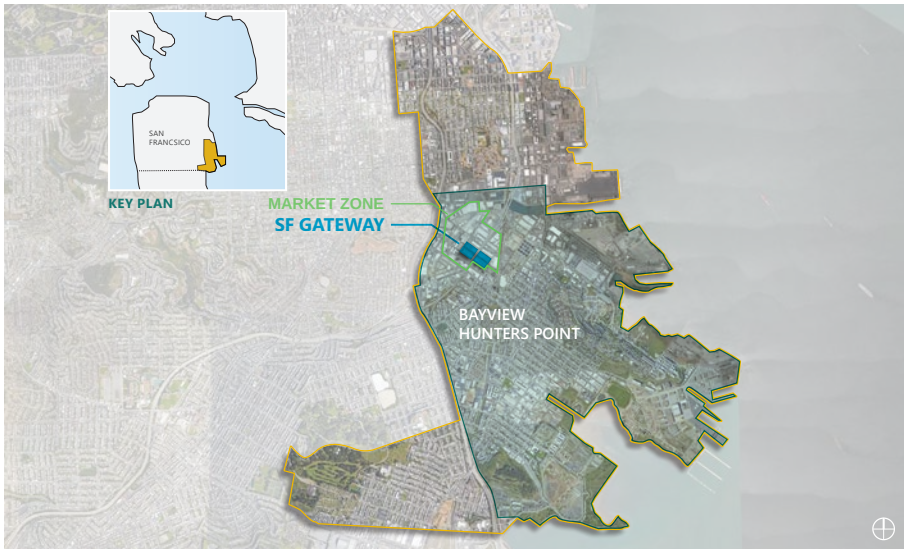
By investing in a modern facility, the project will provide much-needed space for PDR businesses to grow and continue to support city life. The flexible and innovative design will ensure the building can meet current and future demand, serving existing operations and attracting new and evolving industries.

*Illustrative Rendering of Rooftop Employee Space*

# NEIGHBORHOOD CONTEXT

Home to dozens of PDR businesses, the Market Zone (anchored by the SF Market, formerly known as the San Francisco Wholesale Produce Market) serves as a hub for enterprises that help make San Francisco a great place to live. This area supports the efficient movement of goods and a robust supply chain, which are critical resources for the local economy. The Market Zone encompasses the site and surrounding neighbors and roughly coincides with the area designated as PDR-2. This area has historically been dedicated for use by the City's light industrial businesses and to support PDR users. It is one of the few remaining centers of PDR businesses in San Francisco.

The project site is in the PDR-2 zoning district in the Bayview Hunters Point neighborhood. San Francisco Planning Code section 210.3 defines PDR-2 Districts as "Core Production, Distribution, and Repair" and states that the intent of the PDR-2 zoning district is to "encourage the introduction, intensification, and protection of a wide range of light and contemporary industrial activities," including industrial activities in enclosed structures, in partially enclosed structures, and in open areas that "may require trucking activities multiple times per day, including trucks with up to 18 wheels or more, and occurring at any time of the day or night." Section 210.3 reinforces that priority of light industrial uses by reducing conflicts with housing, large scale office, and large scale retail which are prohibited in the district. The Project will further reinforce its focus on PDR business through a Special Use District (SUD) that will strengthen the project's connection to PDR businesses and increase access to flexible spaces to support the unique activities of these core businesses.




*Existing Aerial Diagram of Project Site*

*Existing View of Project Site along Selby Street*

# DESIGN FRAMEWORK

# S.1 | LAND USE

## STANDARDS

**S.1.1 Maker Space Location.** PDR Maker Space shall be provided along the Kirkwood Avenue ground floor frontage including either the corner of Kirkwood Avenue and Toland Street or Kirkwood Avenue and Rankin Street.

**S.1.2 Maker Space Frontage.** At a minimum, 200 total linear feet of ground floor frontage shall be dedicated to PDR Maker Space at full project buildout. The initial building shall have a minimum of 100 linear feet of ground floor frontage dedicated to PDR Maker Space.

**S.1.3 Retail Sales and Services Location.** When provided, Retail Sales and Service Uses shall be located on the ground floor along McKinnon Avenue frontage including the corners of McKinnon Avenue. and Toland Street or McKinnon and Rankin Street.


