

**HUNTERS VIEW PHASE II  
PUBLIC IMPROVEMENT AGREEMENT**

This HUNTERS VIEW PHASE II PUBLIC IMPROVEMENT AGREEMENT (this “**Agreement**”) is entered into as of OCTOBER 27, 2014 (the “**Effective Date**”), by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation of the State of California (the “**City**”), and Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation (“**HPAH**” or “**Subdivider**”).

RECITALS

A. Except as specifically defined herein, capitalized terms shall have the meanings given in (i) the San Francisco Subdivision Code and Subdivision Regulations (the “**Code**”), (ii) the Hunters View Design for Development Document (the “**D for D**”) and (iii) the Plans and Specifications (as defined below).

B. Whereas, pursuant to the Development and Disposition Agreement, by and between the San Francisco Housing Authority, a public body corporate and politic (“**SFHA**”), and Hunters View Associates, LP, a California limited partnership (“**HVA**”) recorded on \_\_\_\_\_, 20\_\_\_\_, as Document No. \_\_\_\_\_, in Reel \_\_\_\_\_, Image \_\_\_\_\_, Official Records of the City and County of San Francisco (the “**Phase II DDA**”), SFHA has transferred all the responsibilities, obligations and liabilities for the construction of the Phase II Required Infrastructure (as defined below) on the land shown on Final Map Tract No. 7545 (the “**Final Map**”) to HVA as “Master Developer”, and has authorized HVA to be its representative.

C. Whereas, HPAH is the co-general partner of HVA and the designated Subdivider under this Agreement, and pursuant to the terms of this Agreement, the Subdivider may assign to HVA and/or HV Partners 2, LP, a California limited partnership, (“**HVP2**”) the Subdivider’s obligations under this Agreement, subject to the approval of the Director (as defined below), in his or her sole discretion, provided that Subdivider, HVA and/or HVP2, as the case may be, shall be jointly and severally liable for the Subdivider’s obligations following such assignment. The Director may condition any assignment of obligation as he or she deems appropriate.

D. Whereas, the San Francisco Department of Public Works (“**DPW**”) acknowledges that as described above in Recital B, SFHA has transferred all of the responsibilities, obligations and liabilities for the construction of the Phase II Required Infrastructure from SFHA to HVA and has authorized HVA to be its representative.

E. Whereas, Owner (as defined below) is engaged in subdividing, and Subdivider and its affiliates are developing the land shown on the Final Map commonly known as Assessor’s Block 4624, Lots 29, 31 and 45. A tentative map, entitled “Hunters View Phase II Tentative Subdivision Map” (the “**Tentative Map**”), for the proposed subdivision of the Property was approved by the DPW Director, acting as the Advisory Agency (the “**Director**”), subject to certain requirements and conditions contained in the Director’s Conditions of Approval dated January 3, 2014 (the “**Conditions of Approval**”).

F. Whereas, pursuant to the Code relating to the filing, approval, and recordation of subdivision maps and the Conditions of Approval, Owner submitted to the City Final Map No. 7545 for approval and recordation.

G. Whereas, Owner and Subdivider have requested that the Final Map be approved prior to the completion of construction and installation of the public improvements required by the Conditions of Approval of the Tentative Map and which are part of or appurtenant to the Property. Such public improvements are more particularly described in those certain improvement plans identified in Exhibit A-1 (as such plans may be revised from time to time, the “**Plans and Specifications**”). The Plans and Specifications provide for the construction, installation and completion of the public improvements identified therein (the “**Phase II Required Infrastructure**”), and include the specifications and details of such public improvements. The term “Phase II Required Infrastructure” also includes any interim or temporary facilities, if any, shown on the Plans and Specifications. The estimated costs of completing the Phase II Required Infrastructure are described on Exhibits A-1 (the “**Estimated Costs**”). Copies of the Plans and Specifications are on file with the DPW.

H. Whereas, the Code provides that before a final subdivision map or parcel map is approved by the City, 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, all of such public improvements within a definite period of time and provided improvement securities to secure satisfactory performance of such agreement.

I. Whereas, 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 Code, the City and Subdivider desire to enter into this Agreement.

#### AGREEMENT

NOW THEREFORE, in order to ensure satisfactory performance of Subdivider’s obligations under the Code, and in consideration of the approval and recordation by the City of the Final Map (including the dedications contained therein), and to implement the Conditions of Approval, and other valuable consideration, Subdivider and the City agree as follows:

1. Definitions.

(a) SFHA means the San Francisco Housing Authority who is the Fee Title holder of interest of the Property and signatory to the Final Map.

