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Bureau of Street-Use and Mapping
Office of the City and County Surveyor
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San Francisco, CA 94103

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Address: 1500-1964 Sunnydale Ave

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PUBLIC IMPROVEMENT AGREEMENT

(Sunnydale HOPE SF – PHASE 1A3)

PUBLIC IMPROVEMENT AGREEMENT
(SUNNYDALE PHASE 1A-3)

This PUBLIC IMPROVEMENT AGREEMENT (SUNNYDALE PHASE 1A-3) (this “**Agreement**”) dated for reference purposes only as of _____, 2022, is entered into as of _____, 2022 (the “**Effective Date**”), by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation of the State of California (“**City**”) and SUNNYDALE INFRASTRUCTURE PHASE 1A3, LLC, a California limited liability company, its successors and assigns (“**Subdivider**”).

RECITALS

A. Subdivider is an affiliate of Sunnydale Development Co. LLC, a California limited liability company (the “**Master Developer**”). The Master Developer, the Housing Authority of the City and County of San Francisco (“**Authority**”), and the City and County of San Francisco, a municipal corporation (the “**City**”) acting by and through the Mayor's Office of Housing and Community Development (“**MOHCD**”), are parties to the Master Developer Agreement dated as of March 3, 2017, and recorded in the Official Records of the City and County of San Francisco (the “**Official Records**”) on March 3, 2017, as Document No. K416598-00 (the “**MDA**”). The Master Developer assigned its rights under the MDA to Sunnydale Infrastructure, LLC, as it relates to certain predevelopment activities (the “**Infrastructure Obligations**”), pursuant to that Construction License Agreement dated February 4, 2019 between the Master Developer and Sunnydale Infrastructure LLC, with the consent of the Authority. Sunnydale Infrastructure LLC subsequently assigned all of its rights and obligations with respect to the Infrastructure Obligations associated specifically with Phase 1A-3 to Subdivider pursuant to that certain Assignment, Assumption and Estoppel Agreement dated August 2, 2019 amongst Sunnydale Infrastructure LLC, Developer, and Authority.

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

is subject to proposed “Final Map No. 11040” (“**Final Map**”) consisting of approximately 4.2 acres, as shown therein (“**Property**”). A tentative subdivision map, entitled “Tentative Subdivision Map 9537 for condominium and other purposes” (“**Tentative Map**”), for the proposed subdivision of the Property was approved by the Director of the Department of Public Works (“**Director**” with references to Director also including the Director’s designee where authorized by law), acting as the advisory agency for purposes of the Subdivision Map Act (“**Advisory Agency**”), subject to certain requirements and conditions contained in the Director’s Conditions of Approval dated April 19, 2019 (“**Conditions of Approval**”).

C. Pursuant to the San Francisco Subdivision Code (the “**Code**”) and the San Francisco Subdivision Regulations (“**Subdivision Regulations**”), the Tentative Map, and the Conditions of Approval, the Final Map irrevocably offers for dedication (i) interests of real property (Lots G and H) for public street and utilities use, and (ii) public improvements from the Developer, as described herein.

D. Public Works Order No. 205428 granted certain exceptions and modifications to the Code and Subdivision Regulations pertaining to design and construction of the Sunnydale HOPE SF Phase 1A-3 Infrastructure and deferral of documents as defined below.

E. Pursuant to the MDA and DA, Subdivider is obligated to construct horizontal infrastructure and public improvements on the street and utilities lots. The infrastructure and public improvements contemplated for the Property are described in the Sunnydale HOPE SF Master Infrastructure Plan (the “**Infrastructure Plan**”) attached to the DA and as may be amended from time to time, and the Sunnydale HOPE SF Streetscape Master Plan dated October 2, 2018, as may be amended from time to time (the “**Streetscape Master Plan**”), and the Tentative and Final Maps. Such public improvements are more particularly described in those certain improvement plans identified in Exhibit A (as such plans are revised from time to time, the “**Plans and Specifications**”). The Plans and Specifications for Sunnydale Phase 1A-3 provide for the construction, installation and completion of the public improvements identified therein (the “**Sunnydale Phase 1A-3 Required Infrastructure**”). The Plans and Specifications provide for City infrastructure including an irrigation line located in the public right-of-way, that shall be owned by the City and operated and maintained in perpetuity by the Subdivider, fronting

property owner, or other private entity approved by the City (the “**Privately Maintained Public Infrastructure**”). The Plans and Specifications also provide for private improvements in the public right-of-way to be owned, operated, and maintained by the Subdivider, fronting property owner, or other private entity approved by the City (“**Private Infrastructure**”). There also are publicly accessible improvements that are temporary, shall be owned by the Subdivider, and shall be Subdivider’s responsibility for purposes of maintenance and operation (“**Temporary Facilities**”). These Temporary Facilities include a temporary segment of Sunnydale Avenue. The forms of infrastructure mentioned above collectively comprise the Sunnydale Phase 1A-3 Required Infrastructure and the estimated costs of completing the Sunnydale Phase 1A-3 Required Infrastructure are described in Exhibit B hereto (the “**Estimated Costs**”). Copies of the Plans and Specifications are on file with the San Francisco Department of Public Works (“**Public Works**”).

F. Construction of the Sunnydale Phase 1A-3 Required Infrastructure will be authorized after this Agreement under Street Improvement Permit No. 21IE-00667 (the “**Street Improvement Permit**”), which will authorize Subdivider to construct the Sunnydale Phase 1A-3 Required Infrastructure, all as defined in the Street Improvement Permit. While the Street Improvement Permit will authorize the work described therein, that permit will not provide for acceptance of the subject improvements; instead, work performed under the Street Improvement Permit is subject to acceptance pursuant to Section 6 of this Agreement and the Code. This Agreement shall govern security for, and acceptance of, any portion of the Sunnydale Phase 1A-3 Required Infrastructure constructed pursuant to the Street Improvement Permit. Security required by Subdivider under this Agreement will be provided to the City by Subdivider as set forth herein.

G. The Code provides that before a final subdivision map or parcel map is approved by the City, the Subdivider shall have either (i) installed and completed all of the public improvements required by the City and detailed in the plans and specifications approved by the Director, or (ii) entered into an agreement with the City to install and complete, free of liens other than that certain Use Agreement (the “**Use Agreement**”) of even date herewith and recorded in the Official Records of the City and County of San Francisco (the “**Official Records**”) and the Memorandum of Ground Lease (the “**Ground Lease**”) of even date herewith

and recorded in the Official Records of the City and County of San Francisco (the "**Official Records**") all of such public improvements within a definite period of time and provided appropriate security to ensure improvement securities to secure satisfactory completion of the work.

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

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

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

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

2. Subdivider's Obligations.

(a) Sunnydale Phase 1A-3 Required Infrastructure. Subdivider shall, in good and workmanlike manner, furnish all necessary materials and complete the Sunnydale Phase 1A-3 Required Infrastructure in conformity with the Plans and Specifications as described in Exhibit A.

(b) Completion. Subdivider shall complete the Sunnydale Phase 1A-3 Required Infrastructure in accordance with Section 6(a) below on or within two (2) years following the recordation of the Final Map. The period of time provided in this condition may be extended upon application by Subdivider and approval by the Director pursuant to Section 4(b) below or may be extended by operation of Sections 10(c) through (f) below. In reviewing such application for an extension of time, the Director shall consider reasonable construction, access and storage requirements for each adjacent project and subsequent projects.

(c) Other Required Documentation.

(i) Prior to the Director's submittal of this Agreement to the City's Board of Supervisors ("**Board of Supervisors**"), Subdivider has provided executed and recorded copies of all the documents, agreements and notices required pursuant to Exhibit C, unless deferred by the Director, in writing, pursuant to Section 6(a) and as shown in Exhibit D. Further, certain tentative map conditions have not been satisfied at the time of Final Map approval. The Director has determined that it is acceptable to defer compliance for the satisfaction of these conditions for purposes of the Subdivision Map Act, and the subject tentative map conditions and deferred compliance event for each condition is shown in Exhibit D. In addition, Subdivider has supplemented the Excavation Permit Bonds with Security in an amount that collectively satisfy Section 3(a) of this Agreement.