*Illustrative Rendering of Ground Floor Maker Space*

# S.2 | SETBACKS

## STANDARDS

**S.2.1 Ground Floor Setbacks.** Along Selby Street at the ground floor or up to 25 feet, whichever is lower, enclosed portions of the proposed building shall be set back a minimum of 19 feet from the future property line and a minimum of 5 feet along Kirkwood Avenue, Toland Street, and Rankin Street frontages. *See figure no. S.2.1A and S.2.1B*

**S.2.2 Upper Floor(s) Setbacks.** Above the ground floor or 25 feet, whichever is lower, enclosed portions of the building shall be set back a minimum of 15 feet from the future property line along Selby Street and a minimum of 1 foot along Kirkwood Avenue, Toland Street, and Rankin Street frontages. *See figure no. S.2.1A and S.2.1B*

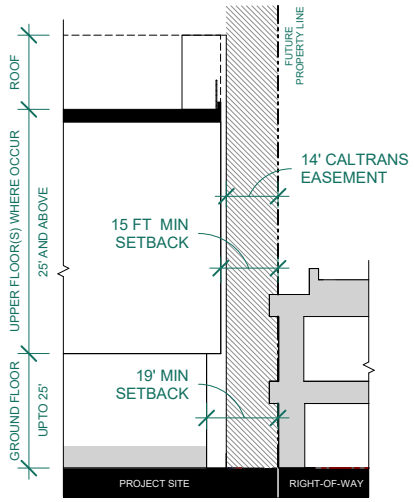



***Figure S.2.1A** Selby Street Setbacks*

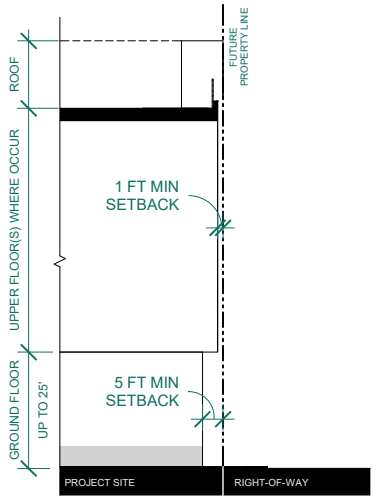



***Figure S.2.1B** Typical Setbacks*

*Note: Heights measured from new sidewalk grade per Planning Code Section 260. Ground floor finish floor ranges from 0'-0" to 6'-0" above adjacent grade.*

# S.2 | SETBACKS, *continued*

**S.2.3 Corner Setbacks.** Along McKinnon Avenue no setback shall be required except at the intersections with Toland Street, Selby Street and Rankin Street. The building corners at these locations shall have a radius of a minimum of 50 feet creating a roughly triangular setback measuring a minimum of 25 feet from the intersection of future property lines along a line to the center of the radius.
*See figure no. S.2.3C*

**S.2.4 Setback Exceptions.** No setback shall be required at screened vehicular circulation and pathway areas. Allowable obstructions within the setback area shall include any component that comprises a Variation Element (including but not limited to, open and/or enclosed stairs, elevators, and pedestrian ramps), landscaping, planters and other stormwater components, sidewalk or decorative paving, exposed structural elements (such as columns and bracing), and art or cultural installation of any type provided it does not obstruct walking paths or block sight lines.