(b) Owner means SFHA.

(c) HVA means Hunters View Associates, L.P.

- (d) HVP2 means HV Partners 2, LP.
- (e) HPAH means Hunters Point Affordable Housing, Inc.
- (f) Subdivider means HPAH.
- (g) General Contractor means Cahill-Nibbi Joint Venture.
- (h) Progress Payment means a payment made in compliance with the schedule of partial payment agreed upon in the contract for the work.

2. Subdivider's Obligations.

(a) Completion of Phase II Required Infrastructure. Subdivider shall, in good and workmanlike manner, furnish all necessary materials and complete construction of the Phase II Required Infrastructure as set forth in Exhibit A-1 in accordance with the performance schedule(s) set forth in Exhibit A-2 provided, however, that the periods of time provided in this condition may be extended in accordance with Section 4(b) hereof.

(b) Delivery of As-Built Plans. Within three (3) months after Completion of the Phase II Required Infrastructure, or portion thereof, Subdivider shall furnish to DPW and, if requested, the City Department of Building Inspection, as-built plans for such Phase II Required Infrastructure, or portion thereof, in both electronic (in a reasonably current version of AutoCAD) and Mylar formats and any reports required in connection with such Phase II Required Infrastructure, or portion thereof, by the Plans and Specifications.

(c) Assignment of Subdivider's Obligations. Subdivider may assign to HVA and/or HVP2 the Subdivider's Obligations as described in the Assignment of the Phase II Required Infrastructure Obligations attached hereto as Exhibit A-3, subject to the approval of the Director in his or her sole discretion. Following any such assignment, Subdivider, HVA and/or HVP2, as the case may be, shall be jointly and severally liable for any and all of the Subdivider's Obligations. Should the Director approve any such assignment, this PIA shall be amended to address the terms, requirements, and conditions of the assignment, and any such conditions imposed by the Director shall be described in said Exhibit A-3.

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 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 require its general contractor to provide a bond to the Subdivider, HVA, and HVP2 and include City as an additional coobligee on a performance bond required to secure the general contractor's faithful performance in an amount equal to 100 percent of the construction contract attached hereto as Exhibit B-1 (the "**Performance Bond**"), and further require its general contractor to provide a bond to the Subdivider and include City as an additional coobligee on a payment bond required to secure the labor and materials in an

amount equal to 100 percent of the contract for the payment of labor and materials attached hereto as Exhibit B-2 (the “**Labor and Materials Bond**,” and together with the Performance Bond, the “**Security**”). The Security shall be provided to the City prior to the issuance of any Street Improvement Permit by the City. City acknowledges and agrees that the Performance Bond dated April 9, 2014 and the Labor and Materials Bond dated April 9, 2014 have been provided to City as of the date hereof and satisfy the conditions of this Section 3(a)(i). Any assignee approved by the director shall be a co-obligee on the bonds. The San Francisco Mayor’s Office of Housing (“**MOH**”), as the co-owner/applicant of the \$30 million Infill Infrastructure Grant awarded to HVA by the California Department of Housing and Community Development for development of the Hunters View Project, 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.

(ii) All progress payments to the general contractor shall be conditioned on (i) the general contractor’s certification to Subdivider that all labor performed in the work, and all materials furnished to and installed in the work, have been paid for in full to the date of certification, (ii) the written approval of Subdivider, and (iii) review and approval of progress payment billings by City. Subdivider shall require the general contractor to deliver all such certifications through the United States mail.

(iii) Final payment to the general contractor shall not be made until 30 days have expired after the filing and recording of the notice of completion of the work and acceptance of the work by, and a waiver of lien rights provided by the general contractor to, City in accordance with Section 6(a).

#### 4. Construction of Phase II Required Infrastructure.

(a) Permits and Fees. Subdivider shall not allow the performance of any work subject to this Agreement until all required permits have been obtained for the portion of work involved, and all applicable fees, including inspection and testing fees, have been paid.

Prior to the approval of the Final Map, Subdivider shall arrange for all easements to be granted to the City to allow for construction of the required public improvements on the Property and provide irrevocable Offers of Dedication in Fee Title of the portions of the Property where said public improvements will be constructed and used as future public right-of-way. The DPW Director, in his or her discretion, may allow the Subdivider to defer this requirement until prior to approval of an improvement permit or to a later specified date. The DPW Director shall issue such deferral in writing.

