File No. 180092 **Committee Item No.** 3
Board Item No. 41

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Government Audit and Oversight **Date:** February 7, 2018
Board of Supervisors Meeting: **Date:** February 13, 2018

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☐	☐	

Prepared by: John Carroll **Date:** February 2, 2018
Prepared by: John Carroll **Date:** February 8, 2018

[Disposition and Development Agreement - Seawall Lot 337 Associates, LLC - Mission Rock Project]

Resolution approving a Disposition and Development Agreement between the Port and Seawall Lot 337 Associates, LLC, for 28 acres of real property known as Seawall Lot 337, located east of Third Street between China Basin Channel and Mission Rock Street, China Basin Park, and the portion of Terry A. Francois Boulevard abutting the park, Pier 48, the marginal wharf between Pier 48 and Pier 50, and Parcel P20, for the proposed Mission Rock Project; adopting findings under the California Environmental Quality Act; adopting findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); and adopting public trust consistency findings.

WHEREAS, California Statutes of 1968, Chapter 1333 ("Burton Act") and Charter, Sections 4.114 and B3.581 empower the City and County of San Francisco, acting through the San Francisco Port Commission ("Port"), with the power and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port Commission jurisdiction; and

WHEREAS, The Port owns approximately 28 acres of real property along San Francisco's Central Waterfront comprised of (1) Seawall Lot 337, bounded by Third Street on the west, Parcel P20 and Mission Rock Street on the south, Pier 48 to the east, and China Basin Park on the north; (2) Pier 48; (3) China Basin Park; (4) the marginal wharf between Pier 48 and Pier 50; and (5) Parcel P20 (collectively, the "Site"); and

WHEREAS, From 2007-2010, the Port conducted a community process that evaluated the unique site conditions and opportunities at the Site and built a public consensus for its

future that nested within the policies established for the South Beach/China Basin Waterfront in the Port's Waterfront Land Use Plan; and

WHEREAS, In May 2010, by Resolution No. 10-32, the Port Commission awarded to Seawall Lot 337 Associates, LLC, a Delaware limited liability company ("Developer"), through a competitive process, the opportunity to negotiate exclusively for the mixed-use development of Seawall Lot 337 and Pier 48, and the Port Commission later added China Basin Park, the marginal wharf between Pier 48 and Pier 50, and Parcel P20 to the development (collectively, the "Project"); and

WHEREAS, Developer is a wholly-owned subsidiary of Giants Development Services, LLC, which in turn is a wholly-owned subsidiary of San Francisco Baseball Associates, LLC, the Major League Baseball franchise holder of the San Francisco Giants; and

WHEREAS, On March 8, 2013, by Resolution No. 13-10, the Port Commission endorsed the Term Sheet for the Project; and

WHEREAS, In May 2013, by Resolution No. 142-13, the Board of Supervisors found the Project fiscally feasible under Administrative Code, Chapter 29 and endorsed the Term Sheet for the Project, which is now known as "Mission Rock"; and

WHEREAS, Port and City staff and Developer have negotiated the terms of the Disposition and Development Agreement ("DDA"), a copy of which is in Board File No. 180092 and incorporated in this resolution by reference, and related transaction documents that are incorporated into the DDA and provide the overall road map for development of the Project, including a Financing Plan, an Infrastructure Plan, a Housing Plan, a Transportation Plan and a Transportation Demand Management Plan, a Workforce Development Plan, an LBE Utilization Program, and forms of an interim Master Lease, a Vertical Disposition and Development Agreement and a Parcel Lease; and

WHEREAS, Developer has engaged in an extensive community outreach process that has included community meetings, including workshops, focus groups, formal and informal presentations, open houses and site tours; and

WHEREAS, Additionally, in November 2015, 74% of voters supported the Mission Rock Affordable Housing, Parks, Jobs and Historic Preservation Initiative (Proposition D, November 2015) ("Proposition D"), the ballot measure supporting reuse of the area and increasing the height limits for the Project, conditional upon Port Commission approval of a development plan for the Project; and

WHEREAS, Port financial staff have reviewed and confirmed the financial capacity of the Developer in amounts sufficient to satisfy its obligation to fund its obligations under the DDA; and

WHEREAS, The parties wish to enter into the DDA substantially in the form in Board File No. 180092; and

WHEREAS, Concurrently with this resolution, the Board of Supervisors has taken or intends to take a number of other actions in furtherance of the Project, including: (1) approving amendments to the Planning Code that create the Mission Rock Special Use District ("Mission Rock SUD") over the Site and related amendments to the zoning maps; (2) approving the Development Agreement between the City and Developer; (3) approving the Design Controls, which provide more detailed land use controls for the Mission Rock SUD; (4) approving a Memorandum of Understanding for Interagency Cooperation among the Port and other City agencies with respect to approvals related to the subdivision of the Site and construction of infrastructure and other public facilities; and (5) approving formation proceedings for sub-project areas to Project Area I of City and County of San Francisco Infrastructure Financing District No. 2 and a memorandum of understanding between the Port and the Treasurer-Tax

Collector and the Controller regarding the collection and allocation of ad valorem and special taxes to the financing districts; and

WHEREAS, Under the DDA and other transaction documents, at full build-out, the Project will include: (1) 1.1 million to 1.6 million gross square feet ("gsf") of new residential uses (an estimated 1,000 to 1,950 new residential units), at least 40% of which will be on-site housing affordable to a range of low- to moderate-income households as described in the Housing Plan in the DDA; (2) 972,000 to 1.4 million gsf of new commercial and office space; (3) 241,000 to 244,800 gsf of active retail and production uses on 11 proposed development blocks on Seawall Lot 337 in buildings that would range in height from 90 to 240 feet, consistent with Section 5 of Proposition D; (4) the rehabilitation and reuse of Pier 48, a significant contributing resource to the Port of San Francisco Embarcadero Historic District; (5) up to approximately 1.1 million gsf of above- and below-grade parking in one or two garages; (6) transportation demand management on-site and payment of impact fees that the Municipal Transportation Agency will use to improve transportation service in the area; (7) approximately 5.4 acres of net new open space for a total of approximately 8 acres of new and expanded open space, including an expansion of China Basin Park, a new central Mission Rock Square, and waterfront access along the shoreline; (8) public access areas, assembly areas, and an internal grid of public streets, shared streets, and utilities infrastructure; and (9) on-site strategies to protect against sea level rise; and

WHEREAS, The DDA governs: (1) Developer's obligations to complete horizontal development of the Project, including entitlements, site preparation, subdivision and construction work related to streets and sidewalks, public realm amenities (e.g., parks and open space), public utilities and shoreline improvements (together, "Horizontal Development"), all to create development parcels and support and protect buildings; and (2) Developer's option to ground lease at fair market value the developable lots in the Site for vertical

development, all in accordance with all of the governing land use and entitlement documents, including the Development Agreement, Mission Rock SUD, and Design Controls; and

WHEREAS, The DDA also governs Developer's obligations to deliver various public benefits, at full buildout, including: (1) reserving 40 percent of all on-site residential units for applicants making 45 to 150 percent of Area Median Income or less as further described in the Housing Plan; (2) approximately 5.4 acres of net new open space for a total of approximately 8 acres of new and expanded public open space maintained by special taxes paid by the onsite vertical developments; (3) elevation of the Site and shoreline protection special taxes to protect against sea level rise, storm surges and periodic flooding along the Port's Bay waterfront; (4) robust local hiring, Local Business Enterprise commitments and good faith efforts as further described in the Workforce Development Plan and the LBE Utilization Program; (5) commitments to renewable energy, vehicular trip reduction, water recycling and waste diversion as further described in the Sustainability Strategy; (6) commitment to in-lieu transportation fees and fair share contributions to City transit projects serving the Site and its surroundings; and (7) a City option for up to 15,000 square feet of on-site community facility space; and

WHEREAS, The DDA includes a Schedule of Performance that includes outside dates for the completion of public infrastructure, including streets, utilities and parks; and

WHEREAS, The DDA provides the Port with remedies in the event that Developer does not meet its obligations under the Schedule of Performance or other provisions of the DDA, including specific performance and termination for material breach; and

WHEREAS, The Project has been planned and designed, in consultation with the California State Lands Commission ("State Lands") and in accordance with Senate Bill 815 ("SB 815") (stats. 2007, ch. 660), as modified by Assembly Bill 2797 ("AB 2797") (stats 2016, ch. 529), to produce multiple public trust benefits; and

WHEREAS, After completion of a Public Trust Study that is approved by State Lands, SB 815 and AB 2797 authorize the Port to lease all or any portion of the Site free from the public use requirements for a term not to exceed 75 years from the initial occupancy date of the improvements developed on the parcel, but not beyond December 31, 2015; and

WHEREAS, The Financing Plan provides that (1) Developer is responsible for funding all entitlement costs and the costs of constructing Horizontal Development to the extent other Project sources are not available, subject to reimbursement; (2) Developer's costs will be repaid with an 18% market rate of return (along with certain minimum return metrics) from a number of potential sources, including rent credits, lease proceeds, community facilities district and infrastructure financing district proceeds, and, at the Port's discretion, Port capital; and (3) after the Project reaches a certain rent threshold, Developer will participate in annual ground rent revenues as an incentive for efficient buildout of the Site; and

WHEREAS, The Housing Plan includes measures to ensure that at least 40% of all residential units produced at the Site are affordable to low- and moderate-income households, with 24 of the lowest income units to be provided to youth transitioning out of the foster care system; and

WHEREAS, The Mayor's Office of Housing and Community Development will approve the on-site inclusionary unit locations, phasing, income verifications and marketing plan; and

WHEREAS, The Infrastructure Plan includes the conceptual level planning elements of all the infrastructure systems necessary to serve the Mission Rock SUD and describes Developer's obligation to complete streets and infrastructure to support development of the Project; and

WHEREAS, The Transportation Plan requires, among other things, that (1) vertical developers pay a transportation fee that the Municipal Transportation Agency will use and allocate for transportation improvements in the area; and (2) Developer, building owners, and

tenants implement a Transportation Demand Management Plan designed to reduce Project-related daily one-way vehicular auto trips by 20%; and

WHEREAS, The Workforce Development Plan, together with the LBE Utilization Program, requires Developer and its contractors and subcontractors, vertical developers, and tenants, as applicable, to comply with applicable workforce provisions, including a 30% local hiring commitment, local business enterprise utilization, participation in the City's "First Source" hiring programs, and up to $1,000,000 in funding to support expansion of CityBuild and workforce training; and

WHEREAS, The Master Lease is a form that sets forth the terms and conditions under which the Port will lease the Site, other than Pier 48, to Developer when it is ready to begin constructing horizontal improvements, including parks, streets and utilities in accordance with the DDA, and, in the interim, for parking, special events and ancillary uses; and

WHEREAS, Individual development parcels will be removed from the Master Lease upon completion of the horizontal improvements serving each parcel as they are leased to vertical developers, and streets and parks will be removed from the Master Lease upon acceptance by acquiring City agencies; and