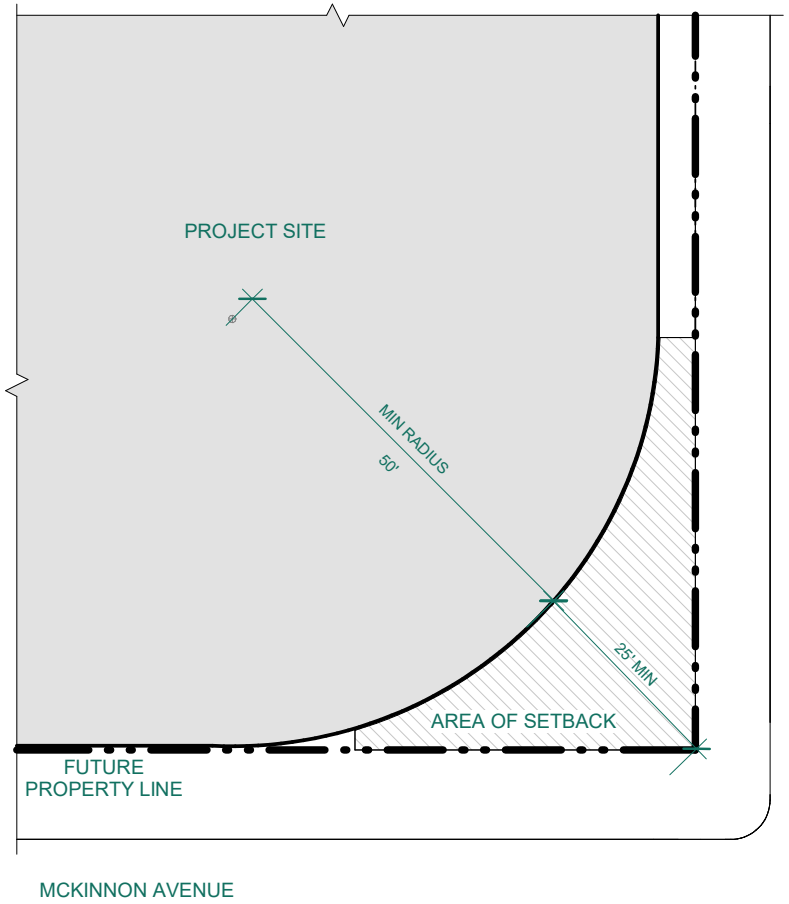



***Figure S.2.3C*** *McKinnon Avenue Intersection Setback*

# S.3 | BUILDING ARTICULATION AND MODULATION

## STANDARDS

**S.3.1 Building Segments.** For enclosed portions of the building, building modulation shall create Building Segments no greater than 300 feet in width along Selby Street and 180 feet in width along all other frontages. Enclosed portions are any area of the building that is fully enclosed from exterior elements where the design of the building enclosure does not permit air and water to circulate through the enclosure assembly. *See figure no. S.3.1A*

The boundaries of a Building Segment shall be defined on either end by one of the following: a building edge, a Variation Element, or a transition to Vehicular Screening offset a minimum of 1 foot in depth from the predominant building face. *See figure no. S.3.1A*

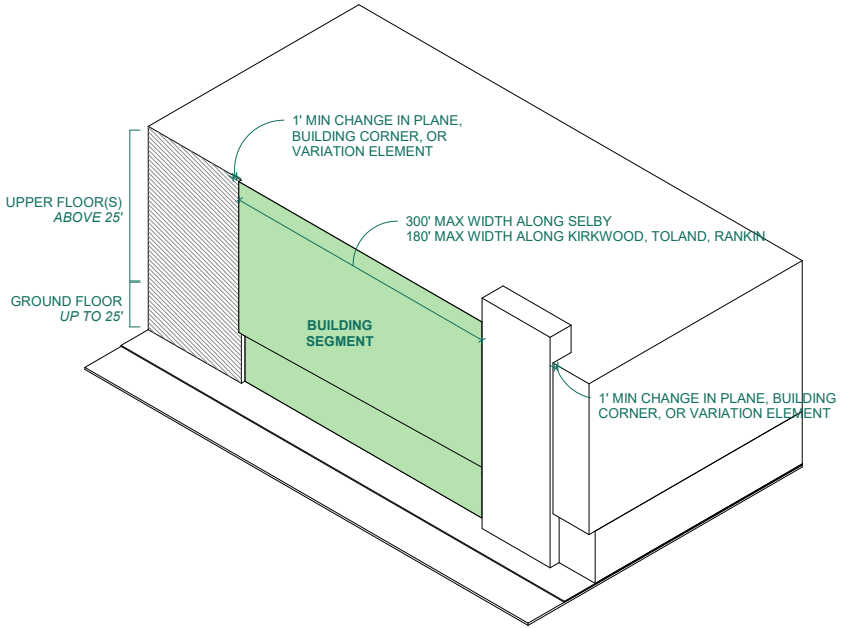



***Figure S.3.1A** Building Segment*

# S.3 | BUILDING ARTICULATION AND MODULATION, *continued*

## STANDARDS

**S.3.2 Variation Elements.** Variation Elements shall be used to create Building Segments (*see figure no. S.3.1A*) and project a minimum of 5 feet in depth at the ground floor or up to 25 feet in height, whichever is lower and a minimum of 1 foot in depth above the second floor or 25 feet, whichever is lower. Variation Elements shall be a minimum of 20 feet in width. When located at the intersection of two public right of ways, the minimum width shall apply to only one side of the Variation Element. *See figure no. S.3.2A*

**S.3.3 Variation Elements Height.** Variation Elements shall extend a minimum of 8 feet in height above the roof level and not more than 20 feet when associated with stair or elevator penthouses. *See figure no. S.3.2A*