#### (b) Extensions.

(i) Requested Extensions. Subdivider may request extensions of the time periods specified in Section 2(a) by submission of a request(s) to the Director. A request shall be in writing, state adequate evidence to justify the extension, and shall be made not less than thirty (30) days prior to expiration of this Agreement. The Director shall in good faith attempt to determine within such time whether an extension of time shall be granted. The Director’s failure to respond within the time specified shall, however, not constitute either a

grant or denial of the requested extension. The periods of time for performance under this Agreement shall be automatically extended for the period during which a request for an extension is pending a determination by the Director. The Director shall not unreasonably withhold, condition or delay 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.

(ii) Permit Processing. The periods of time for performance under this Agreement shall be extended for Unavoidable Delay as determined in Section 4(b)(iii) for the period of time associated with permit processing, including, without limitation, permit processing by and obtaining permits and approvals from all agencies with jurisdiction over the Phase II Required Infrastructure.

(iii) Unavoidable Delay. The periods of time for performance under this agreement shall be automatically extended for Unavoidable Delay which is a delay in a Party's performance of its obligations hereunder that is caused by (a) acts of God, enemy action, civil commotion, fire, flood, earthquake or other casualty, (b) strikes or other labor disputes (to the extent not resulting from the labor practices of the Party claiming the benefit of Unavoidable Delay), (c) material shortages of or inability to obtain labor or materials beyond the reasonable control of the Party claiming the benefit of Unavoidable Delay, (d) lawsuits brought by plaintiffs unaffiliated with the Party claiming the benefit of Unavoidable Delay, (e) delays by governmental or quasi-governmental entities in issuing requisite approvals or consents beyond the reasonable control of the Party claiming the benefit of Unavoidable Delay, including without limitation failure of the City to respond to Subdivider's submissions within the time periods set forth in this Agreement or (f) any other event beyond the reasonable control of the Party claiming the benefit of Unavoidable Delay. Delays beyond a Party's reasonable control exclude delays to the extent caused by the negligent act or omission or willful misconduct of the Party claiming the benefit of Unavoidable Delay. This Unavoidable Delay provision shall not apply, however, unless (g) the party seeking to rely upon such provisions shall have given notice to the other party, within thirty (30) days after obtaining actual knowledge of the beginning of an enforced delay, of such delay and the cause or causes thereof, to the extent known, and (h) a party claiming the Unavoidable Delay must at all times be acting diligently and in good faith to avoid foreseeable delays in performance, to remove the cause of the delay or to develop a reasonable alternative means of performance.

(iv) Extensions Generally. The provisions in this Section 4(b) are in addition to and not a limitation of any other provision for extensions in this Agreement or in the Plans and Specifications. No extension approved hereunder shall relieve the surety's liability under the Security.

(c) Revisions to Plans and Specifications. Requests by Subdivider or its agent for revisions, modifications or amendments to the approved Plans and Specifications (each, a "**Plan Revision**") shall be submitted in writing to the Director (or the Director's designee). If the Plan Revision is acceptable to the Director (or the Director's designee), the Director (or the Director's designee) shall approve proposed Plan Revisions which are substantially consistent with the Plans and Specifications and the Final Map. Construction of any proposed Plan Revision shall not commence without prior approval pursuant to this Section 4(c). Construction

of any Plan Revision prior to approval shall be at the Subdivider's risk. Plan Revisions shall be accompanied by drawings and specifications and other related documents showing the proposed Plan Revision so as to adequately describe the proposed change and the cost and effect thereof.

(d) Subdivider shall, at no cost to the City, cause all new or replacement electricity distribution facilities, telephone, community cable, and other distribution facilities located as part of the work in Exhibits A-1 to be placed underground. The Plans and Specifications must demonstrate that underground utilities and structures are designed to accommodate future settlement. All utilities, vaults, splice boxes and appurtenances shall be placed underground, subject to approval of the Director.

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 Phase II 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, shall be released to the general contractor, or its successors in interest, or reduced, as follows:

(a) Release of Security.