WHEREAS, The Vertical Disposition and Development Agreement is a form that sets forth (1) the conditions to a vertical developer's acquisition of the leasehold interest in each development parcel within the Site; and (2) applicable Port and City requirements for constructing the applicable vertical development project; and

WHEREAS, The Parcel Lease is a form that sets forth the terms and conditions under which vertical developers will ground lease development parcels for a term of 75 years, and will be modified, as described in the DDA, to address circumstances unique to the development parcels; and

WHEREAS, The actions contemplated in this resolution are within the scope of the project for which the Board adopted the resolution in Board File No. 171286, affirming the Planning Commission's certification of the Final Environmental Impact Report for the Seawall Lot 337 and Pier 48 Mixed-Use Project ("FEIR") and making findings in accordance with the California Environmental Quality Act (California Public Resources Code section 21000 et seq.) and Administrative Code Chapter 31, which resolution is incorporated herein by reference; and

WHEREAS, On October 5, 2017, the Planning Commission, by Resolution No. 20019, a copy of which is in Board File No. 180092, adopted findings that the actions contemplated in this resolution are consistent, on balance, with the City's General Plan and the eight priority policies of Planning Code Section 101.1(b) ("Mission Rock General Plan Consistency Findings"), which resolution is incorporated herein by reference; and

WHEREAS, On January 30, 2018, by Resolution No. 18-03, the Port Commission approved the DDA and the Public Trust Study, finding that the Project would be consistent with and further the purposes of the common law public trust and the statutory trust under the Burton Act ("Public Trust Findings"); recommended to the Board of Supervisors approval of the DDA; approved the DDA as the Development Plan under Section 4 of Proposition D; and authorized the Executive Director of the Port, or her designee, to execute the DDA, subject to Board of Supervisors' approval of the DDA; and

WHEREAS, A copy of Port Commission Resolution No. 18-03 is in Board File No. 180092, and is incorporated in this resolution by reference; now, therefore, be it

RESOLVED, That the Board of Supervisors adopts the Mission Rock General Plan Consistency Findings as its own; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby approves the DDA, adopts the Port Commission's Public Trust Findings as its own, and approves the

development plan described in the DDA as a Development Plan under Section 4 of Proposition D; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Port's Executive Director, or her designee, to execute the DDA in substantially the form in Board File No. 180092; and, be it

FURTHER RESOLVED, That to the extent that implementation of the DDA involves the execution and delivery of additional agreements, notices, consents and other instruments or documents by the Port subject to Board of Supervisors' approval under Charter, Section 9.118, including, without limitation, the Master Lease and instruments leasing development parcels to vertical developers (such as Parcel Leases and Vertical Disposition and Development Agreements) (collectively, "Subsidiary Agreements"), the Port and the Executive Director, as they may deem necessary or appropriate, in consultation with the City Attorney, are hereby authorized to enter into all such Subsidiary Agreements so long as the transactions governed by such Subsidiary Agreements are contemplated in, and comply with the terms of, the DDA, and with respect to the Master Lease, Parcel Leases and Vertical Disposition and Development Agreements, are substantially in the form of the Master Lease, Parcel Lease and Vertical Disposition Agreement attached as Exhibits to the DDA in Board File No. 180092; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes all officers, employees, and agents of the Port and the City to take all steps that they deem necessary or appropriate, to the extent permitted by applicable law, in order to implement the DDA in accordance with this resolution, including preparation and attachment of exhibits, execution of subsequent documents, or to otherwise effectuate the purpose and intent of this resolution and the DDA; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive Director of the Port, or her designee, to enter into any amendments or modifications to the DDA or any of the Subsidiary Agreements that the Executive Director determines, in consultation with the City Attorney, are in the best interest of the Port, do not materially decrease the benefits to or materially increase the obligations or liabilities of the Port, and are in compliance with all applicable laws, such determination to be conclusively evidenced by the execution and delivery by such person or persons of any such documents; and, be it

FURTHER RESOLVED, That the Board of Supervisors requests the Executive Director of the Port to provide an annual written report in May of each year to the Board of Supervisors on the status of the Project and project financing.

CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
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February 2, 2018

TO: Government Audit and Oversight Committee

FROM: Budget and Legislative Analyst

SUBJECT: February 7, 2018 Government Audit and Oversight Committee Meeting

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Item 3 File 18-0092	Department: Port Commission (Port)

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would (1) approve a Disposition and Development Agreement (DDA) between the Port and Seawall Lot 337 Associates, LLC, for 28 acres of real property known as Seawall Lot 337, located east of Third Street between China Basin Channel and Mission Rock Street, China Basin Park, and the portion of Terry A. Francois Boulevard abutting the park, Pier 48, the marginal wharf between Pier 48 and Pier 50, and Parcel P20; (2) adopt findings under the California Environmental Quality Act; (3) adopt findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); and (4) adopt public trust consistency findings.

Key Points

- The Mission Rock Project comprises two pieces of Port property, Seawall Lot 337 and Pier 48. The project would entail development of a mixed-use, multi-phase project at Seawall Lot 337 and Parcel P20, rehabilitation and re-use of Pier 48, and construction of approximately 5.4 acres of net new open space, for a total of approximately 8 acres of open space on the project site. The DDA's Affordable Housing Plan requires at least 40 percent of all residential units in the Project to be below market rate.
- Under the proposed DDA, Seawall Lot 337 Associates is responsible to obtain project entitlements and construct horizontal infrastructure and other public facilities over four phases, funded by project-generated revenues. Private developers will construct commercial and residential buildings (vertical development). Seawall Lot 337 Associates has the option to enter into ground leases and vertical DDAs with the Port for construction of commercial and residential buildings.

Fiscal Impact

- Estimated costs to construct public infrastructure and facilities over the term of the project are $697.6 million (in 2017 dollars). These costs are for project entitlements, and construction of horizontal infrastructure (such as streets, sewers, and water lines), parks and open space, affordable housing, seawall improvements and shoreline protection, and transportation projects.
- Estimated project-generated funding sources of $697.6 million (in 2017 dollars) include sale and lease of public land, assessment of affordable housing and transportation fees on private development, incremental property tax revenues generated by new development and proceeds from tax increment bonds in the proposed Port Infrastructure Financing District (IFD) Project Area I, and special property assessments through the formation of a proposed community facilities district (CFD).

- Under the Term Sheet approved in May 2013 (File 13-0286), Seawall Lot 337 Associates would receive a return on equity for horizontal development equal to the greater of (1) 20 percent of their unreimbursed equity investment, or (2) 1.5 times the highest balance of their unreimbursed equity investment. Under the May 2013 Term Sheet, Seawall Lot 337 Associates would also receive 20 percent of rent exceeding $4.5 million per year for 45 years, beginning in the year in which total rent first exceeds $4.5 million. Under the proposed DDA, the Port and Seawall Lot 337 Associates have agreed to a lower developer return of 18 percent on outstanding capital in exchange for a greater share of annual rent. In exchange for the lower developer return of 18 percent, Seawall Lot 337 Associates will receive a share of ground rent revenue above $2.5 million as follows: (1) 45 percent for years 1 to 25; (2) 35 percent for years 26-50; and (3) 25 percent for years 51 to 75. According to the Port, Seawall Lot 337 Associates and the Port agreed to reduce Seawall Lot 337 Associates' upfront return in exchange for more backend sharing and a cost containment mechanism for Phase 1.

Policy Considerations

- The proposed DDA between Seawall Lot 337 Associates and the Port provides a complex financing scheme to develop public projects. Funding for public projects comes from project-generated revenues. The developer incurred costs of approximately $27.4 million for entitlements and is projected to spend approximately $29 million through project approvals. Changes to the project's financing assumptions, especially in Phase I, could delay completion of the project. Because the developer's return on investment continues to accrue, delays in funding to reimburse Seawall Lot 337 Associates for its equity investment and return on investment will increase the developer return on project equity, potentially reducing funding for other uses.
- Special tax revenues from CFDs and property tax increment from the IFD could be less than estimated if the number of residential units or the square footage for leased and commercial units is less than estimated and/or property values are lower than assumed due to market conditions when certificates of occupancy are issued.
- While the investment market for CFD bonds is established, IFD bonds are a new debt instrument. The extent to which investors will be interested in purchasing these bonds is not known, although the IFD bonds, which are secured by property tax increment, are similar to bonds issued by former redevelopment agencies, which were an established market.

Recommendations

- Amend the proposed resolution (File 18-0092) to request the Port Executive Director to report to the Board of Supervisors annually in May of each year on the status of the project and project financing.
- Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors.

MANDATE STATEMENT

City Charter Section 9.118(b) states that any agreement entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of $10 million or more, or (3) requires a modification of more than $500,000 is subject to Board of Supervisors approval.

BACKGROUND

Mission Rock Project Site

The Mission Rock Project comprises two pieces of Port property, Seawall Lot 337 and Pier 48. Seawall Lot 337 is an approximately 16-acre site located south of Mission Creek/China Basin Channel in the Mission Bay. Seawall Lot 337 is currently leased to China Basin Ballpark Company[1], LLC and is used primarily for AT&T Park parking and special events. Pier 48 is the southernmost pier structure in the Port's San Francisco Embarcadero Waterfront Historic District.

The Mission Rock Project would entail development of a mixed-use, multi-phase project at Seawall Lot 337 and Parcel P20, rehabilitation and re-use of Pier 48, and construction of approximately 5.4 acres of net new open space, for a total of approximately 8 acres of open space on the project site. The project would include up to 2.7 to 2.8 million gross square feet (GSF) of mixed uses on 11 proposed development blocks. The mixed-use development would comprise approximately 1.1 to 1.6 million GSF of residential uses (estimated at 1,000 to 1,950 units, 40 percent of which would be designated as below market rate), approximately 972,000 to 1.4 million GSF of commercial/office uses, and 241,000 to 244,800 GSF of active/retail and production uses on the lower floors of each block. Additionally, the project would include up to approximately 10 million GSF of above and below ground parking (approximately 3,000 spaces) in one or two centralized garages. 100 additional parking spaces would be allowed throughout the remaining parcels on the site. As part of the project, 242,500 GSF at Pier 48 would be rehabilitated for industrial, restaurant, active/retail, tour, exhibition, and meeting space use. The 11 blocks on Seawall Lot 337 would be developed with building heights ranging from 90 feet to a maximum of 240 feet for the tallest building, excluding the mechanical and other accessory penthouse roof enclosures and unoccupied building tops, subject to specified standards.

Prior Resolutions of Intention for the Port IFD

On March 27, 2012, the Board of Supervisors approved a Resolution of Intention[2], which initiated the State statutory requirements, to establish the City and County of San Francisco Infrastructure Financing District No. 2 on Port property (Port IFD). The Port IFD encompasses

[1] China Basin Ballpark, LLC is a subsidiary of San Francisco Baseball Associates, LLC (San Francisco Giants). Seawall Lot 337 Associates, the developer of the Mission Rock project, is also a subsidiary of the San Francisco Giants.