When located at the intersection of two public right of ways, Variation Elements shall be limited to 10 feet below the roof level.
*See figure no. S.3.3A*

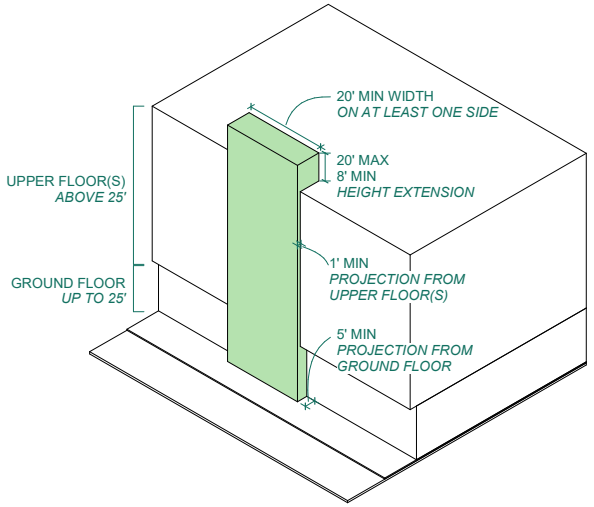



***Figure S.3.2A** - Typical Variation Element*

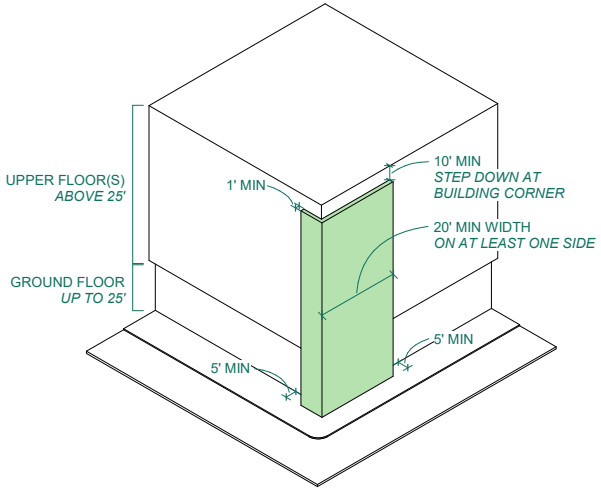



***Figure S.3.2A** - Corner Variation Element*

# S.3 | BUILDING ARTICULATION AND MODULATION, *continued*

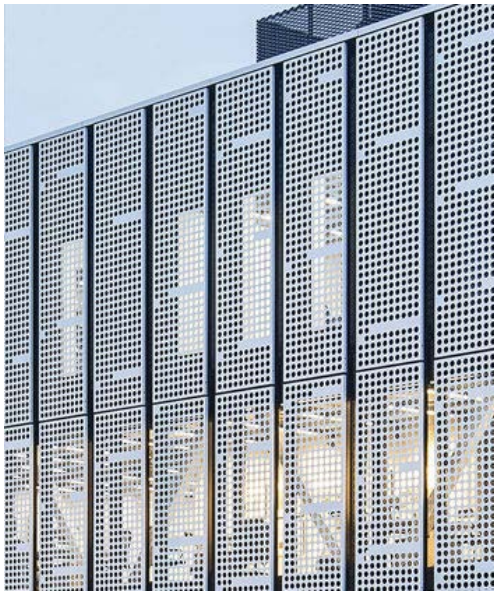
## GUIDELINES

**G.3.1 Building Articulation.** Each building shall be designed with primary and secondary articulation strategies. The articulation shall be through field patterning of color and/or material and shall vary from darker tones in the lower portions of the building to lighter tones at the top of the building. The secondary articulation shall be a distinct pattern, color and/or material with an orientation, patterning and spacing that sets it apart from the primary articulation providing additional interest, depth, and character to the Project design.

**G.3.2 Variation Element Articulation.** Variation Elements shall be of a separate and distinct color, material, and/or articulation from the rest of the building. Variation Elements shall contrast with articulation of frontages by being predominantly monolithic in color and/or material.

**G.3.3 Varied Roofline.** Each building shall utilize the location and height of Variation Elements, material changes and rooftop screening components to achieve a varied roofline.