One Year Warranty Bond. Upon the Director's determination of completion of the Phase II Required Infrastructure in accordance with Section 6(a), the Security shall be reduced to ten percent (10%) of the original amount for the purpose of warranting repair of any defect of the Phase II Required Infrastructure which occurs within one year of when: (i) the Phase II Required Infrastructure (or portion thereof), and specifically including each of the respective Phase II Required Infrastructure described on Exhibit A-1 has been completed to the satisfaction of the Director in accordance with Section 6(a) below and provided that the one year warranty period for plant materials, and trees shall commence after the Director receives certification from the City Construction Manager that the plant materials and trees have passed a plant establishment period as set forth in the Plans and Specifications, 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 Phase II Required Infrastructure have been filed against the City within the one hundred (100) day period following completion of the Phase II Required Infrastructure as determined upon review by the Director in accordance with Section 6(a). If any claims by any contractor, subcontractor or person furnishing labor, materials or equipment to the Subdivider have been filed against the City, then the Security applicable to such Phase II Required Infrastructure shall be reduced to an amount equal to the greater of (i) the amount of all such claims filed or (ii) ten percent (10%) of the original amount.

(i) Partial Release of Security. Notwithstanding the release provisions in Section 5(a), the Security may be reduced in conjunction with completion of any portion of the Phase II Required Infrastructure to the satisfaction of the Director and may be reduced in connection and conjunction with completion of each of the respective Phase II Required Infrastructure separately described on Exhibit A-1 upon review in accordance with Section 6(a) hereof, by an amount determined by the Director that is not less than the actual cost of the completed portion of the Phase II Required Infrastructure. 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 Phase II Required Infrastructure and any other

obligation imposed by the Subdivision Map Act, the Code, this Agreement, the Street Improvement Permit or any other agreement relating to the completion of the Phase II Required Infrastructure or (ii) ten percent (10%) of the original amount of the Security.

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

(A) One (1) year following the date of Acceptance (as defined in Section 6(b)) of the Phase II Required Infrastructure, or portion thereof, by the Board of Supervisors, or, with respect to street trees and park trees one year after the commencement of the warranty period as described in Section 8(a), or, with respect to any specific claim of defects or deficiency in the Phase II Required Infrastructure, one (1) year following the date that any such deficiency which the Director identified in the Phase II Required Infrastructure in accordance with Section 4(a) has been corrected or waived in writing; and

(B) 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 Phase II 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. Upon request from Subdivider for a "**Determination of Completeness**," the Director shall promptly determine whether the Phase II Required Infrastructure, or portion thereof, is ready for its intended use and is completed substantially in conformity with the Plans and Specifications and applicable City Regulations and shall notify Subdivider as soon as reasonably practicable in writing of the determination. If the determination is that such Phase II Required Infrastructure (or portion thereof) does not satisfy such requirements, then the Director shall provide notice thereof including identifying with particularity the reasons therefore.

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

(i) The Phase II Required Infrastructure, or portion thereof which is requested by the Subdivider in accordance with Section 6(a) to be accepted, has been completed;

(ii) the Director has certified to the Board of Supervisors that the Phase II Required Infrastructure, or portion thereof, has been deemed complete in accordance with Section 6(a); and

(iii) the Board of Supervisors accepts the Phase II 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 Sections 7 and 8(a), respectively hereof.

(c) Acceptance and Dedications. The Final Map includes certain offers of dedication as more particularly set forth therein. The Board of Supervisors shall accept, conditionally accept or reject such offers of dedication, and shall also accept, conditionally accept or reject for public right of way and utility purposes the lots designated for public streets and the Phase II Required Infrastructure (or portions thereof) which are not included in such previous offers of dedication, by ordinance or other appropriate action upon the Director's determination in accordance with Section 6(a) of completion of the Phase II Required Infrastructure, or portion thereof. Subdivider will coordinate with the City and assist in the City's process for dedication and Acceptance of Phase II Required Infrastructure by (i) providing necessary deeds, maps, legal descriptions and plats for street openings, easements and/or dedications for right of way or utility purposes and for relinquishment of existing rights of access and utilities associates with on-site and off-site development; (ii) executing easement agreements consistent with the Conditions of Approval for the Tentative Map; and (iii) providing easement agreement documents consistent with the Conditions of Approval of the Tentative Map and the completion and Acceptance of the Phase II Required Infrastructure as follows: easements for emergency vehicle access and emergency exiting, private easements for those uses described in the master declarations and the declaration of restrictions, and public service easements for access by the City and for public utilities.

(d) No Acceptance of Interim Facilities. The City shall not be obligated to accept or maintain any Interim or Temporary Facilities shown on the Plans and Specifications for the Phase II Required Infrastructure. Parties acknowledge that Subdivider shall continue to maintain all Interim or Temporary Facilities until such time as the final Public Infrastructure that will replace the need for the Interim or Temporary Facilities as determined by the Director is completed unless the parties, by mutual written instrument and any necessary City Approvals, agree otherwise.