(ii) At the time of request for a Notice of Completion, pursuant to Section 6(a), for the Sunnydale Phase 1A-3 Required Infrastructure, or any portion thereof, Subdivider shall provide all documents required pursuant to Exhibit E, plus any other material previously deferred by the Director in item (i) above, unless deferred by the Director in writing until the time of a request for Acceptance pursuant to Section 6(b) below. In addition, the Subdivider shall furnish to Public Works and, if requested, the City Department of Building Inspection, as-built plans of the completed Sunnydale Phase 1A-3 Required Infrastructure or portion thereof, in both electronic (in a reasonably current version of AutoCAD and/or another digital format acceptable to Public Works) and Mylar formats and any reports required by any related Plans and Specifications.

(iii) At the time of a request for Acceptance pursuant to Section 6 of the Sunnydale Phase 1A-3 Required Infrastructure, or any portion thereof, Subdivider shall provide all the documents required pursuant to Exhibit F, plus any other materials previously deferred by the Director pursuant to subsections (i) and (ii) above. In addition, as part of compliance with this Section 2, Subdivider shall coordinate with the City and assist in the City's process for the subsequent dedication and Acceptance of the Sunnydale Phase 1A-3 Required Infrastructure by (i) providing necessary maps, legal descriptions and plats for street openings, proposed easements and/or dedications for right of way or utility purposes and for

relinquishment of existing rights of access and utilities associated with on-site and off-site development, and (ii) executing easement agreements or grant deeds or modifying existing easements or grant deeds consistent with the Conditions of Approval.

3. Improvement Security.

(a) Security. Subject to Subdivider being a nonprofit corporation in the State of California, City agrees that Subdivider, as an eligible nonprofit corporation under Section 66499.3(c) of the Government Code, shall not be required to comply with the bonding requirements set forth in Section 66499.3(a) and (b) provided the following conditions are satisfied:

(i) Subdivider shall post with the City a performance bond that secures its faithful performance in an amount equal to 100 percent of the construction contract attached hereto as Exhibit G-1 (the “Performance Bond”), a payment bond required to secure the labor and materials in an amount equal to 100 percent of the construction contract for the payment of labor and materials attached hereto as Exhibit G-2 (the “Labor and Materials Bond”), and further a bond required to secure the survey monuments to be installed attached hereto as Exhibit G-3 (the “Monument Bond,” and together with the Labor and Materials Bond and Performance Bond, the “Bonds”). The Bonds under this Section 3(a)(i), or other security deemed acceptable to the City in accordance with California Government Code Sections 66499 et seq., shall be provided to the City prior to the issuance of any Street Improvement Permit by the City. Any assignee of Subdivider shall be a co-obligee on the Bonds. The San Francisco Mayor’s Office of Housing and Community Development (“MOHCD”) shall be designated as the depository under Section 66499.3(c)(2) for moneys ultimately payable to the general contractor in the form of progress payments. The required Bonds, in the amounts that the City Engineer has certified, shall be as follows:

(A) Performance bonds in the amount of \$8,859,467.50 (100% of estimated cost of completion of the construction and installation of the of Sunnydale Phase 1A-3 Required Infrastructure as determined by the PW Director) to secure the satisfactory performance of Subdivider’s obligations (Exhibit G-1); and

(B) A payment bond or other acceptable security in the amount of \$4,429,733.75 (50% of the estimated cost of completion of the of Sunnydale Phase 1A-3 Required Infrastructure as determined by the PW Director) as guarantee of payment for the labor, materials, equipment, and services required for Required Infrastructure (Exhibit G-2).

(C) Monument bonds in the total amount of \$10,000 for each of the four (4) monuments to be installed, representing 100% of the cost of installation of the monuments in as guarantee of payment for the labor, materials, equipment, and services required for the required monuments (Exhibit G-3).

(b) Acknowledgement of Security Posted as of Effective Date. The City acknowledges that pursuant to the Street Improvement Permit, Subdivider has already furnished the above referenced Bonds (collectively, the “**Permit Bonds**”). The Permit Bonds secure the satisfactory performance of Subdivider’s obligations to complete the construction and installation of the Sunnydale Phase 1A-3 Required Infrastructure.

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

(d) Use of Security. If the Sunnydale Phase 1A-3 Required Infrastructure is not completed within the time periods specified in Section 2(b) and such period is not extended

by the City or as otherwise provided under this Agreement, or Subdivider has not satisfactorily corrected all deficiencies during the Warranty Period, the Security may, by resolution of the Board of Supervisors, be used by the City for completion of the Sunnydale Phase 1A-3 Required Infrastructure in accordance with the Plans and Specifications and for the correction of any such deficiencies.

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

4. Construction of Sunnydale Phase 1A-3 Required Infrastructure.

(a) Permits and Fees. Subdivider shall not perform any Sunnydale Phase 1A-3 Required Infrastructure work until all required permits have been obtained for the component or portion of work involved, and all applicable fees, including inspection and testing fees, have been paid. In addition, no work shall commence until the Subdivider has submitted to the City and City has approved all required items described in Section 2(c) and any additional requirements of and authorizations specified in the Code, Subdivision Regulations, Conditions of Approval, and this Agreement, unless the Director, in his or her discretion, has granted a written deferral for one or more of these materials.

(b) Extensions. The Subdivider may request an extension of the time period specified in Section 2(b) for completion of the Sunnydale Phase 1A-3 Required Infrastructure by written request to the Director. A request shall state adequate evidence to justify the extension, and shall be made upon Subdivider's determination that it cannot reasonably meet the deadline in the time remaining for completion. The Director may request additional information and shall in good faith attempt to determine within thirty (30) days of the request whether to grant an extension of time. In determining whether to grant an extension, the Director shall take into consideration Subdivider's reliance on public funding for completion of the Sunnydale Phase 1A-3 Required Infrastructure. The Director's failure to respond within the time specified shall, however, not constitute either a grant or denial of the requested extension. The time for

completion additionally shall be automatically extended for the number of days past thirty (30) during which a request for an extension is pending a determination by the Director, as well as during any Excusable Delay or Developer Extension, as provided in Section 10(c) – (e). The Director shall not unreasonably withhold a request for an extension. The Director may reasonably condition an extension subject to the terms of this Agreement and the conditions provided in the Code, including execution of an extension agreement and the extension of any security. No extension approved hereunder shall limit or relieve a surety’s liability, or provide an extension on any future obligation under this Agreement or the DA, if applicable, (except as expressly stated in the approved extension).

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

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

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

5. Release of Security. The Security, or any portions thereof, not required to secure completion of Subdivider’s obligation for construction or installation of the Sunnydale Phase 1A-3 Required Infrastructure, to satisfy claims by contractors, subcontractors, and/or persons furnishing materials or equipment, or for setting monuments set forth on the Final Map (a form of bond for such monuments is appended hereto as Exhibit G-3), shall be released to the

Subdivider, or its successors in interest, or reduced, pursuant to the procedures below as appropriate:

(a) Warranty Bond. Upon the Director's issuance of a Notice of Completion for a portion of the Sunnydale Phase 1A-3 Required Infrastructure in accordance with Section 6(a), the Security shall be reduced as to that portion in accordance with Section 1770 of the Code. As to that portion of the Sunnydale Phase 1A-3 Required Infrastructure, the Security remaining following such reduction is referred to herein as the "**Remaining Security**," which term shall also refer to all Security remaining after any release under this Subsection following the Director's issuance of a Notice of Completion for the final portion of Sunnydale Phase 1A-3 Required Infrastructure.

(b) Partial Release of Security. Notwithstanding the release provisions in Section 5(a) and except as provided in Sections 5(c), the Security may be reduced in conjunction with completion of any portion of the Sunnydale Phase 1A-3 Required Infrastructure to the satisfaction of the Director in compliance with Section 6(a) hereof to an amount determined by the Director that equals the actual cost of the completed portion of the Sunnydale Phase 1A-3 Required Infrastructure. Prior to the date that the conditions set forth in Section 5(c) are satisfied, in no event, however, shall the amount of the Security be reduced below the greater of (i) the amount required to guarantee the completion of the remaining portion of the Sunnydale Phase 1A-3 Required Infrastructure and any other obligation imposed by the Subdivision Map Act, the Code or this Agreement; or (ii) ten percent (10%) of the original amount.