[2] This resolution was adopted as part of the Host and Venue Agreement and Disposition Development Agreement for the 34th America's Cup held in San Francisco (File 12-0128; Resolution No. 110-12).

the entire 7-mile contiguous Port property and includes various specific project areas[3]. On June 12, 2012, the Board of Supervisors approved a resolution to amend the earlier Resolution of Intention to add Seawall Lot 351 as another project area in the Port IFD (Resolution No. 227-12).

Term Sheet

In May 2013, the Board of Supervisors found that the proposed Seawall Lot 337 and Pier 48 (Mission Rock) project is fiscally feasible under Administrative Code, Chapter 29[4] and endorsed the term sheet between Seawall Lot 337 Associates, LLC and the Port Commission (File 13-0286).

Intent to Establish Project Area I (Mission Rock) and Issue Bonds

In November 2017, the Board of Supervisors approved a resolution establishing the City's intent to establish Project Area I (Mission Rock) and 13 subproject areas - Subproject Area I-1 through Subproject Area I-13 - in Port Infrastructure Financing District No. 2 (File 17-1117). In November 2017, the Board of Supervisors also approved a resolution stating the City's intent to issue bonds, paid by incremental property tax revenue allocated to the City and generated within each of the subproject areas, in one or more series in the maximum aggregate principal amount of not to exceed $1,378,000,000 (17-1118)[5].

DETAILS OF PROPOSED LEGISLATION

File 17-1314: The proposed ordinance would (1) establish Project Area I (Mission Rock), and Sub-Project Areas I-1 through I-13, of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), and (2) affirm the Planning Department's determination and making findings under the California Environmental Quality Act. The proposed ordinance would approve the Infrastructure Financing Plan for Port IFD Project Area I (and all of the subproject areas). The public facilities to be financed by Port IFD Project Area I incremental property tax revenues are identified in Appendix I of the Infrastructure Financing Plan, which is subject to approval. At the January 23, 2018 Board of Supervisors meeting, the Board, sitting as the Committee of the Whole, continued this ordinance to the Board of Supervisors meeting of February 13, 2018.

File 17-1315: The proposed resolution would (1) approve the City's issuance of bonds, paid by incremental property tax revenue allocated to the City and generated within each of the

[3] These resolutions designated the following project areas within the Port IFD, with the caveat that the City intended to establish additional project areas in compliance with State law: Project Area A: Seawall Lot 330; Project Area B: Piers 30-32; Project Area C: Pier 28; Project Area D: Pier 26; Project Area E: Seawall Lot 351; Project Area F: Pier 48; Project Area G: Pier 70; and Project Area H: Rincon Point-South Point Project Area.

[4] Chapter 29 of the City's Administrative Code requires Board of Supervisors' approval of certain projects to determine the project's fiscal feasibility prior to submitting the project to the Planning Department for environmental review if (a) the project is subject to environmental review under the California Environmental Quality Act (CEQA), (b) total project costs are estimated to exceed $25,000,000, and (c) public monies which may be invested in the project exceed $1,000,000.

[5] Files 17-1117 and 17-1118 are resolutions of intent, and do not obligate the Board of Supervisors to establish the IFD or issue bonds.

subproject areas, in an amount not to exceed $1,378,000,000 for Project Area I (Mission Rock) and Sub-Project Areas I-1 through I-13 of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), and (2) approve the Indenture of Trust and Pledge Agreement. At the January 23, 2018 Board of Supervisors meeting, the Board, sitting as the Committee of the Whole, continued this resolution to the Board of Supervisors meeting of February 13, 2018.

In general, the public facilities will be built by the developer of the Mission Rock Project, Seawall Lot 337 Associates, LLC, and the bonds will be used to reimburse the developer for some of those costs. In addition, the bonds may reimburse the Port for funds advanced to pay for the public facilities before tax increment is available.

File 18-0092: The proposed resolution would (1) approve a Disposition and Development Agreement (DDA) between the Port and Seawall Lot 337 Associates, LLC, for 28 acres of real property known as Seawall Lot 337, located east of Third Street between China Basin Channel and Mission Rock Street, China Basin Park, and the portion of Terry A. Francois Boulevard abutting the park, Pier 48, the marginal wharf between Pier 48 and Pier 50, and Parcel P20; (2) adopt findings under the California Environmental Quality Act; (3) adopt findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); and (4) adopt public trust consistency findings.

The proposed resolution authorizes the Port Executive Director to execute the Master Lease between Seawall Lot 337 Associates and the Port, and the ground (parcel) leases and vertical DDAs with vertical developers without further Board of Supervisors approval if these leases and agreements conform to the subject DDA between Seawall Lot 337 Associates and the Port. The proposed resolution also authorizes the Port Executive Director to enter into amendments to the DDA between Seawall Lot 337 Associates and the Port without further Board of Supervisors approval if the amendments do not materially decrease the benefits or increase the obligations to the Port.

The proposed DDA between the Port and Seawall Lot 337 Associates is for a maximum of 30 years[6], during which Seawall Lot 337 Associates will plan, design, entitle, and construct street, utility, site grading, and other infrastructure improvements to the Mission Rock Project Site. The proposed DDA sets the terms of the Mission Rock Project, including project scope and financing. The proposed Master Lease will have a maximum term of 30 years, subject to extension of the DDA[7]. The proposed Parcel Lease will have a term of 75 years.

[6] Under the proposed DDA, the term is earlier of 30 years or upon Port's issuance of Final Certificate of Occupancy for the Project and acceptance of the Final Audit but for rights and obligations which survive the DDA termination contained in any or all project transaction documents.

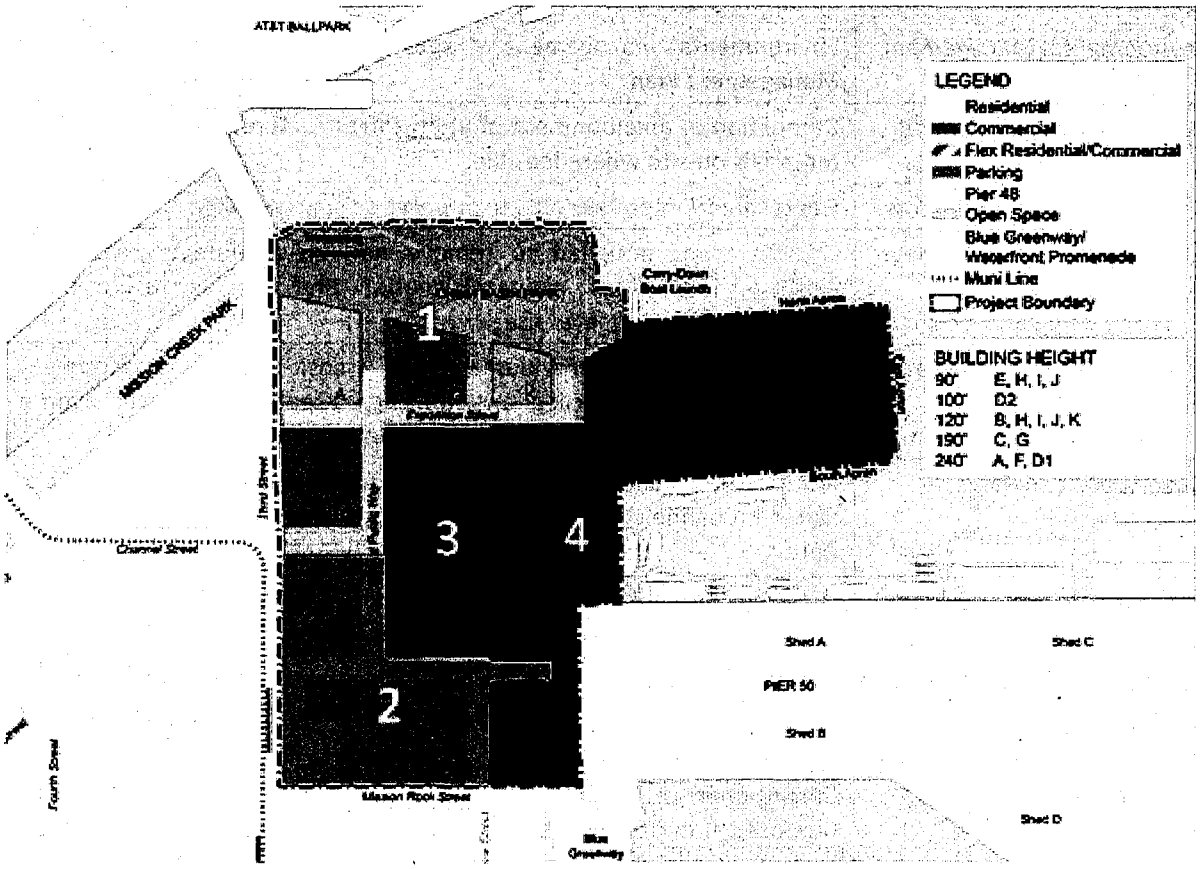
[7] The Master Lease is a form that sets forth the terms and conditions under which the Port will lease most of the Site, other than Pier 48, to the developer when it is ready to begin constructing horizontal improvements, including parks, streets and utilities in accordance with the DDA, and, in the interim, for parking, special events and ancillary uses. Term is a maximum of 30 years, subject to extension of the DDA. Port has early termination option if DDA is terminated and developer has been repaid Entitlement Costs and Phase 1 Alternative Rent Credit.

Mission Rock Project Description

Subproject Areas

IFD Subproject Area I-1 through Subproject Area I-13 encompass the 28.1-acre Mission Rock project comprising the Seawall Lot 337 and Pier 48, bounded by Third Street on the west, the Bay and Pier 50 on the east, the Bay on the north, and Mission Rock Street on the south, as shown in Exhibit 1 below.

Exhibit 1: Proposed Mission Rock Project



The project is divided into four phases.

- Subproject Areas I-1, I-2, I-7, and I-11 incorporate phase 1 development. Phase 1 extends from approximately 2018 to 2025.
- Subproject Areas I-3 and I-4 incorporate phase 2 development from approximately 2019 to 2025.
- Subproject Areas I-5, I-6, and I-13 incorporate phase 3 development from approximately 2019 to 2026.
- Subproject Areas I-8, I-9, I-10, and I-12 incorporate phase 4 development from 2023 to 2029.