*Illustrative Photo of Field Patterning with Building Materials*



*Illustrative Photo of Field Patterning with Building Materials*

# S.4 | BUILDING CEILING HEIGHTS

## STANDARDS

**S.4.1 Ground Floor Clear Heights.** At the ground floor, a minimum clear floor- to-floor height of 17 feet shall be provided.

**S.4.2 Roof Clearance.** At the roof level, if accessed by vehicles, a clearance of not greater than 16 feet clear shall be provided between the finished roof and solar infrastructure or any other features that cover the roof.

*Illustrative Photo of Building with Vehicle Accessible Roof*

*Illustrative Photo of Building with Rooftop Solar Array*

# S.5 | AWNING

## STANDARDS

**S.5.1 Awning Height.** The maximum height of Awnings shall be limited to 35 feet from sidewalk grade.

**S.5.2 Awning Length.** No Awning shall be greater than 110 feet in width.

**S.5.3 Awning Clearance.** Awnings shall have a minimum vertical clearance of up to 20 feet from grade and project no more than 12 feet from the building.

**S.5.4 Awning and Street Trees.** Awnings shall be designed so as not to interfere with street trees.


*Illustrative Rendering of Awning*

*Illustrative Image of Awning*

# S.6 | TRANSPARENCY AND FENESTRATION

## STANDARDS

**S.6.1 Translucency and Transparency.** Building Segments of each building shall include a mix of translucent wall assemblies and transparent glazing as required in S.6.2 and S.6.3. Transparent glazing shall be distinct from that of translucent wall assemblies.

**S.6.2 Ground Floor Translucency.** At the ground floor or 25 feet, whichever is lower, translucent wall assemblies shall be provided for at minimum 60 percent of the total Building Segment area *(See Figure no. S.6A)* except that:

- Accessory Office Use shall provide at minimum 20 percent translucent wall assemblies. *See Figure no. S.6B*
- PDR Maker Space shall provide at minimum 35 percent translucent wall assemblies. *See Figure no. S.6C*

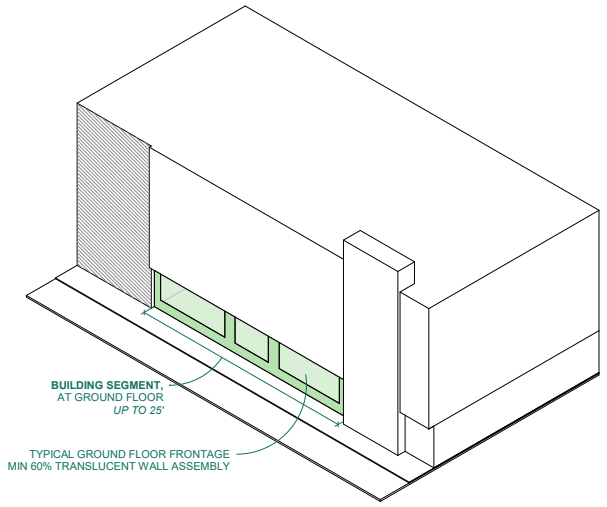



***Figure S.6.2A** - Typical Ground Floor Translucency*

*Note: Pattern of translucent paneling shown for illustrative purposes only*

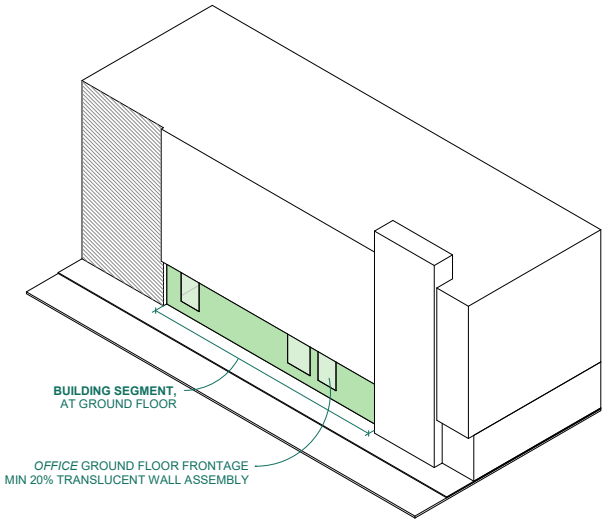



***Figure S.6.2B** - Ground Floor Translucency at Office Frontage*

*Note: Pattern of translucent paneling shown for illustrative purposes only*

# S.6 | TRANSPARENCY AND FENESTRATION, *continued*

**S.6.3 Ground Floor Transparency.** At the ground floor or 25 feet, whichever is lower, transparent glazing shall be provided, in addition to requirements outlined in S.6.2, at Building Segment frontage of each building and in accordance with the proposed land use and allow clear visibility to the inside of the building for at minimum a depth of 10 feet.