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

(i) One (1) year following the date of Acceptance (as defined below) of (or, as appropriate, a Certificate of Conformity regarding) the relevant portion the Sunnydale Phase 1A-3 Required Infrastructure, or, with respect to any specific claim of defects or deficiency in Sunnydale Phase 1A-3 Required Infrastructure after such has been Accepted, one (1) year following the date that any such defect or deficiency which the Director identified in the Sunnydale Phase 1A-3 Required Infrastructure in accordance with Section 8(a) has been corrected or waived in writing by the Director; and

(ii) The Clerk of the Board of Supervisors (or the Clerk's designee) certifies that no claims by any contractor, subcontractor or person furnishing labor, materials or equipment for the Sunnydale Phase 1A-3 Required Infrastructure have been filed against the City, all such claims have been satisfied, withdrawn, or otherwise secured by bond or other security approved by the Director (or the Director's designee).

6. Completion and Acceptance.

(a) Director's Inspection. No sooner than ninety (90) days prior to the date that Subdivider intends to request the Director issue a Notice of Completion, Subdivider shall make a written request to the Director of the Subdivider's intent to initiate the Notice of Completion process ("**Letter of Intent to Request Notice of Completion**"). Upon written request from the Subdivider for a "**Notice of Completion**" as defined in the Code, accompanied with any and all materials that are required under Section 2(c)(iii) related to the Notice of Completion and any other materials that the Director deferred in writing at the time of approval of this Agreement, the Director shall initiate the inspection. If the Subdivider fails to submit a Letter of Intent to Request Notice of Completion, the Director need not consider the Subdivider's request for the Director's issuance of a Notice of Completion until such a Letter of Intent to Request Notice of Completion is submitted to the Director and ninety (90) days have passed from the submission of the Letter; provided, however, that the Director, in his or her discretion, may agree in writing to a period of less than ninety (90) days from receipt of the Letter to consider issuance of a Notice of Completion. If the Director determines that the Sunnydale Phase 1A-3 Required Infrastructure has not been completed or does not satisfy the above requirements, Director shall notify Subdivider of such determination together with a statement setting forth with particularity the basis for that determination. If the Director determines that the Sunnydale Phase 1A-3 Required Infrastructure has been completed and meets the above requirements, the Director shall issue the Notice of Completion.

(b) Acceptance. "**Acceptance**" by the City of the Sunnydale Phase 1A-3 Required Infrastructure, or portion thereof, for public use and maintenance shall be deemed to have occurred when:

(i) The Director has issued a Notice of Completion for the Sunnydale Phase 1A-3 Required Infrastructure, or portion thereof in accordance with Section 6(a);

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

(iii) The Board of Supervisors by ordinance or other appropriate action, accepts the Sunnydale Phase 1A-3 Required Infrastructure, or portion thereof, for public use and maintenance in accordance with the provisions of San Francisco Administrative Code Section 1.52 and Subdivider's maintenance and warranty obligations under and Section 9(a) of this Agreement.

(c) Offers of Dedication. The owners' statements of the Final Map include or shall include certain irrevocable offers of dedication of improvements, easements shown only on the map, easements by agreement, and real property in fee simple. In addition, the offers of dedication of improvements shall be made by separate instrument(s); the offers of dedication of real property in fee simple shall be made by separate instrument(s) and separate quitclaim deed(s); and the offers of dedication of easements shall be made by separate instrument(s). The Board of Supervisors shall accept, conditionally accept, or reject such offers. The City, at its discretion, may accept these easements at its convenience through formal action of the Board of Supervisors or as otherwise provided in local law. The Board of Supervisors shall also by ordinance accept, conditionally accept, or reject for public right-of-way and utility purposes the Sunnydale Phase 1A-3 Required Infrastructure (or a portion or component of the Sunnydale Phase 1A-3 Required Infrastructure) in accordance with Subsection 6(b). The Final Map includes certain offers of dedication as more particularly set forth therein. Upon the Director's issuance of a Notice of Completion for the Sunnydale Phase 1A-3 Required Infrastructure, or portion thereof, in accordance with Section 6(a) of this Agreement, the Board of Supervisors shall by ordinance or other appropriate action accept, conditionally accept, or reject such offers.

(d) Dedication. In addition to accepting improvements, the City shall, except as set forth in Section 6(e), below, dedicate the Sunnydale Phase 1A-3 Required Infrastructure to public use and shall designate them for their appropriate public uses.

7. Subdivider's Maintenance Responsibility.

(a) General Maintenance and Liability Prior to Acceptance. Prior to Acceptance, Subdivider shall be responsible for the maintenance and repair of the Sunnydale Phase 1A-3 Required Infrastructure and shall bear the liability regarding the same consistent with the Code.

(b) Maintenance and Liability Following Acceptance. Following Acceptance, and subject to Sections 7(c) and 9(a), the City shall assume the responsibility of operating and maintaining and shall be liable for such Accepted Sunnydale Phase 1A-3 Required Infrastructure. City shall indemnify Subdivider and Master Developer and their officers, agents and employees of each of them from and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims by third parties ("**Losses**") to the extent first arising from and after City's Acceptance of any applicable portion of the Sunnydale Phase 1A-3 Required Infrastructure, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except to the extent such Loss is the result of the active negligence or willful misconduct of Subdivider, Master Developer, or a party for whom either of them is liable. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs, and the City's cost of investigating any claims against the City. Without limiting the generality of the foregoing, nothing in this Agreement shall be construed to mean that Subdivider is responsible (or that City shall have right to call upon the Security) for the repair, replacement, restoration, or maintenance of the Sunnydale Phase 1A-3 Required Infrastructure damaged by the actions of third parties following Acceptance by the City or by ordinary wear and tear or harm or damage from improper maintenance or operation of the Sunnydale Phase 1A-3 Required Infrastructure by the City, or any agent or agency of either.

(c) Privately Maintained Public Infrastructure and Private Infrastructure. The Sunnydale Phase 1A-3 Required Infrastructure includes the Privately Maintained Public

Infrastructure, facilities for which the City may accept ownership but place responsibility for maintenance and liability on Subdivider, and Private Infrastructure, facilities for which the Subdivider shall bear the liability and responsibility for maintenance. For both Privately Maintained Public Infrastructure and Private Infrastructure such responsibility will be set out in a “**Master Encroachment Permit.**” Notwithstanding any Acceptance by the City, the Parties understand and agree that Subdivider, its successor in interest as to one or more of the development parcels depicted on the Tentative Map (i.e., Lots 3, 4, and 5), fronting property owner, or other private entity approved by the City, shall be responsible for the ongoing maintenance and liability of the Privately Maintained Public Infrastructure and Private Infrastructure. The maintenance and liability obligations for the Privately Maintained Public Infrastructure and Private Infrastructure shall be defined in a Master Encroachment Permit approved by the Board of Supervisors and/or, as to Infrastructure that is Privately Maintained Public Infrastructure, a similar agreement between Subdivider and the City (a “**Maintenance Agreement**”). The Master Encroachment Permit and Maintenance Agreement shall respectively provide for the designation of any successor to Subdivider’s responsibilities thereunder. Subdivider agrees that no portion of the Privately Maintained Public Infrastructure may be offered to the City for Acceptance until that infrastructure is included in an approved and executed Master Encroachment Permit and/or Maintenance Agreement.

(d) Protection of Sunnydale Phase 1A-3 Required Infrastructure. Subdivider may, but shall not be obligated to, allow access by the public to portions of the Sunnydale Phase 1A-3 Required Infrastructure that have been constructed but not Accepted. In order to protect the Sunnydale Phase 1A-3 Required Infrastructure from damage and to minimize Subdivider’s exposure to liability until such time as the applicable Sunnydale Phase 1A-3 Required Infrastructure, or portion thereof, is Accepted, Subdivider may erect a construction fence or other physical barrier around areas under construction, to be constructed in the future, or constructed but not Accepted, provided that Subdivider has procured all necessary permits and complied with all applicable laws. However, no construction fence or other physical barrier may be built or maintained if the Director determines that a construction fence or other physical barrier adversely affects public health or safety by unreasonably restricting the ingress and egress of the public to and from a public right of way. For purposes of the preceding sentence, if there exists an alternative means of ingress and egress other than the Sunnydale Phase 1A-3 Required

Infrastructure, then the Director may not determine that the construction fence or other physical barrier constitutes an unreasonable restriction of ingress and egress of the public to and from a public right of way.