Proposed Public Improvements and Facilities to be Funded by the IFD Subproject Areas

Seawall Lot 337 Associates is responsible to develop (or cause to be developed) horizontal infrastructure for the Mission Rock project, subject to reimbursement with IFD tax increment, IFD bond proceeds, special taxes levied in one or more proposed Community Facilities Districts (CFD)and CFD bonds. Proposed horizontal infrastructure elements include:

Exhibit 2. Description of Infrastructure Elements for Mission Rock Project

Infrastructure Plan Element	Summary Description
Environmental Management	Environmental management of soils under the Port's adopted Risk Management Plan.
Demolition and Abatement	Demolition or abandonment of utility infrastructure; re-use of recycled materials on-site where feasible.
Geotechnical Improvements	Geotechnical improvements to improve seismic stability.
Site Grading and Drainage, including Sea Level Rise	Grading plans designed to remove new development areas from existing FEMA flood plain designation and provide future flood protection from sea level rise.
Street and Transportation Systems	Efficient site layout provides a dense, transit-oriented development that encourages bicycling and walking. Streets to be built over a structural support system to mitigate geotechnical challenges.
Open Space and Parks	Improvements and/or establishment of China Basin Park, Mission Rock Square, Channel Wharf, Channel Street, Channel Lane, and Pier 48 Apron.
Low Pressure Water System	New reliable and efficient potable water system based upon reduced demands due to water conservation measures.
Non-Potable Recycled Water System	A District-scale system will collect graywater from 3 buildings to be reused for site-wide toilet and urinal flushing, irrigation, and cooling tower makeup.
Sewer System	Construction of a new Pump Station to accommodate existing and proposed flows from Mission Rock site; A new wastewater collection system; new stormwater management features
Auxiliary Water Supply System ("AWSS")	Baseline scenario consists of a loop of 12-inch high-pressure pipes with four new hydrants, connecting to the existing AWSS distribution system in 3rd Street.
District Utility Infrastructure	Eco-District infrastructure to be built centrally within Block A allowing for heating, cooling, and greywater treatment in a plant, and distributed throughout Mission Rock.
Dry Utility Systems	Replace overhead electrical distribution with a joint trench distribution system following the roadways. New power, gas and communication systems to serve the development.

Proposition D

On November 3, 2015, San Francisco voters approved the Mission Rock Affordable Housing, Parks, Jobs and Historic Preservation Initiative (Proposition D), which authorized increased height limits on the Project Site (subject to environmental review) and established a City policy to encourage development of the Project Site with the following features:

- 1,000 to 1,950 new residential units, most of which are expected to be rental and 40 percent would be below market rate and affordable to middle- and low-income households;
- Creation of approximately 8 acres of new and expanded parks, pedestrian plazas and rehabilitated public piers and wharves, as well as space for retail uses and commercial/office and light industrial space
- Sustainability and resilient design strategies to address projected Sea Level Rise and provide leadership in long-term sustainability planning and design; and
- Creation of new temporary and permanent jobs.

Residential Development

The Mission Rock Project development provides flexibility between development of commercial and residential uses on some of the parcels within the Site. The number of residential units on the Mission Rock Project Site ranges from 1,000 to 1,950, depending on whether the development maximizes commercial or residential development on these parcels.

The DDA's Affordable Housing Plan requires at least 40 percent of all residential units in the Project to be below market rate.

- Vertical developers of commercial and retail space will pay a Mission Rock Inclusionary Housing Fee, similar to the City's jobs/housing linkage program, to support the development of the affordable inclusionary units at the Project Site.
- 24 affordable inclusionary units will be set aside for youth transitioning out of foster care or other public systems.
- Affordable inclusionary units will be delivered in each phase and on each residential parcel.

Transportation Plan

The Mission Rock Project Environmental Impact Report (EIR) requires the implementation of a Transportation Demand Management (TDM) Program, which is attached to the proposed DDA. Key provisions of the Transportation Plan and TDM Program include the following:

- Vertical developers must pay transportation impact fees that SFMTA will use and allocate for transportation improvements to transit, bicycle, and pedestrian improvements, including improvements in the vicinity of the Mission Rock Project Site.

- The developer, building owners, and tenants must implement the TDM Program designed to reduce Project-related vehicle miles traveled (VMT) by 20 percent.

Office Development

The Mission Rock Project will provide approximately 1 to 1.4 million square feet of new commercial/office space. New office development at the Mission Rock Project Site will count against the City's annual limit on new office space as provided in the City's Planning Code. The DDA provides a process in which the developer's timeframe for developing new office space is balanced against other large office developments in the City.

Retail Uses

The Mission Rock Project will provide 250,000 square feet of ground floor, retail and production space intended to include a range of space for shops, restaurants and neighborhood-serving retail uses

Parks

The Mission Rock Project will provide over 8 acres of new and expanded open space for a variety of activities, including a regional-sized, 4.4 acre China Basin Park on the north side of the Site fronting on San Francisco Bay, a 1.1 acre neighborhood central gathering place called Mission Rock Square, and a 0.5 acre hardscaped plaza at Channel Wharf.

Workforce Development Program

The DDA's Workforce Development Plan sets the employment and contracting requirements for construction and operation of the Mission Rock Project Site. Workforce plan obligations include the following:

- 30 percent local hiring goals and apprenticeship goals applicable to certain construction work for Local Residents and Disadvantaged Workers established for both the developer and vertical developers.
- Employers must enter a First Source Hiring Agreement that will require participation in the City's Workforce System, including good faith efforts to meet hiring goals in entry-level positions as specified in the Workforce plan. The developer and vertical developers must work with the Mayor's Office of Economic and Workforce Development (OEWD) to make good faith efforts to hire entry level positions for specified pre-construction architectural and engineering services, janitorial, security, landscape and maintenance activities.
- Providing a total of $1,000,000 in funding for OEWD job readiness and training programs and community based organizations (Workforce Funding). The cost of the Workforce Funding will be shared among the vertical developers on a per parcel basis, excepting the vertical developers of the Parking Structure(s).
- The developer and vertical developers must comply with the Local Business Enterprise (LBE) Utilization Plan to make good faith efforts to meet the outreach goals applicable to design and construction work.

Shoreline/Sea Level Rise Protection

The Project Site's waterfront edge will be designed to protect buildings against the projected 2100 sea-level-rise estimates established by the state, and the grade of the entire site will be raised to elevate buildings and ensure that utilities function properly. In addition, a special tax will be placed on all newly-developed parcels to provide an ongoing revenue stream to protect Port property from sea level rise.

Pier 48 (File 18-0093)

The Mission Rock Project will include the re-use and rehabilitation of Pier 48[8] in support of the Embarcadero National Historic District. Because the developer and the Port have not yet identified a long-term use for Pier 48 that would result in rehabilitating the facility, the Port and China Basin Ballpark Company, LLC (CBBC) have negotiated an interim lease to allow the continued current uses of Pier 48, which include parking and special events (File 18-0093), pending before the Board of Supervisors). The Port Commission approved the lease on January 30, 2018. Under the proposed lease, the Port will lease approximately 212,000 square feet of Pier 48 to CBBC for a term of 10 years.

According to the Port, the term of the proposed lease is 10 years to accommodate potential parking needs during the period between Phase 1 and prior to the construction of the Parcel D2 parking garage. As noted in Exhibit 1 above, the re-use and rehabilitation of Pier 48 is part of phase 4 development from approximately 2023 to 2029. The Port can terminate the lease after commencement to facilitate long-term investment and use of the Site if: (1) termination is required in order to deliver possession to a developer/long-term user for rehabilitation and occupancy of the Pier, and (2) alternate parking resources in comparable locations have been secured.[9] According to the Port, the intention is to rehabilitate Pier 48 to accommodate new commercial/light industrial uses while maintaining the existing maritime operations surrounding the pier, and preserving Pier 48's historic integrity.

Project Approach

The Mission Rock Project consists of (1) horizontal development, such as streets and utilities, and (2) vertical development, including office and residential buildings. Horizontal and vertical development is divided into four phases. Seawall Lot 337 Associates is the master developer for the Mission Rock Project, and is responsible for ensuring the horizontal development is coordinated with vertical development.

Seawall Lot 337 Associates is obligated to complete construction of the horizontal improvements for all phases of the project. Seawall Lot 337 Associates may transfer its development rights and obligations to another developer meeting net worth and experience

[8] Pier 48 is located east of Terry A. Francois Blvd., south of China Basin Channel and north of Pier 50

[9] According to the Port, both parties plan to work in good faith to determine whether a long-term use can be accommodated in Pier 48. In the event feasible alternatives are identified, the Port and the Master Developer will negotiate to reach agreement on the terms of a lease for the Master Developer to rehabilitate Pier 48, with improvements to accommodate the long term use. If no agreement is reached, the Port has the right to issue an RFP or similar solicitation, provided Master Developer, at its option, has the right to respond to the RFP or forgo the right to respond and collaborate with the Port on the solicitation.

requirements in Phase 1, subject to Port approval in its sole discretion, and in Phase 2 and subsequent phases, subject to Port approval in its reasonable discretion.

Master Lease, Vertical DDAs, and Ground Leases

The Master Lease sets the terms and conditions under which Seawall Lot 337 Associates, LLC, or an affiliated successor entity, will lease the Mission Rock Project Site from the Port for the purposes of constructing Horizontal Infrastructure like parks, roads and utilities in accordance with the DDA, and, in the interim, for parking, special events and related ancillary uses. Individual development parcels will be removed from the Master Lease and will subsequently be governed by a Vertical DDA (VDDA) and a Parcel (Ground) Lease.

Infrastructure Plan

An Interagency Cooperation Agreement, defining the obligations of various City agencies to the Mission Rock Project, is pending before the Board of Supervisors (File 18-0094). The Interagency Cooperation Agreement describes how the City agencies will coordinate their review and approvals in relation to the Mission Rock Infrastructure Plan, which details the infrastructure (horizontal improvements) requirements of the 28.1-acre Mission Rock Project Site.

Project Approvals

Exhibit 3 shows the following legislation related to the Mission Rock Site Project that requires Board of Supervisors approval:

Exhibit 3: Pending Legislation to Approve Actions Related to the Mission Rock Site Project

File Number	Action
File No. 171286	CEQA and Mitigation Monitoring Report Program Resolution
File No. 170940	Planning Code and Zoning Map Amendment Ordinance
File No. 171313	Development Agreement Ordinance
File No. 180092 (Subject of this report)	Disposition and Development Agreement • Financing Plan • Form of Vertical DDA and Parcel Lease • Form of Master Lease • Phasing Plan • Schedule of Performance • Infrastructure Plan • Affordable Housing Plan • Workforce Development Plan • Transportation Program (including TDM Plan)
File No. 180093	Pier 48 Lease Resolution
File No. 180094	MOU re Interagency Cooperation Resolution
File No. 180095	MOU re Tax Allocation Resolution
	Infrastructure Financing District No. 2 (Mission Rock Project Site)
File No. 171117 (Approved)	Resolution of Intention - Establish Project Area I
File No. 171118 (Approved)	Resolution of Intention - Issue Bonds for Project Area I
File No. 171247	Hearing to Consider Legislation to Establish Project Area I
File No. 171314 (Subject of this report)	Ordinance Establishing Sub-Project Areas G-2, G-3, and G-4
File No. 171315 (Subject of this report)	Resolution Authorizing Issuance of Bonds for Project Area I
	Mission Bay Parcel 20 Amendments
File No. 171280	Mission Bay South Redevelopment Plan Amendment Ordinance, continued to the February 13, 2018 Board of Supervisors meeting, sitting as a Committee of the Whole
File No. 171293 (Approved)	Motion to sit as Committee of the Whole to consider Mission Bay South Redevelopment Plan Amendments
File No. 171312	Hearing - Committee of the Whole - Amendments to the Mission Bay South Redevelopment, continued to the February 13, 2018 Board of Supervisors meeting, sitting as a Committee of the Whole

Planning Approval

The Planning Commission at its October 5, 2017 meeting took the following actions regarding the Mission Rock Project: (a) certified the Final Environmental Impact Report, (b) adopted CEQA findings and the Mitigation Monitoring and Reporting Program (MMRP), (c) adopted findings of consistency with the General Plan, and the eight priority policies of Planning Codes, Section 101.1(b) (d) recommended approval of Planning Code text amendments and amendments to the Zoning Maps to establish the Mission Rock Mixed-Use District and the Mission Rock Special Use District; (e) recommended approval of the Development Agreement; and (f) approved the Design for Development.