- Retail Sales and Service Uses shall provide at minimum 60 percent transparency.
- Accessory Office Use shall provide at minimum 40 percent transparency.
- PDR Maker Space shall provide at minimum 25 percent transparency.

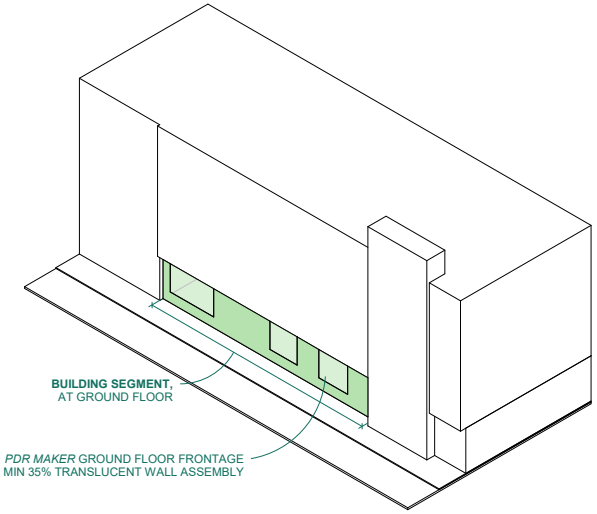



***Figure S.6.2C** - Ground Floor Translucency at PDR Maker Frontage*

*Note: Pattern of translucent paneling shown for illustrative purposes only*

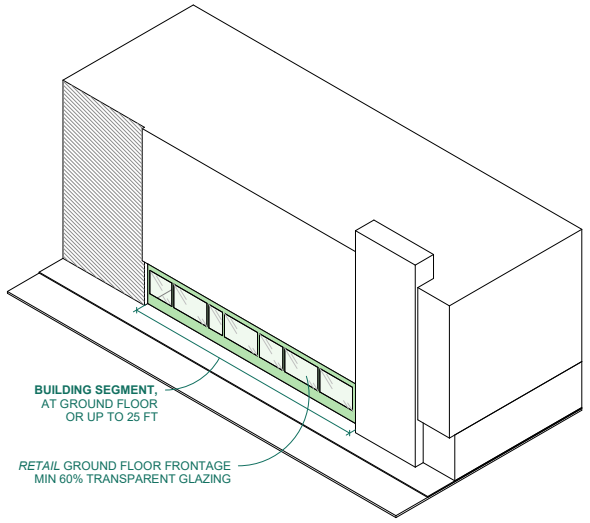



***Figure S.6.3A** - Ground Floor Transparent Glazing at Retail Frontage*

*Note: Pattern of glazing shown for illustrative purposes only*

# S.6 | TRANSPARENCY AND FENESTRATION, *continued*

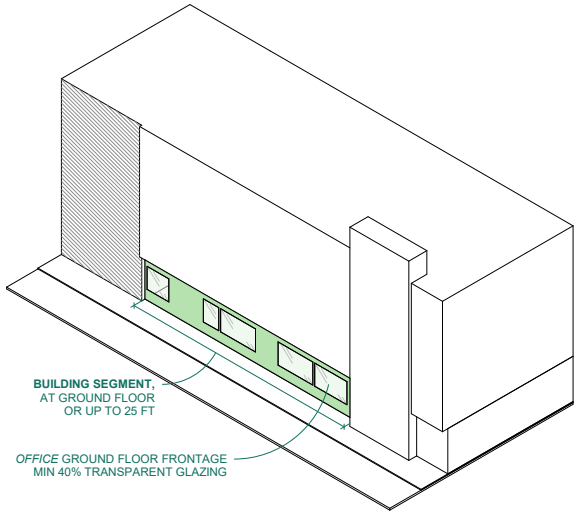



***Figure S.6.3B** - Ground Floor Transparent Glazing at Accessory Office Frontage*

*Note: Pattern of glazing shown for illustrative purposes only*

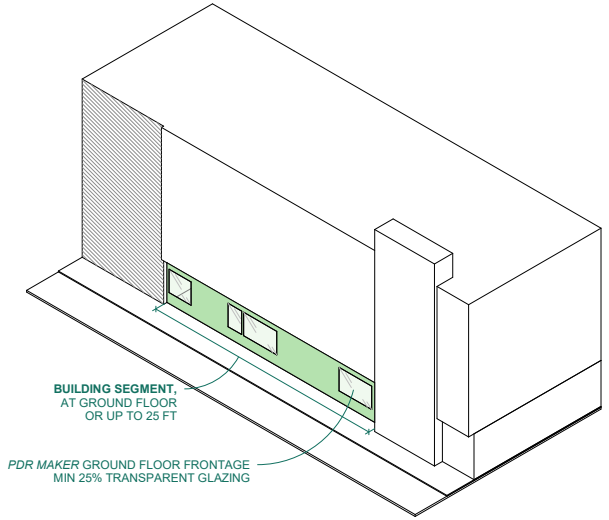



***Figure S.6.3C** - Ground Floor Transparent Glazing at PDR Maker Frontage*

*Note: Pattern of glazing shown for illustrative purposes only*

# S.6 | TRANSPARENCY AND FENESTRATION, *continued*

**S.6.4 Upper Floor(s) Transparency.** Above the ground floor or 25 feet, whichever is lower, transparency shall be a minimum of 25 percent for any Accessory Office Use along any Building Segment frontage and allow visibility to the inside of the building for at minimum a depth of 10 feet.

**S.6.5 Upper Floor(s) Fenestration.