8. Intentionally Deleted.

9. Warranty and Indemnity.

(a) Warranty. Acceptance of Sunnydale Phase 1A-3 Required Infrastructure by the City shall not constitute a waiver of any defects. Subdivider covenants that all Sunnydale Phase 1A-3 Required Infrastructure constructed or installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily for a period (a “**Warranty Period**”) of three (3) years for pump stations and (2) years for all other portions of the Sunnydale Phase 1A-3 Required Infrastructure. Such Warranty Period shall begin upon the issuance of a Notice of Completion for the Sunnydale Phase 1A-3 Required Infrastructure (or portion thereof) as specified in Section 1751.2 of the Code, except that the Warranty Period for plant materials and trees planted as part of the Sunnydale Phase 1A-3 Required Infrastructure shall not commence until the Director receives a certification from the City’s Construction Manager that a plant establishment period set in accordance with the Plans and Specifications has passed. During the Warranty Period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director that the work be done, inspect, correct, repair or replace any defects in the Sunnydale Phase 1A-3 Required Infrastructure at its own expense. Should Subdivider fail to act with reasonable promptness to make such inspection, correction, repair or replacement, or should an emergency require that inspection, correction, repair or replacement be made before Subdivider can be notified (or prior to Subdivider’s ability to respond after notice), the City may, at its option, upon notice to Subdivider, make the necessary inspection, correction, repair or replacement or otherwise perform the necessary work and Subdivider shall reimburse the City for the actual cost thereof. During the Warranty Period, the City shall hold the Subdivider’s Security, reduced as described in Section 5, to secure performance of Subdivider’s foregoing warranty obligations. Subdivider’s responsibility during the Warranty Period shall include repairing defects and defective material or workmanship, but not ordinary wear and tear or harm

or damage from improper maintenance or operation of the Sunnydale Phase 1A-3 Required Infrastructure by the City, or any agent or agency of either.

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

Sec 6.13 of the DA: Indemnification

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

(c) Limitation on City Liability. The City shall not be an insurer or surety for the design or construction of the Sunnydale Phase 1A-3 Required Infrastructure pursuant to the approved Plans and Specifications, nor shall any officer or employee thereof be liable or responsible for any accident, loss, or damage happening or occurring during the construction of the Sunnydale Phase 1A-3 Required Infrastructure as specified in this Agreement, except as may arise due to the negligence or willful acts or omissions of the City.

10. Miscellaneous.

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

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

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

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

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

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

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

(d) Developer Extension. All time periods in this Agreement shall be extended for the period of any "**Developer Extension**" as defined in Section 12.5 of the DA

(which is reproduced in Section 10(c) of this Agreement) and subject to compliance with the Mitigation Measures (as defined in the DA). In the event of any difference between the text of DA Section 12.5 and the reproduction herein, the DA as executed shall govern.

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

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

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

(g) Notices.

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

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

Director of Public Works
City and County of San Francisco
c/o Shawna Gates
Infrastructure Task Force Project Manager
49 South Van Ness Avenue, 9th Floor
San Francisco, CA 94103

With copies to:

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

San Francisco Public Utilities Commission
525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
Attn: Molly Petrick
Reference: Sunnydale HOPE SF Phase 1A-3

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

Sunnydale Infrastructure Phase 1A3, LLC
c/o The Related Companies of California, LLC
44 Montgomery Street, Suite 1300
San Francisco, CA 94104
Attn: Ann Silverberg

c/o Mercy Housing California
1256 Market Street
San Francisco, CA 94102
Attn: Ramie Dare

With copies to:

Farella Braun & Martel LLP
235 Montgomery Street, 17th Floor
San Francisco, CA 94104
Attn: Charles J. Higley

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

(A) the Section of this Agreement pursuant to which the notice is given, and the action or response required, if any;

(B) if applicable, the period of time within which the recipient of the notice must respond thereto;

(C) if approval is being requested, shall be clearly marked "Request for Approval under the Sunnydale HOPE SF Phase 1A3, LLC Public Improvement Agreement"; and

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

(ii) Any mailing address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Agreement shall be deemed given, received, made or

communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

(iii) Any notice or request for review, consent, or other determination or action by the Director shall display prominently on the envelope enclosing such request (if any) and the first page of such request, substantially the following words: “SUNNYDALE HOPE SF PHASE 1A-3 INFRASTRUCTURE: IMMEDIATE ATTENTION REQUIRED.”

(h) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto (as set forth in the DA), and upon such transfer, the Subdivider shall be released from its obligations hereunder. Any assignment of Subdivider’s rights and obligations under this Agreement shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned and shall be subject to the reasonable approval of the Director; provided, however, that if Subdivider assigns its rights under the DA as “Developer” (as defined therein as it relates to the affected real property), an assignment of this Agreement to the same assignee shall not require the Director’s approval so long as: (1) Subdivider provides notice of the intended transfer to the Director within five days of providing any required notice to the City under the DA; (2) Subdivider provides to the Director a copy of the executed DA assignment and assumption (which includes the transfer of rights and obligations under this Agreement); (3) the assignee provides replacement bonds that are consistent with Exhibits G-1, G-2 and G-3 in the amount required to secure any remaining obligations; and (4) the assignee provides proof of adequate insurance in the amount previously provided by Subdivider and by an insurer with an equal or better credit rating; and (5) the assignee has obtained all real estate rights and can satisfy all other conditions required to complete the work contemplated by this Agreement.

(i) Development Agreement. The City shall cooperate with the Subdivider consistent with the terms of the Development Agreement, including, without limitation, in obtaining applicable approvals required for the construction of the Sunnydale Phase 1A-3 Sunnydale Phase 1A-1 Required Infrastructure.

(j) Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party, or the failure by a party to exercise its rights

upon the default of another party, shall not constitute a waiver of such party's right to insist upon and demand strict compliance by the other party with the terms of this Agreement thereafter.

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

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

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

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

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

11. Insurance. Subdivider shall, at all times prior to Acceptance of the Sunnydale Phase 1A-3 Required Infrastructure, comply with the insurance requirements set forth in the DA and/or any applicable Permit to Enter. Subdivider shall furnish to the City from time to time upon request by the City's Risk Manager certificate of insurance (and/or, upon request by the

City's Risk Manager a complete copy of any policy) regarding each insurance policy required to be maintained by Subdivider.

12. Recording.

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

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

(c) Notice of Termination. At the time all the obligations and requirements specified in this Agreement are fully satisfied as determined by the Director of Public Works in consultation with affected City departments, the Parties shall record a Notice of Termination, a draft of which is contained in Exhibit H. Alternatively, Subdivider may request the Director's authorization to record a Notice of Termination with respect to an individual parcel. In evaluating such a request, approval of which shall be in the Director's reasonable discretion, the Director shall consider with respect to Sunnydale Phase 1A-3 Required Infrastructure necessary to serve the parcel, whether: (i) all Sunnydale Phase 1A-3 Required Infrastructure has been completed and accepted by the City, as applicable; (ii) all corresponding bond amounts have been released; (iii) all defects and punch list items have been addressed; and (iv) all warranty and guarantee periods have terminated.

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

[SIGNATURES ON NEXT PAGE]

SUBDIVIDER

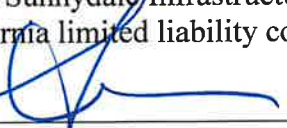
SUNNYDALE INFRASTRUCTURE PHASE 1A3, LLC,
a California limited liability company

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

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

By: 
Ramie Dare
Vice President

By: Related/Sunnydale Infrastructure, LLC,
a California limited liability company, its member

By: 
Ann Silverberg
Vice President

CITY AND COUNTY OF SAN FRANCISCO

By: Carla Short
Its: Interim Director of Public Works

APPROVED AS TO FORM:

DAVID CHIU
CITY ATTORNEY

Robb Kapla
Deputy City Attorney

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

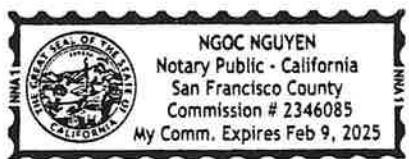
On January 28th, 2022 before me, NGOC NGUYEN, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared RAMIE KATE DARE
Name(s) of Signer(s)

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.



Place Notary Seal and/or Stamp Above

Signature [Signature]
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Public Improvement Agreement

Document Date: 01/28/2022 Number of Pages: _____

Signer(s) Other Than Named Above: Ann Silverberg

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
<input type="checkbox"/> Corporate Officer – Title(s): _____	<input type="checkbox"/> Corporate Officer – Title(s): _____
<input type="checkbox"/> Partner – <input type="checkbox"/> Limited <input type="checkbox"/> General	<input type="checkbox"/> Partner – <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact	<input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator	<input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other: _____
Signer is Representing: _____	Signer is Representing: _____

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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 January 25th, 2022 before me, Kyla Stokesbary, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ann Silverberg
Name(s) of Signer(s)

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.