Community Facilities District (CFD)

The Board of Supervisors will need to approve land use and financial transactions, including the DDA between the Port and Seawall Lot 337 Associates and the Infrastructure Financing Plan for Port IFD Project Area I before the proposed Mission Rock development can move forward. If the Board of Supervisors approves the DDA and Infrastructure Financing Plan, the project would establish a CFD to levy special taxes in perpetuity to fund ongoing maintenance of public facilities within the CFD. The special tax would cover expenses ranging from the maintenance and repair of streets and parks to security and janitorial services. The Port and Seawall Lot 337 Associates will establish maintenance expense assumptions to document the basis for establishing special tax rates to be levied on contributing parcels.

Shoreline Special Tax

According to the Port, the project will be constructed to accommodate an estimated 66 inches of sea level rise. In addition, the CFD formation documents will establish a special tax, called the "Shoreline Special Tax" that would be levied on new development at Mission Rock to finance shoreline improvements. According to the Port, all of the Shoreline Special Taxes from Phase 1 are anticipated to be reinvested in the project for site improvements to protect the project site from sea level rise.

FISCAL IMPACT

The Mission Rock Project consists of public and private development costs. Public development costs consist of horizontal infrastructure (utilities, streets, site grading, other), parks and open space, and affordable housing.

Sources of funds to pay for public infrastructure and facility costs include sale and lease of public land, assessment of affordable housing and transportation fees on private development, incremental property tax revenues generated by new development and proceeds from tax increment bonds in the proposed Port Infrastructure Financing District (IFD) Project Area I, and special property assessments through the formation of a proposed community facilities district (CFD).

Estimated sources and uses of funds (excluding bond debt service revenues and expenses) are approximately $697.6 million (2017 dollars), as shown in Exhibit 4 below.

Exhibit 4: Estimated Sources and Uses of Funds (in Millions of Dollars)

	2017 Dollars	Nominal[10]
Sources		
Developer Capital	$193.3	$217.6
Advances of Land Proceeds	63.1	67
CFD		
Net Bond Proceeds	61.2	73.7
CFD Pay Go[11]	84.0	257.2
Subtotal, CFD	*145.2*	*330.9*
Tax Increment		
Net IFD Bond Proceeds	109.3	143.2
IFD Pay Go	186.7	563.7
Subtotal, IFD	*286.0*	*706.9*
Total Sources	**$697.6**	**$1322.4**
Uses		
Preferred Return to Developer	$88.3	$111.4
Developer Capital Distribution[12]	180.0	217.6
Payments to Developer	*268.3*	*329.0*
Entitlement[13]	25.0	25.0
Hard and Soft IFD Facility Costs[14]	203.3	300.6
Tax Increment Repayment of Land Proceeds[15]	71.9	171.1
Sea Level Rise Protection/Resiliency Improvements[16]	129.2	496.7
Total Uses	**$697.6**	**$1322.4**

Source: Infrastructure Financing Plan

[10] According to Ms. Benassini, nominal amounts are forecasted cash flows between 2012 and 2072 with any numbers prior to 2018 as actual spending. Constant 2017 dollars reflect the sum of actual spending and future projected cash flows, discounted at 3 percent a year.

[11] Revenue stream categories have various magnitudes over time, affecting the difference between the nominal and 2017 dollar totals. The "CFD Pay Go" source category reflects the revenue stream from CFD Special Taxes not committed to debt service in the "Net Bonds" categories of sources. This "Pay Go" revenue stream is small in the early part of the projection, reflecting a 2 percent growth in the tax rate. Then, once bonds are fully repaid, there is a large increase in this revenue stream. This difference – small revenue stream in the early part of the cash flow and large stream in the latter part – drives the difference between the nominal and 2017 dollar totals.

[12] Cash flow from the Project to reimburse the developer for the equity contribution.

[13] Equity spent by the developer to create the entitlement prior to any revenue generated by the Project.

[14] Spending on backbone infrastructure required to create finished pads to be sold to vertical builders to support construction of buildings.

[15] Repayment for the Port's land value investment into the Project, funded by tax increment generated from the Project after debt service needed to service the CFD and IFD bonds. This repayment includes a 4.5 percent interest.

[16] Port's waterfront improvements that will be funded by a special tax ranging from $0.18 to $1.00 per square foot per year to address sea level rise and resiliency protection issues.

Horizontal Infrastructure

Under the proposed DDA, Seawall Lot 337 Associates is obligated to obtain entitlements and complete construction of horizontal infrastructure development. Estimated horizontal infrastructure costs are approximately $190 million[17], as shown in Exhibit 5 below.

Exhibit 5: Estimated Horizontal Infrastructure Costs (2017 Dollars)

Type of Improvement	Estimated Cost (2017 Dollars, millions)				
	Phase 1 (including entitlements)	Phase 2	Phase 3	Phase 4	Total
Demo, Grading, Compaction, Piles and Building Pad Preparation	$6.07	$8.16	$0.64	$0.46	$15.33
Streets, Utilities, Streetscape, and Stone Columns	$31.38	$17.06	$5.70	$10.84	$64.98
Parks and Open Space	$14.01	$0.00	$7.26	$3.20	$24.47
Entitlements, Soft Costs, and Contingency	$53.33	$15.08	$7.90	$8.80	$85.11
Total Infrastructure Budget	$104.79	$40.30	$21.50	$23.30	**$189.89**

A third party review of the hard costs[18] (approximately $104.78 million) by Hathaway Dinwiddie found the hard costs to be reasonable. The review did not assess the costs for entitlements, soft costs, and contingency. According to the proposed DDA, contingency costs are limited to 15 percent or less unless the competitive process demonstrates that the market terms for contingency are higher. In addition, soft costs (e.g., construction management fees, project management costs, and asset management costs) are limited in the aggregate to 15 percent of hard costs. In developing the soft costs and contingency amount thresholds, the Port relied on the third party review of horizontal infrastructure costs for the Forest City project at Pier 70 (File 17-0986) completed by Parsons-Lotus Water Joint Venture Partnership (Parsons) because the Mission Rock Project is in a similar location and includes similar type of work. The Parsons report found that an aggregate 15 percent of hard costs allocation to construction management, project management and asset management costs are reasonable.

[17] According to the Port, a cost difference exists between the approximately $190 million in horizontal infrastructure costs and $203.3 in Hard and Soft IFD Facility costs (Exhibit 4) because of costs which occur late in the cashflow for selected Pier 48 improvements. Pier 48 historic structure rehabilitation costs are eligible expenditures under the IFP but are not primarily captured in horizontal infrastructure costs.

[18] This includes costs for (1) Demo, Grading, Compaction, Piles and Building Pad Preparation; (2) Streets, Utilities, Streetscape, and Stone Columns; and (3) parks and open space.

Entitlement Costs

Since 2010, the developer has incurred costs of approximately $27.4 million for entitlements and is projected to spend approximately $29 million through project approvals.[19] The Port retained JHS, CPAs, an accounting firm, in 2017 to review the Mission Rock Project's preliminary Entitlement Cost Statement. According to the Port, the firm has conducted much of the work required to analyze and validate the entitlement costs and, thus far, has not identified significant issues with the preliminary Entitlement Cost Statement. The firm will present its final conclusions in February or March 2018.[20]

Sources of Funds for Horizontal Infrastructure

Project costs will be funded by developer capital, bond proceeds, development rights payments, annual special taxes and tax increment, and Port capital (funds the Port Commission elects, in its sole discretion to invest in the Project). According to the Port, while all of these sources may be deployed to directly fund project costs under the deal structure, developer capital is projected to be relied upon as the primary early source of project funding because development rights payments, bond proceeds, and annual special taxes and tax increment revenues are anticipated to be available at project outset in relatively limited quantities and to grow over project buildout (i.e. these sources will repay developer capital contribution).

The DDA's Financing Plan provides for the following sources of funds to pay for horizontal infrastructure costs and repay the developer's capital contribution, beginning in 2019:

- Four Port land parcels (Parcels A, B, F, and K) will be conveyed in 75-year ground leases to developers (see Exhibit 6 below) and the ground lease payments will be prepaid in 2019 and 2020. The Port will advance proceeds of the prepaid ground leases beginning in 2019 as a source of funds to pay horizontal infrastructure costs and to begin repaying the developer capital contribution (developer equity) and return on investment discussed further below. The DDA Financing Plan provides for repayment of the Port's advance of prepaid ground lease proceeds from project revenues, beginning in 2024 and extending through 2057.

[19] According to the Port, the Port and Seawall Lot 337 Associates completed modeling for project approvals in late 2017, with a project schedule that anticipated City hearings in 2017 and State Lands hearings in early 2018. The estimated entitlement costs were $25 million at that time and are thus listed as such in the Infrastructure Financing Plan. In part because of the longer time period in preparing for and getting to approvals, entitlement expenditures are currently estimated to be $29 million. While this is a roughly 16 percent increase for entitlement costs, the overall difference in the context of the full set of Project Uses (summing to $697 million) is less than 1 percent.

[20] Within 90 days following Project Approval, the developer will provide a supplemental Entitlement Cost Statement that includes expenses and accrued developer return through the date of Project Approval. The Port is obligated to pay the amount of the Entitlement Sum reflected in the final, reviewed, and approved Entitlement Cost Statement.

- Proceeds from CFD bonds, secured by special taxes on properties in the CFD, beginning in 2020.[21]
- Property tax increment generated by new development in Mission Rock, beginning in 2019, with bonds secured by property tax increment to be issued in 2024.[22, 23]

Prepaid Ground Leases

The Financing Plan timeline assumes that project revenues will become available in 2019, or approximately one year from the time of project approvals. While under the DDA the developer will contribute capital to fund entitlement and initial horizontal infrastructure costs, the project will owe the developer a return on the capital contribution (or return on investment, discussed below), calculated as a percentage of the unreimbursed capital contribution balance. Delay in the conveyance of the pre-paid ground leases, establishment of the CFD, or generation of property tax increment will delay repayment of the developer's capital contribution. As a result, the developer's return on investment would continue to accrue on the unreimbursed capital contribution balance, increasing payments to the developer from project revenues and decreasing the availability of these revenues for direct project costs. The Port plans to advance proceeds from prepaid ground leases to the horizontal infrastructure to expedite the pay down of the developer's capital and return on investment, particularly in Phase 1.