(e) Termination of Existing Access and Utility Easements. Existing access and utility easements in any proposed right of way areas that are included as part of the Phase II Required Infrastructure shall be terminated, quitclaimed, vacated or relinquished, in whole or in part, in accordance with the terms of such easements upon: (1) the provision of alternative facilities; (2) the determination by the Director that such utility or access rights are no longer required; or (3) the City's Acceptance of dedicated public streets and associated utility facilities. The City shall not be obligated to accept any such right of way area unless and until any easements that could interfere or conflict with such facilities have been addressed to the City's satisfaction.

## 7. Maintenance of Phase II Required Infrastructure.

(a) Maintenance Prior to Acceptance. Prior to Acceptance, Subdivider shall be responsible for the maintenance and repair of the Phase II Required Infrastructure.

(b) Maintenance Following Acceptance. Following Acceptance, the City shall assume the responsibility of operating and maintaining the Phase II Required Infrastructure, or portion thereof subject to the limitations in Section 6(b)(iii) above, and Subdivider's obligations under Section 8(a) of this Agreement. The City shall have no obligation to accept or maintain any Interim or Temporary Facilities.



8. Warranty and Indemnity.

(a) Warranty. Acceptance of Phase II Required Infrastructure, or portion thereof, by the City shall not constitute a waiver of defects by the City. Subdivider covenants that all Phase II Required Infrastructure constructed or installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily for a period of one (1) year following the completion of the Phase II Required Infrastructure (or portion thereof), except that the Warranty period for the plant materials and trees planted pursuant to the Phase II Required Infrastructure shall not commence until the Director receives a certification from the City's Construction Manager that the trees have passed a plant establishment period set in accordance with the Plans and Specifications (the "**Warranty Period**"). During the Warranty Period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director that the work be done, correct, repair or replace any defects in the Phase II Required Infrastructure at its own expense. During the Warranty Period, should Subdivider fail to act with reasonable promptness to make such correction, repair or replacement, or should an emergency require that correction, repair or replacement be made before Subdivider can be notified (or prior to Subdivider's ability to respond after notice), City may, at its option, provided that notice thereof is provided to Subdivider, make the necessary 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 Subdivider's reduced performance bond (or separate warranty bond in the same amount) as described in Section 5, to secure performance of Subdivider's foregoing warranty obligations.

(b) Indemnity. Subdivider, its successors and assigns shall indemnify, defend and hold the City and each of the City's Agencies harmless for, from and against any and all Losses arising out of the breach of this Agreement by the Subdivider, the Subdivider's or any of its contractors', agents', consultants' or representatives' negligent or defective construction of the Phase II Required Infrastructure, constructed or installed by the Subdivider under this Agreement, the Subdivider's nonpayment under contracts between the Subdivider and its consultants, engineers, advisors, contractors, subcontractors or suppliers in the provision of such Phase II Required Infrastructure, or any claims of persons employed by the Subdivider or its contractors, agents, consultants or representatives to construct such Phase II Required Infrastructure, all subject to the terms, conditions, and exceptions of the Phase II DDA, provided, however, that Subdivider's obligations to indemnify, defend and hold the City harmless shall not extend to any claims to the extent arising out of or relating to the negligence or willful misconduct of the City or its agents, and further provided that any demand for indemnification hereunder with respect to negligent or defective construction must be brought, if at all, within one (1) year after the related Phase II Required Infrastructure, or portion thereof, is determined to be complete by the Director in accordance with Section 6(a) hereof. The City shall not be an insurer or surety for the design or construction of the Phase II Required Infrastructure pursuant to the 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 Phase II Required Infrastructure as specified in this Agreement, except as may arise due to the negligence or willful acts or omissions of the City.

9. Other Items.

(a) Private Roadway Funding Mechanisms. All private roadways shown on the Final Map shall be constructed by the Subdivider or its affiliate.

10. Miscellaneous.

(a) Final Map Recordation. The City, in accordance with the Code, shall record the Final Map with the County Recorder in the Official Records of the City and County of San Francisco. The City shall notify Subdivider and Owner of the time of recordation of the Final Map. In the event the Final Map is not recorded, this Agreement shall be null and void.

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

(c) Notices.