Place Notary Seal and/or Stamp Above

Signature [Handwritten Signature]
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____

LIST OF EXHIBITS

Exhibit A – Plans and Specifications

Exhibit B – Estimated Costs

Exhibit C – Documents required with Public Improvement Agreement

Exhibit D – Subdivider Letter Request for Exception and Deferral

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

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

Exhibit G-1 – Performance Bond

Exhibit G-2 – Payment Bond

Exhibit G-3 – Monument Bonds

Exhibit G-4 – MOA between MOHCD and Public Works for Interim Security

Exhibit H – O&M Matrix

EXHIBIT A

Plans and Specifications

Sunnydale HOPE SF Phase 1A-3 Street Improvement Plans dated _____
prepared by KPFF Engineers for Sunnydale Infrastructure Phase 1A3, LLC.

Sunnydale HOPE SF Phase 1A-3 Street Improvement Project Manual dated
_____ prepared by KPFF Engineers for Sunnydale Infrastructure Phase
1A3, LLC.

EXHIBIT B
Estimated Costs

See attached schedule of values



December 20, 2021

Shawna Gates
Infrastructure Task Force
San Francisco Public Works
49 South Van Ness Ave
San Francisco, CA 94103

Subject: Sunnydale HOPE SF Phase 1A-3 Street Improvements
PIA Cost Estimate

Dear Ms. Gates:

Please find the attached engineer's cost estimate, dated December 20, 2021, for the above referenced project. The engineer's cost estimate is based on 100% Street Improvement Plan Set dated September 13, 2021.

Very truly yours,

Ryan Beaton
Associate





**Sunnydale Hope SF
Phase 1A3 Infrastructure**

PUBLIC IMPROVEMENTS						
Bid Item		Description	Qty	Units	Unit Rate	Extended Price
DEMO & ROUGH GRADE						
SITE PREP						
1		Miscellaneous Site Prep & Mobilization, Includes but is not limited to site security fencing, project identification signage, site security.	1	ls	\$ 310,000.00	\$ 310,000.00
2		Pre-Construction Services including Submittals, RFI's, Design review, Phasing plans, ordering long lead items.	9	Months	\$ 25,000.00	\$ 225,000.00
DEMOLITION						
3		Demolition, Disposal, Abandonment of existing utilities, hardscape, trees, etc. as needed to complete work.	1	ls	\$ 400,000.00	\$ 400,000.00
4		Off-Haul of unused native Excavation Spoils from the Public Right-of-Way as required to completed the new construction.	500	yds	\$ 77.00	\$ 38,500.00
5		DPT/SFMTA Permit Fees: Unused monies to be credited back to the project.	1	all	\$ 50,000.00	\$ 50,000.00
SWPPP						
6		Install and Maintain CB Inlet Protection (existing)	1	ls	\$ 5,000.00	\$ 5,000.00
7		Install and Maintain Sediment Control Waddle or Silt Fence at PL	1	ls	\$ 10,000.00	\$ 10,000.00
8		Install and Maintain a Stabilized Construction Entrance	2	ea	\$ 22,000.00	\$ 44,000.00
9		Dust Control with a Water Truck	8	mo	\$ 5,000.00	\$ 40,000.00



PUBLIC IMPROVEMENTS							
Bid Item		Description	Qty	Units	Unit Rate	Extended Price	
		ROUGH GRADE					
10		Rough grade Public Right of Way shown on C6.1, including Street, Sidewalk, Landscape, Bioretention areas including all over-excavation recommendations made in the Geotech investigation report.	50,000	sf	\$ 2.50	\$	125,000.00
						Subtotal:	\$ 1,247,500.00
DEEP UTILITIES							
		COMBINED SEWER					
11		Connect to existing Manhole	2	ea	\$ 30,000.00	\$	60,000.00
12		Establish and maintain temp sewer bypass to Hahn Street 21" CS	1	ls	\$ 175,000.00	\$	175,000.00
13		36.76" CS Pipe	375	ft	\$ 1,000.00	\$	375,000.00
14		15.75" CS Pipe	175	ft	\$ 600.00	\$	105,000.00
15		12.25" CS Pipe	275	ft	\$ 500.00	\$	137,500.00
16		6" CS Pipe	40	ft	\$ 450.00	\$	18,000.00
17		P-Trap Assembly	4	ea	\$ 2,000.00	\$	8,000.00
18		SDMH per CCSF Std Plan 87,181 (12" to 24" dia. Pipe)	4	ea	\$ 13,500.00	\$	54,000.00
19		SDMH per CCSF Std Plan 87,182 (27" to 48" dia. Pipe) on (E) 48" SD pipe	5	ea	\$ 32,000.00	\$	160,000.00
20		SD Catch basin	6	ea	\$ 6,000.00	\$	36,000.00
21		Testing including pressure, vacuum, and 2 sets of video surveys	1	ls	\$ 50,000.00	\$	50,000.00
22		SWPPP (Inlet Protection on New)	1	ls	\$ 5,000.00	\$	5,000.00
						Subtotal:	\$ 1,183,500.00



PUBLIC IMPROVEMENTS						
Bid Item		Description	Qty	Units	Unit Rate	Extended Price
LOW PRESSURE WATER/AWSS						
LOW PRESSURE WATER						
23		12" to 12" to 6" Mainline Connection by SFWD at the Hahn St Intersection: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation as outlined in Contract Bid Scope Section 2.22	1	ea	\$ 190,000.00	\$ 190,000.00
24		12" to 12" Mainline Connection by SFWD at Sta 19+35: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation as outlined in Contract Bid Scope Section 2.22	1	ea	\$ 65,000.00	\$ 65,000.00
25		12" LPW Line	725	ft	\$ 325.00	\$ 235,625.00
26		12" LPW Valve and Blow offs (Complete)	2	ea	\$ 7,500.00	\$ 15,000.00
27		8" LPW Line	115	ft	\$ 300.00	\$ 34,500.00
28		8" LPW Valve (Complete)	3	ea	\$ 6,500.00	\$ 19,500.00
29		6" LPW Line (FH)	105	ft	\$ 400.00	\$ 42,000.00
30		6" LPW Valve (Complete)	3	ea	\$ 6,000.00	\$ 18,000.00
31		Fire Hydrant Assembly (Complete)	3	ea	\$ 9,000.00	\$ 27,000.00
32		2" LPW Line	300	ft	\$ 250.00	\$ 75,000.00
33		1" LPW Line	265	ft	\$ 245.00	\$ 64,925.00
34		Water Meter Vaults	11	ea	\$ 3,000.00	\$ 33,000.00
35		Cathodic Protection	1	ls	\$ 25,000.00	\$ 25,000.00
36		Testing	1	ls	\$ 80,000.00	\$ 80,000.00
Subtotal:						\$ 924,550.00
AWSS						
37		20" AWSS Mainline	415	lf	\$ 1,000.00	\$ 415,000.00
38		20" Gate Valve	1	ea	\$ 200,000.00	\$ 200,000.00
39		AWSS Hydrant including lateral, thrust block, restraints	1	ea	\$ 160,000.00	\$ 160,000.00
40		Thrustblocks on Mainline	2	ea	\$ 50,000.00	\$ 100,000.00
41		Testing	1	ls	\$ 50,000.00	\$ 50,000.00
Subtotal:						\$ 925,000.00