** Above the ground floor or 25 feet, whichever is lower, fenestration system shall incorporate features such as fins, enhanced framing, recesses, or projections that enhance the appearance of depth and variety of the frontage face. Features shall be incorporated into each instance of fenestration and project and/or recess a minimum of 6 inches from the adjacent predominant frontage face.

**S.6.6 Variation Element Fenestration.** Variation Elements shall be fenestrated with either translucent or transparent wall panels for at minimum 15 percent of the total area or maximum allowed by Fire and Building Code, whichever is less.

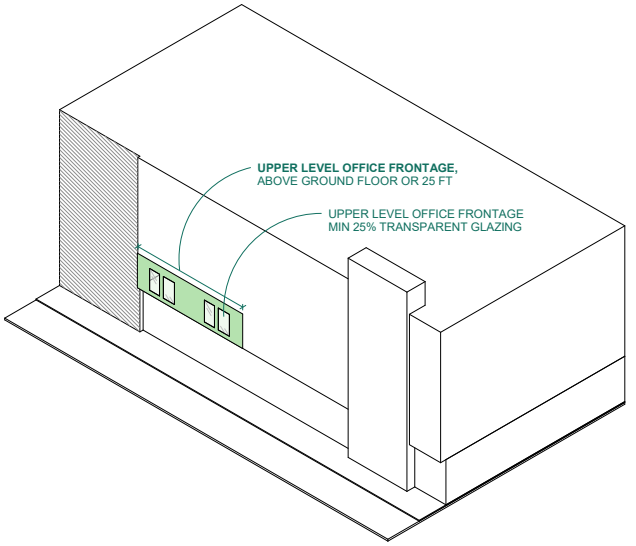



***Figure S.6.4A** - Transparency at Accessory Office Frontage Above Ground Floor*

*Note: Pattern of transparency shown for illustrative purposes only*

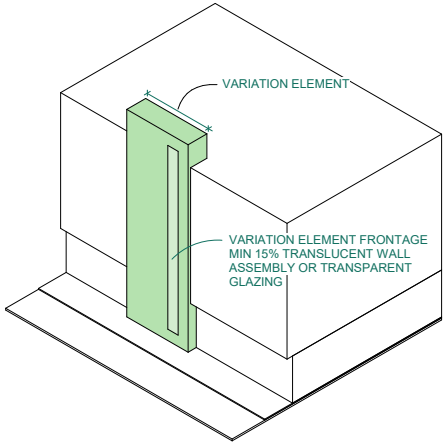



***Figure S.6.6A** - Transparency at Variation Elements*

*Note: Pattern of transparency shown for illustrative purposes only*

# S.7 | ROOF AND ROOF SCREENING

## STANDARDS

**S.7.1 Parapets.** Parapets acting as screening elements for rooftop activity shall be no greater than 8 feet in height, as measured from the finished roof and shall be incorporated into the treatment of the building façade.

**S.7.2 Roof Activity Screening.** Any roof activity including pedestrian walkways, vehicle circulation, staging, or parking at the roof level shall be vertically screened for no less than 80 percent of the outside perimeter of the active roof area. The area shall be screened with a system that is 30 percent open on average and no more than 8 feet in height, as measured from the finished roof.