The developer has the option to enter into ground leases for the parcels at fair market value established by appraisal, as discussed below.[24] According to the Ms. Rebecca Benassini, Port Assistant Deputy Director for Waterfront Development Projects, the developer is obligated to exercise its options to enter into ground leases the first two parcels at the appraised fair market value for which the ground lease revenues will be a source of funds to pay down the developer's capital contribution toward project entitlement costs and the associated return on the capital contribution (or "return on investment").

IFD Property Tax Increment, CFD Special Taxes, and Bonds

According to the Port, the first CFD bond is projected to be sold in 2019 concurrent with Phase 1 infrastructure approvals. It will be secured by the entitled land value of the site and the planned Phase 1 value of the infrastructure (a "land secured CFD bond"). The debt service will be paid by the horizontal developer until leases are transferred and vertical builders are in place to support the tax payments. According to the Port, the first vertical buildings are expected to be completed in 2021. This is a projection based upon the expected time required to complete approvals, mapping, and the City's infrastructure review and approvals. According

[21] According to the Port, the CFD will be formed in 2018 and will include all of the parcels at Mission Rock and Pier 48, specifically, parcels A, B, C, D1, D2, E, F, G, H, I, J,K, and Pier 48.

[22] According to the Port, the leases for parcels A, B, G, and K are anticipated to transact in 2019 and will start generating relatively small amounts of tax increment based on construction value. A year after building completion in 2021 and 2022, it is assumed that the parcels will be reassessed based on the value of the improvements.

[23] As noted below, State law limits the use of IFD property tax increment to pay the developer's return on investment. Therefore, the Port plans to use land sale proceeds and CFD special tax proceeds, when available, to pay the developer's return on investment.

[24] If the developer declines to exercise its option for a parcel, the Port will publicly offer the parcel to select a vertical developer, as discussed below.

to the Port, the Port and Seawall Lot 337 Associates are prepared to implement this schedule. Except for soil compaction to prepare the site for development, the developer must obtain Port approval of Phase 1 before spending capital on hard costs. This restriction on spending limits the Port's exposure to outstanding developer capital earning a return without revenue sources to pay the account.[25] The Port expects to issue CFD bonds before the properties are completed and have been working closely with a public financing team (Office of Public Finance, Port Finance and economic consultants) that has determined the viability of the land-secured CFD to be positive.

The IFD tax increment assumes properties will be completed and generating property taxes in 2019-2020. According to the Port, the first vertical buildings – Parcels A, B, G, and K – are expected to be completed in 2021 and 2022. According to Port staff, the Port is aware that the time to get onto the tax rolls may delay the availability of tax increment. During the period while the Office of the Assessor-Recorder is working to bring properties onto the tax rolls, the CFD Special Tax intended to approximate the tax increment can be assessed, making that tax revenue available to service CFD debt. Additionally, all parcels are assumed to be generating tax increment during construction.

Developer Equity and Return on Investment

As noted above, the developer has financed the costs of entitlements of approximately $27.4 million since 2010 for a total of approximately $29 million through the project approvals process and will finance the costs of horizontal infrastructure, for total estimated developer contribution of $193.3 million in 2017 dollars ($217.6 million in nominal dollars) shown in Exhibit 4 above.

To date, Seawall Lot 337 Associates has accrued approximately $15.5 million in return on investment. The Port estimates that the developer's return on investment will be approximately $111.4 million over the life of the project.

Under the Term Sheet approved in May 2013 (File 13-0286), Seawall Lot 337 Associates would receive a return on equity for horizontal development equal to the greater of (1) 20 percent of their unreimbursed equity investment, or (2) 1.5 times the highest balance of their unreimbursed equity investment. Under the May 2013 Term Sheet, Seawall Lot 337 Associates would also receive 20 percent of rent exceeding $4.5 million per year for 45 years, beginning in the year in which total rent first exceeds $4.5 million[26]. Under the proposed DDA, the Port and Seawall Lot 337 Associates have agreed to a lower developer return of 18 percent[27] on outstanding capital in exchange for a greater share of annual rent. In exchange for the lower

[25] The Port's consultant, Economic & Planning Systems, has tested several "timing" sensitivities related to delays and has found that delays in beginning a phase may result in a minor reduction in land value and associated ground rent to the Port, because the spending during the delay is limited.

[26] The $4.5 million threshold does not increase during the 45-year term.

[27] The 18 percent return applies to both entitlement (until the entitlement is completed) and infrastructure costs over four phases of buildout. Dollars invested early in the project, e.g., Entitlement Costs from 2010 through 2017 are exposed to a greater risk of loss (and thus, require a higher return) than dollars invested in, for example, Phase 3, after much of the infrastructure and vertical buildings have been built. Investors will require higher returns on spending to achieve entitlements and lower returns towards the end of the Project.

developer return of 18 percent, Seawall Lot 337 Associates will receive a share of ground rent revenue above $2.5 million as follows:

- 45 percent for years 1 to 25;
- 35 percent for years 26-50; and
- 25 percent for years 51 to 75.

According to the Port, Seawall Lot 337 Associates and the Port agreed to reduce Seawall Lot 337 Associates' upfront return in exchange for more backend sharing and a cost containment mechanism for Phase 1[28]. The Port states that this trade improves several aspects of project performance including: (1) better aligning the parties' interests in preserving annual revenue from the site, by reducing costs and advancing public financing of infrastructure costs and (2) providing for a much lower return on Phase 1 developer equity, if Phase 1 costs exceed the Phase 1 approved budget.

The Port estimates that the developer's return on investment on horizontal equity will be an 18 percent annual return, with quarterly compounding, for each project area, prior to considering backend participation. As noted above, in order to limit costs to the project for the developer's return on investment, the Port plans to advance proceeds from land sales to the horizontal infrastructure to expedite the pay down of the developer's equity and return on investment. Port IFD subproject area property tax increment and bond proceeds, when available after servicing debt, and reimbursing developer funded horizontal costs, will be used to reimburse the Port for the advance of land sale proceeds. State law limits the use of IFD property tax increment to pay the developer's return on investment. Therefore, the Port plans to use land sale proceeds and CFD special tax proceeds, when available, to pay the developer's return on investment.

Under the proposed DDA, developer capital for the project will be repaid with a return equal to the greater of: (1) 1.5 times the highest unreimbursed equity in a given phase ("peak equity" by phase) and (2) an interest rate of 18 percent per year, compounded quarterly, and must sum to at least $40.5 million over the course of the four Project phases. The only exception to this is return on developer capital on entitlement spending, which accrues interest until entitlements are achieved and then interest and return are frozen.

Pre-Paid Ground Leases and Development Rights Payments

Under the proposed DDA, proceeds from the Port's conveyance of the two Lead Parcels will be the primary source to pay the developer's entitlement expenditure and return. Lead Parcels will

[28] Phase 1 Cost Containment (Section 2.6 of the Financing Plan) states the following: If the Parties are unable to identify measures to eliminate the Phase 1 Overage or to agree on measures that could be taken, the Port, in its approval of a revision to the Phase Budget to provide for payment of the Phase 1 Overage, may, in its sole discretion, elect one of the following approaches to fund the Phase 1 Overage: (i) The Port may elect to fund the Phase 1 Overage by a Port Capital Advance, which will bear Alternative Return. (ii) The Port may elect to require that the developer fund the Phase 1 Overage with Developer Capital. Up to $10 million of Developer Capital used for the Phase 1 Overage will bear Alternative Return. Developer Capital above $10 million used to pay the Phase 1 Overage will bear developer return. (iii) The Port may elect to fund part of the Phase 1 Overage and require developer to fund the balance, subject to the limitations of clause (ii) of this Subsection.

be conveyed as fully prepaid 75-year leases. Exhibit 6 below notes the fully prepaid ground leases and development rights payments (meaning, partially prepaid ground leases) anticipated by parcel. Phase 1 parcels include A, B, G, and K. Two of these parcels will be designated as Lead Parcels through the Phase 1 approval process and used to repay the entitlement costs and return.

Exhibit 6 below shows the estimated upfront payments expected when the Port signs leases on the below parcels. $0 for a parcel means that no upfront payment is expected, rather, the parcel will pay rent annually.

Exhibit 6: Estimated Upfront Payments for Parcel Leases

Project Sources (Nominal Dollars)		
Parcel	**Pre-Paid Ground Lease**	**Development Rights Payments**
A	$13,000,000	$0
B	$25,125,000	$0
C	$0	$9,500,000
D	$0	$0
D1	$0	$0
D2	$0	$750,000
E	$0	$0
F	$26,750,000	$0
G	$0	$0
H	$0	$5,100,000
I	$0	$0
J	$0	$0
K	$8,100,000	$0
Total	**$72,975,000**	**$15,350,000**

Proceeds from the Port's conveyance of the Lead Parcels will be the primary source to pay the entitlement sum (the developer's entitlement costs and the developer's return on investment accrued through the effective date of the DDA). The entitlement sum does not accrue the developer's return on investment following the effective date. According to the Port, Lead Parcels will be conveyed as fully prepaid 75-year leases, against which the developer will be entitled to credit bid the lease value.

Master Lease Between the Port and Seawall Lot 337 Associates

Under the proposed DDA, the entitlement sum will stop accruing a return after project approvals are achieved. In exchange for the "freezing" of the return on entitlement costs, the Port has agreed to discounted Base Rent and discounted Percentage Rent on the Master Lease. Specifically, Base Rent and Percentage Rent will be $2.04 million and 56 percent prior to Lead Parcels' conveyance to the developer, then will increase to $2.4 million (reduced on a pro rata

share relative to how much land remains in the Lease and increased by 3 percent per year from lease execution) and 66 percent after conveyance of the Lease Parcels.

Parcel Leases Between the Port and Seawall Lot 337 Associates or Seawall Lot 337 Associates' Affiliates

Reserve and Base Rent

Under the Term Sheet approved in May 2013 (File 13-0286), the reserve rent[29] was set at $3.5 million. Under the proposed DDA, the Port has reduced the reserve rent from $3.5 million to $3.25 million[30]. According to the Port, this reduction would make it more difficult for the developer to delay the Schedule of Performance due to poor market conditions. It also requires the Port to enter parcel leases at potentially lower rents. However, the Port states that parcel rents will be set by appraisal or third-party bid, thus the parcel disposition process assures that the Port will receive fair market rent, regardless of the reserve rent threshold.

Under the proposed DDA, monthly base rent for hybrid leases will be determined by converting fair market fee value to an annual rent according to a formula applied by the appraiser engaged through the DDA conveyance procedures or through the public offering process. Some Parcel Leases will be prepaid in full. Where rent is not fully pre-paid, monthly base rent amount will be fixed in the Parcel Lease and adjusted every 10th year based on 85 percent of the average of the previous 3 years of rent.