(i) A notice or communication under this Agreement by any 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 City or the Director:

Director of Public Works  
City and County of San Francisco 30  
Van Ness Avenue, Suite 4200 San  
Francisco, CA 94102  
Attn: Infrastructure Task Force Manager  
Telefacsimile: (415) 581-2569

With copies to:

Office of the City Attorney City  
Hall, Room 234  
1 Dr. Carlton B. Goodlett Place San  
Francisco, CA 94102 Attn: John  
Malamut, Esq.  
Reference: Hunters View Phase II Project  
Telefacsimile: (415) 554-4757

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

Hunters Point Affordable Housing, Inc. c/o  
John Stewart Company  
1388 Sutter Street, 11th Floor  
San Francisco, CA 94109  
Attn: Jack D. Gardner  
Telefacsimile: (415) 614-9175

With copies to:

Stein & Lubin  
600 Montgomery Street, 14<sup>th</sup> Floor  
San Francisco, CA 94111  
Attn: Charles R. Olson, Esq.  
Telefacsimile: (415) 981-4343

SAN FRANCISCO HOUSING AUTHORITY  
1815 Eggbert Avenue, Suite 300  
San Francisco, CA 94124 Attn:  
Executive Director  
Telefacsimile: (415) 715-3211

For the convenience of the parties, copies of notice may also be given by telefacsimile.

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 Hunters View Phase II 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 or telefacsimile number 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. A party may not give official or binding notice by telefacsimile.

(iii) Any notice or request for review, consent or other determination or action by the Director that could be subject to deemed approval under any provision of this Agreement shall display prominently on the envelope enclosing such request (if any) and the first page of such request, substantially the following words: "HUNTERS VIEW INFRASTRUCTURE: IMMEDIATE ATTENTION REQUIRED; FAILURE TO RESPOND COULD RESULT IN THE REQUEST BEING DEEMED APPROVED."

(d) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, and upon such transfer, Owner

or Subdivider shall be released from its obligations hereunder upon providing written evidence of a proper Assignment and Assumption Agreement. Any such assignment 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.

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

(f) 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 parties hereto 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 Subdivider shall be for the sole and exclusive benefit of such parties.

(g) Amendment. This Agreement may be amended, from time to time, by written supplement or amendment hereto and executed by the City and Subdivider. The Director is authorized to approve and 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.

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

(i) Interpretation of Agreement. Unless otherwise provided in this Agreement, whenever approval, consent or satisfaction is required of Subdivider or the City pursuant to this Agreement, it shall not be unreasonably withheld or delayed. 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 under the Plans and Specifications, any permit to enter, Street Improvement Permit or any other agreement entered into in accordance therewith.


11. Insurance. At all times prior to Acceptance of the Phase II Required Infrastructure, Subdivider shall comply with the insurance requirements as required by applicable City regulations. Subdivider shall furnish to the City, from time to time upon request by the City's Risk Manager, a 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 as by the City.

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IN WITNESS WHEREOF, Subdivider and the City have executed this Agreement as of the Effective Date.

**Subdivider:**


HUNTERS POINT AFFORDABLE HOUSING, INC.,  
A California nonprofit public benefit corporation

By:   
Larry B. Hollingsworth  
Its President

**City:**

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation of the State of California

Approved as to Form:

By:   
Name: John D. Melamut  
Title: Deputy City Attorney


By:   
Name: Mohammed Wares  
Title: Director of Public Works

EXHIBIT A-1

**Infrastructure per Plans and Specifications**

1. Excavation Permit improvements included in the Excavation Plans and Specifications prepared by Carlile Macy entitled "Hunters View Development Project, Phase II Excavation Permit" dated June 20, 2014 and approved by or on behalf of the Director on June 24, 2014.
  
2. Permanent Improvements included in Improvement Plans and Specifications prepared by Carlile Macy entitled "Hunters View Development Project, Phase II Infrastructure" dated \_\_\_\_\_ and approved by or on behalf of the Director, on \_\_\_\_\_.

Estimated Cost: \$ 13,567,648

EXHIBIT A-2

**Performance Schedule**

<b>ACTION</b>	<b>DATE</b>
1. Issue Notice to Proceed for Phase II Required Infrastructure Improvements.	No later than December 1, 2014
2. Complete Phase II Required Infrastructure Improvements including As-Built Drawings and secure the Notice of Completion from the Department of Public Works.	No later than December 1, 2017.
3. Dedicate Phase II Public Right of Way Improvements to the City of San Francisco.	No later than two months after the Board of Supervisors' Acceptance of Improvements is received.

EXHIBIT B-1

**Performance Bond**

B-1-1



EXHIBIT B-2

**Labor and Materials Bond**

B-2-1