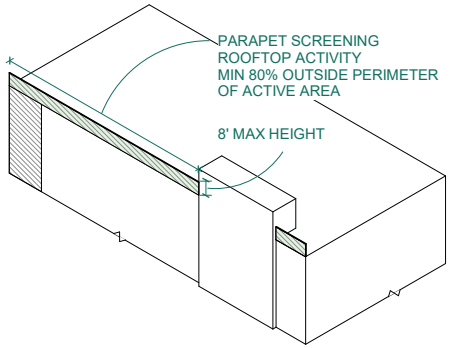
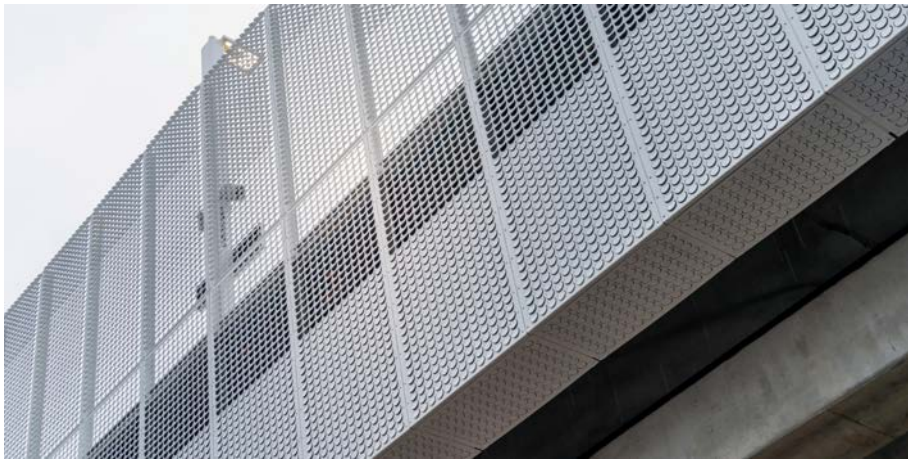



***Figure S.7.1A** - Parapet and Rooftop Screening*

*Note: Pattern of glazing shown for illustrative purposes only*



*Illustrative Image of Roof Screening*

# S.8 | PEDESTRIAN ENTRIES

## STANDARDS

**S.8.1 Building Entries.** Each building shall contain at minimum two pedestrian entries, not associated with and in addition to any pedestrian entries serving individual retail, office or PDR maker tenant spaces. At least one pedestrian entry shall be located along Selby Street and at least one entry shall be located along either Rankin Street or Toland Street, whichever is the abutting street for the building.

**S.8.2 Retail Sales and Services Entries.** No less than one pedestrian entry shall be provided from the sidewalk directly into each individual ground floor Retail Sales and Service Use tenant space.

**S.8.3 PDR Maker Space Entries.** No less than one pedestrian entry shall be provided for every 70 linear feet of ground floor frontage dedicated to PDR Maker Use.

*Illustrative Rendering of Pedestrian Entry*


*Illustrative Image of Pedestrian Entry*

# S.9 | VEHICULAR ACCESS AND CURB CUTS

## STANDARDS

**S.9.1 Vehicular Access and Curb Cuts.** Each building may have no more than 7 vehicular access openings and associated curb cuts in total and may be located as follows:

- No more than one along McKinnon Avenue
- No more than two along Selby Street and Toland Street / Rankin Street, the latter dependent on the abutting street for each building.
- No more than two along Kirkwood Avenue

*Illustrative Rendering of Vehicle Entry*

# S.10 | VEHICULAR SCREENING

## STANDARDS

**S.10.1 Vehicular Screening Location.** Screening shall be used to screen vehicular circulation and pathways when located less than 20 feet from the future property line. Screening of vehicular circulation and pathways shall not be required when located more than 20 feet from the future property line.

**S.10.2 Vehicular Screening Openness.** Vehicular Screening shall cover 80 percent of the vertical surface area adjacent to vehicle activities and shall be on average 30 percent open.

## GUIDELINES

**G.10.1 Vehicular Screening Cohesion.** Screening shall be cohesive with the overall design of the building and may overlay on non-vehicular circulation or pathways/building massing.

*Illustrative Rendering of Vehicle Screening*

*Illustrative Image of Vehicle Screening*


Matson
MOLLIE STONE