Parking Garage Financing Update

Under the Term Sheet approved in May 2013 (File 13-0286), SFMTA considered developing the major parking garage on Parcel D2 of the Project Site. SFMTA ultimately chose not to do so. Under the proposed DDA, the parking garage would be privately financed and developed by a vertical developer affiliated with the developer. The developer has analyzed the feasibility of the parking garage and has concluded that the private financing and development of the garage is feasible as part of the overall Mission Rock Project.

The parking garage is proposed to be developed in Phase 2. If the other vertical development in Phase 2 is proceeding, the Port has the right to require the developer to cause its affiliate to enter into a VDDA for the lease and development of the parking garage, and the failure to do so would be a material breach of the DDA.[31]

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[29] The reserve rent serves two purposes: (1) it defines the parcel ground rent below which the Port may decline to enter a lease and (2) it also defines the rent below which the developer may delay its Schedule of Performance on the Project, due to poor market conditions.

[30] Reserve Rent will be set Site-wide (excluding Lead Parcels, parking structure Parcel D, and Pier 48) to be $3.25 million, which will be allocated proportionally to parcels at the time of the first Phase Submittal.

[31] The parking structure parcel will be conveyed under a parcel lease. The lease provisions provide no public subsidy or public financing mechanism; the garage will be privately financed. The rent for the parcel will begin upon lease execution and is equal to the Office Special Tax rate in effect at the time of lease execution multiplied by the number of square feet of the garage. The Port will also share in 50 percent of the revenue stream, once the annual net revenues from the garage exceed 8.5 percent of the total construction costs.

Transportation Improvements

The Mission Rock Transportation Plan requires vertical developers to pay Transportation Fees[32] that SFMTA will use and allocate for transportation improvements to transit, bicycle, and pedestrian improvements, including improvements in the vicinity of the Project Site. According to SFMTA, unlike the standard practice of withholding transportation fees for citywide purposes, SFMTA agreed to apply the fees, or the equivalent level of funding (equal to the Transportation Sustainability Fee (TSF) as provided in the DDA Exhibit B7) toward a representative list of transit, bicycle, and pedestrian improvements in the neighborhoods surrounding the Project Site. Per the entitlements for Mission Rock and Pier 70, the SFMTA will combine the estimated $43 million in Transportation Fees paid by the project at full buildout with the estimated $45 million in total Transportation Fees paid by the Pier 70 project to fund projects such as increased capacity and reliability on the T-Third line, closure of gaps in the bicycle and pedestrian networks and complete additional improvements to bus service and/or water transit. Transportation Fees are paid at the time of building permits, and therefore will be generated over the 10 years of the projects' phases. According to SFMTA, the agency is committed to seeking other funds to advance the neighborhood investments, and then get repaid with the Transportation Fees as they come in.

Affordable Housing

The Affordable Housing Plan provides for 40 percent of all residential units on the Mission Rock Project Site to be inclusionary units and developed at the following affordability levels shown in Exhibit 7 below.

Exhibit 7: Levels of Affordability for Mission Rock Project

Percent of Total Affordable Housing Units	Area Median Income (AMI) Levels
2%	45%
10%	55%
4%	90%
17%	120%
7%	150%
Total: 40%	**AMI Range: 45% to 150%**

[32] The Transportation Fee will be equal to the Transportation Sustainability Fee listed on the current San Francisco Citywide Development Impact Fee Register for the same land use category with annual escalation in accordance with the methodology currently provided in Section 409 to the date that the Port issues the first construction permit for each Vertical Improvement. For example, the Transportation Sustainability Fee in 2017 for residential buildings with up to 99 units is $8.13/gsf, and $9.18/gsf of residential use in all dwelling units at and above the 100th unit in the building.

The Mission Rock Project's Housing Plan includes 24 inclusionary units that will be set aside to house persons transitioning out of public systems, such as the foster system, or homelessness (TAY units). It is anticipated that the vertical developer developing the TAY units will partner with a qualified non-profit services provider and, in consultation with such provider and the Port and other city agencies, will establish requirements to govern TAY units and any associated service space.

Residential inclusionary units at Mission Rock will be delivered over four phases. Each phase will contain private market-rate residential developments. Within each market-rate residential development, a portion of the residential units will be dedicated as below market rate units affordable to low and moderate income households. As such, the affordable units will be delivered concurrently with market-rate residential units. The affordable units will make up no less than 40 percent of the overall number of residential units within the Project Site.

As noted above, vertical developers of commercial and retail space will pay a Mission Rock Inclusionary Housing Fee, similar to the City's jobs/housing linkage program[33], to support the development of the affordable inclusionary units at the Project Site. Revenues collected from the Inclusionary Housing Fees are estimated to be approximately $39.3 million over the course of the project.

Pier 48

According to the Port, parking and rental revenue for Pier 48 have not been specifically projected because the lease structure envisions the Port and the tenant investing in capital repairs for the facility over time to continue the parking and special events uses. The repairs have not yet been identified. The Port received approximately $850,000 from the current Pier 48 license in calendar year 2017.

Revenue to the Port

The Port received $4.3 million in rental revenues under the five existing leases at Seawall Lot 337 and Pier 48 in calendar year 2017. Under the DDA, the Port will receive base rent and percentage rent from ground leases for the eleven land parcels and one parking facility in Seawall Lot 337 and Pier 48. According to the Port, the project Proforma estimates that the Port would receive $642 million in rent over the 75-year terms of the new ground leases and $1.8 billion in revenue from all Project based sources (including tax increment and special taxes which can be used on eligible capital projects).

Port's Participation in Capital Events

Under the parcel leases between the Port and Seawall Lot 337 Associates or Seawall Lot 337 Associates' Affiliates, the Port would participate in revenue from the transfer of leases as follows:

- If Seawall Lot 337 Associates' affiliates transfer any of the eleven (A, B, C, D1, E, F, G, H, I, J, K) parcels to a new leaseholder, the Port would receive all net lease transfer

[33] Jobs/Housing Equivalency Impact Fees

proceeds to be used exclusively for the costs of horizontal infrastructure development if the building permits have not yet been issued, and 1.5 percent of net proceeds which is exclusively a benefit to the Port, if building permits have been issued (except for the two lead parcels which are not subject to the 1.5 percent participation). The Port would also receive 1.5 percent of net proceeds from refinancing of the lease. If a parcel lease is executed through a public bid, the Port would receive 1.5 percent of net proceeds.

Timing of Sources and Uses

The developer, Seawall Lot 337 Associates, will contribute capital to pay for project costs, prior to property tax increment and other project funds becoming available. The proposed Infrastructure Financing Plan assumes that the developer will contribute $193.3 million (in 2017 dollar equity) or $217.6 million (in nominal dollar equity) through 2029.

According to Ms. Benassini, proceeds from the sale of land or prepayment of ground leases are assumed one month prior to construction of each parcel and are available to pay for project costs immediately.

As noted above, the Port also anticipates issuing the first bond in 2019 and subsequent bonds as vertical leases are signed and construction begins on buildings. Because the IFD Project Area I will not generate property tax increment in 2019, the bonds will be secured by CFD special tax assessments, subject to future Board of Supervisors approval of the CFD. The Port anticipates introducing legislation to approve formation of the CFD atop the 13 subproject areas after the developer has obtained approval of the tentative subdivision map for Seawall Lot 337, which is anticipated to occur in mid-2018. The Port anticipates moving forward with the CFD formation shortly thereafter, by the end of FY 2018-19.

Estimates of Annual Property Tax Increment Generated by Subproject Area I-1 through Subproject Area I-13

Incremental property taxes generated by development of Subproject Area I-1 through Subproject Area I-13 depend on the assessed value of this development.

According to the Infrastructure Financing Plan, property tax increment above $100,000 is forecasted to begin in FY 2020-21.

The project's assessed value has been estimated based on the anticipated value of the leasehold interest as parcels with horizontal improvements are transferred to vertical builders and the estimated cost of vertical improvements. According to Ms. Benassini, a report prepared by Keyser Marston Associates, Inc. estimates that the development of the Mission Rock Project will have an overall value of approximately $500 (in 2017 dollar equity) per gross square foot of building and parking area. The projection assumes that construction costs increase at 3 percent per year and that the value of built-out parcels increase at 2 percent per year. Based on these assumptions, the report estimates that the Project's assessed value will stabilize in FY 2028-29 at which time its value will approximate $2.6 billion, and it will generate approximately $25.7 million of annual property tax/possessory tax increment. Allocating the City's share of property tax (64.59 percent of annual property tax increment), results in an estimated allocation of $16.6 million property tax increment to the IFD. The proposed Infrastructure Financing Plan for

Project Area I's subproject areas estimates that approximately $1.09 billion of cumulative tax increment will be allocated to the IFD over the life of the IFD.

The estimated cumulative[34] and maximum tax increment allocation amounts from each subproject area are shown in Exhibit 8 below.

Exhibit 8. Estimated Cumulative and Maximum Tax Increment Allocation by Subproject Area

Sub- Project Area	Estimate of Projected Cumulative Tax Increment Allocated over 45-year Term (Nominal)	Maximum Limit on Cumulative Tax Increment Allocated over 45-year Term (Nominal)
I-1	$125 million	$370 million
I-2	$80 million	$236 million
I-3	$110 million	$384 million
I-4	$253 million	$829 million
I-5	$47 million	$170 million
I-6	$108 million	$411 million
I-7	$89 million	$266 million
I-8	$51 million	$182 million
I-9	$72 million	$280 million
I-10	$53 million	$204 million
I-11	$42 million	$130 million
I-12	$57 million	$240 million
I-13	$0 million	$143 million
Project Area I Total	**$1.09 billion (nominal); $446,000 (2017 dollars)**	**$3.85 billion (nominal); $1.40 billion (2017 dollars)**

According to the Infrastructure Financing Plan, the total limit on the property tax increment that can be allocated to the IFD from the Sub-Project Areas over their 45-year terms is $3.85 billion. These limits reflect projected total property tax increment plus a contingency factor of approximately 200 percent to account for variables such as higher assessed values of taxable property, more frequent reassessments due to resales, and the time it takes to buildout the project. According to Ms. Benassini, the property tax increment cap does not determine the actual amount of property tax increment allocated to the project through pay-as-you-go or issuance of bonds secured by the property tax increment, which is subject to Board of Supervisors approval.

[34] According to Ms. Benassini, pursuant to the IFD Law, the cumulative amount of tax increment to be allocated to each subproject area is subject to a maximum cap. An estimate of the cap has been established based on the assumption that assessed values increase at an average annual rate of 5 percent per year and that construction costs increase at 12 percent per year. For context, the citywide assessment roll has increased at an average annual rate of 6 percent since FY 2004-05.