PUBLIC IMPROVEMENTS						
Bid Item		Description	Qty	Units	Unit Rate	Extended Price
JOINT TRENCH/STREET LIGHTING/NATURAL GAS						
JOINT TRENCH						
42		Excavate and Backfill Trenches	2,700	lf	\$ 225.00	\$ 607,500.00
43		DT Conduit	2,450	lf	\$ 10.00	\$ 24,500.00
44		Comcast Conduit	2,625	lf	\$ 12.00	\$ 31,500.00
45		AT&T Conduit	1,500	lf	\$ 15.00	\$ 22,500.00
46		Level 3 Conduit	2,350	lf	\$ 15.00	\$ 35,250.00
47		17" x 30" PUC Pull Box	1	ea	\$ 6,500.00	\$ 6,500.00
48		4'x6.6'x5' PGE Vault	4	ea	\$ 24,000.00	\$ 96,000.00
49		4.5'x8.5'x6' PGE Vault	8	ea	\$ 26,000.00	\$ 208,000.00
50		6" PUC Power Pipe	3,415	ft	\$ 26.00	\$ 88,790.00
51		4" PUC Power Pipe	2,850	ft	\$ 22.00	\$ 62,700.00
52		3" PUC Power Pipe	500	ls	\$ 20.00	\$ 10,000.00
53		Emergency PD/FD Pull Station	1	ea	\$ 5,000.00	\$ 5,000.00
54		Testing Joint Trench	1	ls	\$ 25,000.00	\$ 25,000.00
55		Irrigation Controller Service Pedestal complete including foundation, grounding, conduit	2	ea	\$ 20,000.00	\$ 40,000.00
56		Coordinate all utility cutovers to new infrastructure	1	ls	\$ 25,000.00	\$ 25,000.00
STREET LIGHTING						
57		Install Post Stop Street Light Foundations, Poles, Luminaire Arms, Luminaires and all appurtenances	18	ea	\$ 25,000.00	\$ 450,000.00
58		Install Streetlight/Pedestrian Combo Street Light Foundations, Poles, Luminaire Arms, Luminaires and all appurtenances	5	ea	\$ 25,000.00	\$ 125,000.00
59		Furnish and Install new Type 1 Pull Boxes and lids	27	ea	\$ 850.00	\$ 22,950.00
60		Trench and Backfill Street Lighting Only (not in joint trench) Includes restoring (E) sidewalk/roadway where applicable.	1,300	lf	\$ 50.00	\$ 65,000.00
61		Furnish and Install 1.5" GRSC	1,300	lf	\$ 20.00	\$ 26,000.00



PUBLIC IMPROVEMENTS							
Bid Item		Description	Qty	Units	Unit Rate	Extended Price	
62		Pull Street light conductors: Includes connecting to PUC Secondary, installing grounding rods and fuses, etc. to make street lights operational	1,300	lf	\$ 50.00	\$	65,000.00
63		Testing Street Lighting	1	ls	\$ 10,000.00	\$	10,000.00
						Subtotal:	\$ 2,052,190.00
NATURAL GAS							
64		2" Natural Gas Pipe	645	lf	\$ 150.00	\$	96,750.00
65		New to Existing Connection by PGE: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for PGE installation	2	ea	\$ 10,000.00	\$	20,000.00
66		Testing	1	ls	\$ 5,000.00	\$	5,000.00
						Subtotal:	\$ 121,750.00
HARDSCAPE							
CURB & GUTTER							
67		Curb & Gutter including Fine Grading	2,350	lf	\$ 88.00	\$	206,800.00
68		Furnish and Install Catch Basin Frame & Grate including one foot of CB top and PCC Apron	6	ea	\$ 2,000.00	\$	12,000.00
STREET SECTION							
69		Fine Grade/Compact Street Section	23,325	sf	\$ 1.50	\$	34,987.50
70		Final Paving Adjust Vaults/Manhole Frame & Covers - CSMH	5	ea	\$ 2,000.00	\$	10,000.00
71		Final Paving Adjust Vaults/Manhole Frame & Covers -WV	17	ea	\$ 2,000.00	\$	34,000.00
72		AC Conforms	4	ea	\$ 2,000.00	\$	8,000.00
73		PCC Base with 1/4" EJ Material	23,325	sf	\$ 10.00	\$	233,250.00
74		AC Pavement	23,325	sf	\$ 4.00	\$	93,300.00
75		Grind & Overlay	47,500	sf	\$ 1.00	\$	47,500.00
SIDEWALKS							
76		Fine Grade/Compact for Sidewalks/Driveways/Tree well Sections	21,600	sf	\$ 0.90	\$	19,440.00
77		Furnish & Install Class 2 AB	21,600	sf	\$ 2.75	\$	59,400.00
78		Concrete Sidewalks/Driveways	18,350	sf	\$ 18.00	\$	330,300.00
79		Permeable Interlocking Concrete Pavers	5,000	sf	\$ 75.00	\$	375,000.00
80		Curb Ramps with Truncated Domes	8	ea	\$ 8,000.00	\$	64,000.00



PUBLIC IMPROVEMENTS						
Bid Item		Description	Qty	Units	Unit Rate	Extended Price
STREET FURNISHINGS						
81		Furnish and Install Trash Receptacles	3	ea	\$ 8,000.00	\$ 24,000.00
82		Furnish and Install Bike Racks	5	ea	\$ 2,000.00	\$ 10,000.00
83		Furnish and Install Bus Shelter	2	ea	\$ 20,000.00	\$ 40,000.00
Subtotal:						\$ 1,601,977.50
IRRIGATION / LANDSCAPE						
LANDSCAPE						
84		Furnish and Install Structural Soil including Indicator/Filter Fabric/Root Barrier/Blockouts	10,150	sf	\$ 40.00	\$ 406,000.00
85		Furnish and Install Standard Planting Area Soil including Indicator/Filter Fabric/Root Barrier/Blockouts	1,250	sf	\$ 15.00	\$ 18,750.00
86		Bio-Retention Areas including all miscellaneous barriers, concrete structures, dissipaters, edging treatments, trees, shrubs, plantings, coordination and testing with the Green Infrastructure Dept.	1	ls	\$ 175,000.00	\$ 175,000.00
87		Irrigation (Complete including controllers, BFP's w/ enclosures, valves, quick couplers, piping, wiring, boxes, AVC's.	1	ls	\$ 150,000.00	\$ 150,000.00
88		Trees (Includes Tree Stakes)	27	ea	\$ 1,000.00	\$ 27,000.00
89		Metal Edging	250	lf	\$ 45.00	\$ 11,250.00
90		Plant Establishment Period	1	ls	\$ 15,000.00	\$ 15,000.00
Subtotal:						\$ 803,000.00

Grand Total of Infrastructure Bid: \$ 8,859,467.50

EXHIBIT C

Documentation Required for Public Improvement Agreement

1. Approved Street Improvement Permit
2. Offer of Improvements
3. Offer of Dedication Including Quitclaim Deed
4. Public Easement Agreements, if any
5. Payment and Performance Bonds and Monument Bonds
6. Maintenance Matrix

EXHIBIT D

Subdivider Letter Request for Exception and Deferral

See Attached



June 28, 2021

Jim Rems
Chief Surveyor
City and County Surveyor
1155 Market Street, 3rd Floor
San Francisco, CA 94103

Alaric Degrafinreid
San Francisco Department of Public Works
30 Van Ness, Suite 4200
San Francisco CA 94102

Re: Sunnydale HOPE SF Phase 1A-3 (Phase 2 Final Map) Request for Design Modifications and Exceptions

Dear Jim and Alaric:

As you know, Sunnydale Development Co., LLC filed a tentative map to subdivide the existing Sunnydale/Velasco public housing site for the Sunnydale HOPE SF Project. On June 16, 2021, we submitted the check print of the Final Map for Phase 2, which encompasses development Phases 1A-3 of infrastructure, housing Blocks 3A and 3B and Community Center Block 1 of the Sunnydale Hope SF improvement project.

The purpose of this letter is to request the City's approval of exceptions to the 2015 Subdivision Regulations or DPW Order and deferrals as further described below.

Exceptions requested are as follows:

1. Use of HDPE Pipe for Combined Sewer System in Lieu of VCP Pipe and reduction in pipe diameter downstream to accommodate differing pipe materials (VCP v. HDPE)
2. Use of HDPE Pipe for Combined Sewer System Pipe Greater than 36" I.D. in Lieu of RCP Pipe
3. Allowing construction work in Harmonia Street which would otherwise fall under DPW excavation moratorium requirements
4. City approval of exceptions and design modifications as shown in the Street Improvement Permit plans for Final Map Phase 2 that would be effective when the City approves the Street Improvement Permit plans.

Exception #1 – Subdivision Regulations, App. B §XV.B.3 “Sewers 6” to 21” in diameter shall be vitrified clay pipe (VCP) (ASTM C-700 Extra Strength). Sewers 24” to 36” diameter may be of VCP (ASTM C-700 Extra Strength) with construction modifications, or of reinforced concrete pipe subject to the approval of the Director with the consent of the SFPUC.

Request: Use of HDPE Pipe for Combined Sewer System in Lieu of VCP Pipe and reduction in pipe diameter downstream to accommodate differing pipe materials (VCP v. HDPE)

Based upon coordination with SFPUC, the Sunnydale Phase 1A-1 and 1A-2 Infrastructure Improvement project was approved to install HDPE piping in lieu of VCP piping for the new Combined Sewer system. It was noted that the pipe material ultimately chosen for Phase 1A-1 and 1A-2 would need to be used for all subsequent phases in the Sunnydale HOPE SF redevelopment. Therefore, the team has reflected the inner diameters of the HDPE pipe based on specifications for the product that was installed in the previous phase on the Utility Plan sheets C7.1 and C7.2. We request exception to above Subdivision Regulation to allow for this change in material.

In addition, due to the difference in sizing of HDPE and VCP piping and providing the minimum inner diameters used in the hydraulic analysis of the combined sewer network in the approved Master Combined Sewer Plan dated May 30, 2018, the inner diameter of the HDPE pipe at the east end of the Phase 1A-3 project limits (36.76") is larger than the existing VCP pipe (33") downstream of the point of connection. We request that this exception be allowable at this tie-in location.

Exception #2 - Subdivision Regulations, App. B §XV.B.3 "Sewers larger than 36" diameter may be of monolithic reinforced concrete or of reinforced concrete pipe subject to the approval of the Director with the consent of the SFPUC."

Request: Use of HDPE Pipe for Combined Sewer Pipe Greater than 36" I.D. in Lieu of RCP Pipe

Based upon the request for Exception #1 noted above, the Sunnydale Hope SF redevelopment proposes the use of HDPE piping in the Combined Sewer System. The pipe sizing required in Phase 1A-3 is 36.76" based on HDPE pipe sizing, which is marginally larger than the threshold for transitioning to RCP pipe. Since the regulations are written in reference to VCP piping and the threshold is set for that material, we request an exception for the use of HDPE piping greater than 36" I.D. for this project.

Exception #3 - Excavation Code, §2.9A "The Excavation Code establishes a 5-year moratorium on excavating streets that have been reconstructed, repaved or resurfaced in the preceding 5-years."

Request: Allow construction work in Harmonia Street which would otherwise fall under DPW excavation moratorium requirements

P1A3 is being developed under the Planning Department's Sunnydale HOPE SF Design Standards and Guidelines which require utility rooms be along this Harmonia frontage, so utility service from Sunnydale Ave is not feasible. Water demands for future Block 3 development were unknown at the time of Harmonia Street construction in Phase 1A-1 & 1A-2, and existing occupied buildings were located and had utility services along the Harmonia Street frontage, new utilities were not stubbed out to Blocks 3A and 3B during that phase of construction. With the development of these blocks forthcoming, we request an exception to perform street excavation within Harmonia Street to provide utility services. To restore the street after excavation, we propose to replace concrete road base that is impacted by the work to the full extent of the affected panels, and perform asphalt re-paving from property line to property line for all affected lanes.

Exception #4 – City approval of exceptions and design modifications as shown in the Street Improvement Permit plans for Final Map Phase 2 that would be effective when the City

approves the Street Improvement Permit plans. This will allow for the timely construction of the improvements per the City approved Street Improvement Permit plans. Our timeline for infrastructure construction effects our ability to start construction on Block 1 Community Center and Blocks 3A and 3B affordable housing. This request would be an exception to the Subdivision Regulations Appendix B- Technical Specifications related to the Engineering Documents as applicable.

In addition to the above request for exceptions, we request the City approve the deferral of the items as described below:

1. **Sidewalk Legislation:** The Tentative Map Conditions of Approval includes the following DPW-BSM Condition #7: “A Street Improvement Permit shall not be approved and issued until all other City design requirements and agency requirements, including but not limited to sidewalk legislation, approval from SFPU, approval from Public Works Hydraulics, approval from SFFD, approval from SFMTA, approval from Public Works Structural, and approval from the Public Works Disability Access Coordinator are granted unless otherwise stated by Public Works.”

We are working towards the start of infrastructure improvements per an approved Street Improvement Permit and other permits. We are also planning for a Public Improvement Agreement for this work to be brought to the Board of Supervisors for approval in September 2021. The scope includes the construction of bulbouts on the northeast and northwest corners of Sunnydale & Hahn. We request a deferral of the sidewalk legislation until such time as the offer of improvements are submitted to the Board of Supervisors for acceptance. We anticipate submitting the sidewalk legislation application in Summer 2021.

2. **Master Homeowner Association Covenants, Conditions and Restrictions (CCRs):** Customarily, CCRs are submitted concurrently with the Public Improvement Agreement. However, we request a deferral of the CCRs prior to the earlier of the first Temporary Certificate of Occupancy (TCO) or first Notice of Completion (NOC) in this Phase. We are working to develop a master association for the entire Sunnydale HOPE SF development, which will require us to develop an association budget and structure. We need to conduct some conceptual design of privately-owned open spaces in future phases and to develop a governance structure in partnership with MOHCD and the HOPE SF Director. A deferral of the CCR’s to the earlier of the first TCO or first NOC in this Phase will allow us time to develop the appropriate CCRs for this mixed income development.
3. **Deferral of obtaining a Master Major Encroachment Permit and Maintenance Agreement to the Notice of Completion for infrastructure improvements for Phase Two Final Map.** The deferral will provide the Subdivider of the Prior Infrastructure Phase additional time to complete work on the master major encroachment permit application, which is a new City process pursuant to Ordinance No. 35-18, to complete the maintenance agreement and to schedule the MMEP for Board of Supervisors approval.
4. **Operation & Maintenance (O&M) Responsibility Matrix:** The Tentative Map Conditions of Approval include the following CAO Condition #1: “Prior to City issuing any street improvement or excavation permit for a discrete public improvement or facility or the Subdivider's submission of 100% improvement plans, whichever first occurs, Subdivider shall

provide a Utility Acceptance Plan and Maintenance Matrix showing which facilities are intended to remain private and which will be offered for City acceptance as well as designating the responsible party for maintenance.”

Coordination of the O&M Responsibility Matrix is ongoing with the Infrastructure Task Force. We request a deferral of the approved O&M Responsibility Matrix until such as time as final comments are received from the Infrastructure Task Force and implemented for acceptance.

Please contact Thu Nguyen, Project Manager, at tnguyen@related.com or (415) 653-3167 if you require additional information to address this request. Thank you very much.

Sincerely,

DocuSigned by:

Ann Silverberg
CEO, NorCal Affordable
Related California

Exhibit E

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

1. Developer Request Letter for Determination of Completeness (“DOC”)
2. Contractor Substantial Completion Letter
3. Civil Engineer Completion Notice
4. Geotechnical Engineer Completion Letter
5. Landscape Architect Completion Notice
6. Construction Manager Completion Notice
7. City Final Punch-list Approval
8. Utility Conformance Letter
9. As-Built Plan Approval
10. Recorded Notice of Completion
11. Survey Monuments
12. Test Reports
13. Joint Trench Conduits mandrel test
14. Confirmation of Removal of all Non-Compliance Reports (“NCR”)
15. Confirmation of all Change Orders/Instructional Bulletins
16. Confirmation from City that Spare Parts have been provided (as applicable)
17. Operation and Maintenance Manuals
18. NOC Recommendation from Public Works

Exhibit F

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

1. Developer Request for Acceptance Letter
2. Lien Notification to General Contractor and Subs
3. Utility Bill of Sale
4. 3rd Party Reimbursement Checks-Copies
5. Assignment of Warranties and Guaranties
6. License Agreements (as applicable)
7. Mechanic's Lien Guarantee
8. Modified Offers of Improvements (as applicable)
9. Updated Grant Deeds (as applicable)
10. Master Encroachment Permit and associated agreement for Private Utility Improvements in the right-of-way

EXHIBIT G-1

Performance Bond

Subdivider will provide the Performance Bond prior to the start of construction.

EXHIBIT G-2

Payment Bond

Subdivider will provide the Payment Bond prior to the start of construction.

EXHIBIT G-3

Monument Bonds

Subdivider will provide the Monument Bonds prior to the start of construction.

EXHIBIT G-4

MOA between MOHCD and Public Works for Interim Security

MEMORANDUM OF AGREEMENT

(Sunnydale Phase 1A3 Public Improvement Security)
(Exhibit G-4 to Public Improvement Agreement)

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

RECITALS

A. In 2007, San Francisco Housing Authority (“**SFHA**”) issued a Request for Qualifications for a developer to redevelop the Sunnydale and Velasco public housing site, which totaled 48.8-acres (“**Sunnydale**”). In 2008, SFHA selected the development team originally formed as Sunnydale Development Co., LLC (“**Master Developer**”), a limited liability company, which entity assigned its interests, rights and obligations with respect to infrastructure improvements to Sunnydale Infrastructure, LLC. Sunnydale Infrastructure, LLC subsequently assigned all of its interests, rights and obligations with respect to construction of the Site (as defined in Recital C below) to Sunnydale Infrastructure Phase 1A3, LLC (as assignee, the “**Subdivider**”). Master Developer is comprised of the Mercy Housing California (“**Mercy**”) and Related California (“**Related**”).

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

C. Sunnydale Phase 1A3 is 1.67-acres (72,700 square feet) (the “**Site**”) within Sunnydale. The Site is bordered to the south by the newly constructed Sunnydale 290 Malosi and Harmonia Street, to the west by original Sunnydale Public Housing, and to the north by Koffman

Pool and Herz Playground and east by Hahn Street. Infrastructure improvements for Sunnydale Phase 1A3 will support two new affordable buildings, Block 3A and Block 3B at the Site, as well as almost 60,000 square feet of community serving space within Block 3A and the new community building in Block 1. Blocks 3A and 3B will contain a total of 157 units of affordable housing, including 125 public housing replacement units. A garage entry to Block 3B will also be located on Harmonia Street. No off-street parking will be provided within the Site.

D. In cooperation with SFHA and residents, MOHCD is leading the development and financing plan for the Site. In preparation for the development of new permanently affordable rental housing on the Site, MOHCD, SFPW and other City agencies are supporting subdivision actions for the Site. The Sunnydale Phase 1A3 Final Subdivision Map (the “**Final Map**”) is anticipated to be reviewed by the San Francisco Board of Supervisors in September 2021. The Subdivider is a party to a Public Improvement Agreement with City (“PIA”) that will be approved and recorded concurrently with the Final Map. This MOA is an exhibit to the PIA and part of the PIA.

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

F. The Subdivider is unable to provide the security required by Section 3 of the PIA until it has a contract with a general contractor (“GC”) to construct the Subdivider’s Obligations (as defined in the PIA) in early 2022. MOHCD and SFPW have agreed to the terms of this MOA in order to provide adequate security for City to approve the Final Map.

AGREEMENT

MOHCD and SFPW hereby agree as follows:

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

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

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

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

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

[signatures follow]

IN WITNESS WHEREOF the Parties have caused this MOA to be executed by their duly appointed representatives this _____ day of _____ 2021.

Mayor's Office of Housing and Community Development

DocuSigned by:
Eric D. Shaw

65EBDF91D096444...

By: Eric D. Shaw

Its: Director

San Francisco Public Works

By: Carla Short

Its: Interim Director

EXHIBIT H

O&M Matrix

O&M Matrix for Sunnydale Infrastructure Phase 1A3

Version: 02/15/2022 TN

Type of Improvement	Standard / Non-Standard	After City Acceptance Ownership	Maintenance	More Info	Encroachment?
Combined Sewer System					
Combined Sewer Laterals (Downstream of P-Trap)	Standard	Building Owner	Building Owner	SFPW Code Article 4, Sec 103	Not considered an encroachment. Maintenance by building owner required per SFPW Code Article 4, Sec 103
Combined Sewer Laterals (Building POC up to and including P-Trap)	Standard	Building Owner	Building Owner	SFPW Code Article 4, Sec 103	Not considered an encroachment. Maintenance by building owner required per SFPW Code Article 4, Sec 103
Combined Sewer Main and Catch Basins	Standard	PUC	PUC		
Bioretention Lateral to Main	Standard	PUC	PUC		
Water					
AWSS Main	Standard	PUC	PUC		
Low Pressure Water Back Flow Preventer	Standard	PUC	PUC		
Low Pressure Water Main	Standard	PUC	PUC		
Low Pressure Water Laterals (Main to Meter)	Standard	PUC	PUC	Meter Owned by SFPUC	
Low Pressure Water Laterals (Downstream of Meter)	Standard	Building Owner	Building Owner		Not considered an encroachment. Covered under building code
Irrigation Piping, Appurtenances, Backflow preventers, controller cabinets, conduit/cables	Standard	Developer until Blocks are developed	Developer until Blocks are developed	Meter owned by SFPUC	Irrigation system elements are Major Encroachments. To be included in Master Encroachment Permit
		Building Owner after Blocks are developed	Building Owner after Blocks are developed		
Hydrants	Standard	PUC	PUC	AWSS, LPW	
Cathodic Protection	Standard	PUC	PUC	AWSS, LPW, underground utility vaults (electrical, interrupter, transformer)	
Dry Utilities					
Power	Standard	PUC	PUC	Conduits, boxes, service points, transformers in ROW	
Street Light (conduits)	Standard	PUC	PUC		
Gas	Standard	PG&E	PG&E		
Communications: AT&T	Standard	AT&T	AT&T		
Communications: Comcast	Standard	Comcast	Comcast		
Communications: Wave	Standard	Wave	Wave		
Communications: Monkey Brain	Standard	Monkey Brain	Monkey Brain		
Communications: Dept of Technology	Standard	Dept of Tech	Dept of Tech		
Roadway					
Roadway Striping, Signage, Colored Curb	Standard	MTA	MTA	Community Association responsibility to repair pavers around new or relocated signs	
Roadway Pavement Section	Standard	PW	PW		
Sidewalk					
Sidewalks	Standard	PW	Building Owner	Fronting property owner to maintain in accordance with PW Code 706	Not considered an encroachment. Fronting property owner responsible for maintenance per PW Code Sec 706

Curb Ramps at Intersections	Standard	PW	PW		
Curb Ramps at Midblock	Standard	PW	Developer	N/A for 1A3	
Loading Ramps	Standard	PW	Developer	Located on Sunnydale Ave	Will require minor Building encroachment permit
Bus Shelter (Including Electrical Service) - <i>Outside of Project Scope</i>	Standard	MTA	MTA	Outside of Project scope. Included here for reference only. Developer to provide space, MTA via Clear Channel to construct and maintain	
Bike Racks	Standard	MTA	MTA		
Off Site Sidewalks (Hahn Street)	Standard	PW	PW		

Furnishing Zone

Street Trees	Standard	PW	PW		
Structural Soil	Standard	PW	PW		
Survey Monuments	Standard	PW	PW		
Permeable Pavers	Non-Standard	PW	Developer	Includes permeable pavers, aggregates, and check dam liner Fronting property owner to maintain in accordance with PW Code 706	Will require minor Building encroachment permit or special sidewalk permit
Permeable Paver Underdrain	Non-Standard	PUC	PUC	Includes adjacent permeable paver underdrain pipe, clean-outs, and SD pipe daylight to bioretention area	
Flush Curb within Permeable Pavers around Tree Wells	Non-Standard	PW	Developer		Will require minor Building encroachment permit or special sidewalk permit
Non-Bioretention Planting Area	Standard	PW	Developer	Includes one planting area on Sunnydale Ave next to bioretention area	Not considered an encroachment, but requires BUF landscaping permit
Streetlights (boxes, poles/arm/light/appurtenances)	Standard	PUC	PUC		
Pedestrian Lights (boxes, poles/light/appurtenances)	Standard	PUC	PUC		
Signage	Standard	MTA	MTA	Note: any signage poles adjacent to bioretention area require deep foundation	
Bollards	Standard	PW	PW	N/A for 1A3	

Other

Bioretention Areas	Standard	PUC	PUC	Bioretention system from back of curb to pedestrian walkway and all associated elements	
Private Park/Open Space	Standard	Developer	Developer	N/A for Phase 1A3	
Branding Signage	Private	Developer	Developer	Includes directional sign, monument marker (signage not owned/maintained by SFMTA)	Elements in ROW are encroachments. To be included in Master Encroachment Permit
Area Drains, Drain Inlets and Private Storm Drain Pipes	Private	Developer	Developer		Elements in ROW are encroachments. To be included in Master Encroachment Permit
Earth Swales	Private	Developer	Developer		Outside of ROW