Waterfront Set-Aside Requirement

According to the Infrastructure Financing Plan, 20 percent of the property tax increment generated in the subproject areas must be set-aside for shoreline restoration, removal of bay fill, public access to the waterfront, and/or environmental remediation of the waterfront in accordance with the requirements for "waterfront districts" as stipulated in California Government Code Section 53395.8(g)(3)(C)(ii). The 20 percent allocation requirement applies to IFD Project Area I as a whole.

Bond Issuance (File 17-1315)

The proposed resolution (File 17-1315) provides for the approval of the issuance of bonds, secured by property tax increment. The bond authorization would be for up to $1.378 billion[35] for the project.

The Port anticipates issuing a combination of (1) CFD bonds backed by special taxes and IFD tax increment; (2) CFD bonds backed only by special taxes; and (3) IFD bonds backed by tax increment.

The proposed Infrastructure Financing Plan's assumptions for the bond authorization include an interest rate of 6 percent, a term of 30 years, issuance cost of 4 percent, reserves of 8 percent, and an annual debt service coverage ratio of 1.1. The Port anticipates issuing a CFD bond in FY 2018-19.

POLICY CONSIDERATIONS

Project Risks to the City

The proposed DDA between Seawall Lot 337 Associates and the Port provides a complex financing scheme to develop public projects. Revenues generated by the Mission Rock Project are intended to cover most public project costs. Seawall Lot 337 Associates invested its own equity for entitlements and will invest its own equity for horizontal infrastructure development, which will be reimbursed from available project-generated taxes. The DDA states that the developer cannot compel the City to use General Fund or Harbor Fund monies (except for lease revenues generated in the project site and Port capital committed to the Project in a Port Commission approval of a Phase Budget)[36] to reimburse the developer for its costs to develop the horizontal infrastructure or other developer obligations under the DDA.

Changes to the project's financing assumptions, especially in Phase I, could delay completion of the project and potentially reduce the amount of public funding for the horizontal infrastructure and future projects. For example, the DDA Financing Plan includes an initial project Proforma, which contains key revenue and expenditure assumptions for the Mission Rock project site. The Proforma incorporates certain assumptions that informed the drafting of

[35] According to the Port, the maximum bond authorization is estimated by discounting the maximum projected tax increment by 3 percent to simulate a favorable bond environment.

[36] No City General Funds or Port Harbor Funds are pledged for the Project, other than lease revenues from the site (in certain circumstances). The Port Commission will have the option in its sole discretion to invest Port Capital in the Project and to earn a 10 percent cumulative annual return, compounded quarterly, on this investment.

the Financing Plan, including that the developer's entitlement costs would be reimbursed by prepaid lease revenues from two "Lead Parcels" in Phase 1. A significant decrease in the value of those two Lead Parcels would potentially impede the developer's and the Port's ability to move forward with Phase 1, as it is currently envisioned.

According to the Port, the only way to issue debt based on CFD revenues early in the Project will be to form a CFD over the Mission Rock project site and seek Board of Supervisors authorization to sell a CFD bond repaid by a special tax levy on undeveloped property at the site for which the entitled land serves as collateral.

To begin a phase, the developer must submit a phase application and a phase budget. The developer has the option to enter into ground leases for the parcels at fair market value established by appraisal. If the developer declines to exercise its option for a parcel, the Port will publicly offer the parcel to select a vertical developer. According to the Port, Proforma modeling indicates that the first three to four leases will need to be fully prepaid fair market rent at the close of escrow to finance Phase horizontal costs while nearly all of the remaining leases are anticipated to have annualized lease structures, meaning the fair market rent will be paid each year, with no upfront payment due at closing.

Rent on all ground leases must meet two financial tests for the Port to be required to enter into a lease: (1) the sum of prepaid rent from all parcels within a phase must be sufficient, when combined with existing and projected public financing sources, to repay all horizontal development costs for the phase (including accrued interest) and (2) the annual ongoing ground rent from the parcel must meet the reserve rent, which is the site wide minimum annual guaranteed rent from the Project.

Because the developer's return on investment continues to accrue, delays in funding to reimburse Seawall Lot 337 Associates for its equity investment and return on investment will increase the developer return on project equity, potentially reducing funding for other uses.

Risks of Insufficient CFD and IFD Revenues

The Port estimates that the CFD Special Taxes and CFD Maintenance Taxes are likely to total about $3.50 per gross office square foot per year and about $2.12 per net residential square foot per year (proportionally less for Below Market Rate square footage). IFD tax increment will depend on the assessed value of properties on the tax roll, which could be lower than projected if (1) fewer square feet than assumed are developed, and/or (2) property values are lower than assumed due to market conditions when certificates of occupancy are issued.

Potential Changing Market for Financial Investors for IFD and CFD Bonds

While the investment market for CFD bonds is established, IFD bonds are a new debt instrument. The extent to which investors will be interested in purchasing these bonds is not known, although the IFD bonds, which are secured by property tax increment, are similar to bonds issued by former redevelopment agencies, which were an established market. The proposed Infrastructure Financing Plan's assumptions for CFD bonds include an interest rate of 6 percent, a term of 30 years, issuance cost of 4 percent, reserves of 8 percent, and an annual debt service coverage ratio of 1.1. The proposed Infrastructure Financing Plan does not include

assumptions for IFD bonds since the Port has not modeled IFD bonds yet. IFD bond sales may occur when developed properties are added to the tax roll, which could take until 2027 or 2028.

Summary

The Mission Rock Project is a complex project, subject to financing risks, as noted above, and other development risks. The Project plan under the proposed DDA generally conforms to the 2013 Term Sheet endorsed by the Board of Supervisors and the conditions set by Proposition D. For the Mission Rock Project to be implemented, the Board of Supervisors needs to authorize pending legislation, outlined in Exhibit 3 above, as well as future legislation for the approval of the formation of the CFD atop the 13 subproject areas. Because this legislation has not yet been considered by the Board of Supervisors, approval of the proposed resolution is a policy matter for the Board of Supervisors.

RECOMMENDATIONS

1. Amend the proposed resolution (File 18-0092) to request the Port Executive Director to report to the Board of Supervisors annually in May of each year on the status of the project and project financing.
2. Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors.

Lodged with Board of Supervisors 2/1/18.

CITY AND COUNTY OF SAN FRANCISCO

MARK FARRELL, MAYOR

DISPOSITION AND DEVELOPMENT AGREEMENT

BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO,
ACTING BY AND THROUGH THE SAN FRANCISCO PORT COMMISSION

AND

SEAWALL LOT 337 ASSOCIATES, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

MISSION ROCK PROJECT

ELAINE FORBES, EXECUTIVE DIRECTOR

SAN FRANCISCO PORT COMMISSION

KIMBERLY BRANDON, PRESIDENT
WILLIE ADAMS, VICE PRESIDENT
LESLIE KATZ, COMMISSIONER
DOREEN WOO HO, COMMISSIONER

[REFERENCE DATE]

Lodged with Board of Supervisors 2/1//18.

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Appendix Part B	Glossary of Defined Terms
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DDA Exhibit A1	Legal description
DDA Exhibit A2	Site plan
DDA Exhibit A3	Land Use Plan
DDA Exhibit A4	Provisions for Office Development
DDA Exhibit A5	Mitigation Monitoring and Reporting Program
DDA Exhibit A6	Other City Requirements o Exhibit A: DA Ordinance
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DDA Exhibit B2	Schedule of Performance
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DDA Exhibit B4	Intentionally omitted.
DDA Exhibit B5	Housing Plan o Exhibit A: Form of Declaration of Restrictions for Inclusionary Units o Exhibit B: Housing Data Table
DDA Exhibit B6	B6-A: Workforce Development Plan o Attachment A: First Source Hiring Agreement o Attachment B: Local Hiring Agreement B6-B: Local Business Enterprise Utilization Program o Attachment A: Local Business Enterprise Utilization Plan
DDA Exhibit B7	Transportation Exhibit o TP Schedule 1: Mission Rock Transportation Plan o TP Schedule 2: TDM Plan
DDA Exhibit B8	Sustainability Strategy o Exhibit A: Sustainability Strategy Implementation Checklist
DDA Exhibit B9	Required Submittals for SOP Compliance Request
DDA Exhibit B10	Form of Master Lease
EXHIBIT TAB C	**PROJECT FINANCE**
DDA Exhibit C1	Financing Plan o FP Exhibit A: Intentionally omitted o FP Exhibit B: Form of Promissory Note o FP Exhibit C: RMA Outline o FP Exhibit D: Participation Agreement

DESIGNATION	NAME
	o FP Schedule 1: Summary Proforma o FP Schedule 2: Preliminary Entitlement Sum Statement o FP Schedule 3: Special Fund Trust Accounts o FP Schedule 4: Sample Credit Bid calculations
DDA Exhibit C2	Appendix I to IFD Financing Plan for IFD Project Area I Sub-Project Areas
DDA Exhibit C3	Term Sheet re Rate and Method of Apportionment for Mission Rock CFD
DDA Exhibit C4	Tax Allocation Memorandum of Understanding between the City, through the Controller and the Treasurer and Tax Collector, and the Port o MOU Exhibit A: Financing Plan o MOU Exhibit B: Appendix I o MOU Exhibit C: RMA Term Sheet o MOU Exhibit D: Intentionally omitted
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DISPOSITION AND DEVELOPMENT AGREEMENT
Mission Rock Project

This **DISPOSITION AND DEVELOPMENT AGREEMENT** (this "**DDA**") between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation and charter city (the "**City**"), acting by and through the **SAN FRANCISCO PORT COMMISSION** (the "**Port**" or the "Port Commission"), and **SEAWALL LOT 337 ASSOCIATES, LLC**, a Delaware limited liability company ("**Developer**"), is dated for reference purposes only as of the date specified on the title page (the "**Reference Date**"). Developer and the Port are each a "**Party**" to this DDA.

Initially capitalized and other terms are defined in the Appendix or other Transaction Documents as specified in the Appendix, which contains standard provisions, definitions, and rules of interpretation applicable to all Transaction Documents.

RECITALS

A. The Port owns about 7½ miles of tidelands and submerged lands along San Francisco Bay. This DDA specifies the Port's terms for Developer's master development of the Project Site. The legal description and site plan for the Project Site are contained in **DDA Exhibit A1** and **DDA Exhibit A2**.

B. The seawall lots are tidelands that were filled and cut off from the waterfront by the construction of the great seawall in the late 19th and early 20th centuries, and by the construction of the Embarcadero roadway which lies, in part, over a portion of the great seawall. Seawall Lot 337, the largest of the designated seawall lots, is located just south of China Basin and for years has been used as a surface parking lot.

C. Through legislation known as SB 815, the California Legislature has found that the revitalization of Seawall Lot 337 is of particular importance to the State of California. Under SB 815, the Port is authorized to ground lease portions of the Project Site to permit development of improvements that may be used for nontrust uses to enable higher economic development and revenues. Some of the revenues from these leases will be advanced to pay for early infrastructure costs of the Project, with remaining infrastructure costs paid with Project-generated special taxes and property taxes. The Port will use nontrust lease revenues, as well as repayment of lease revenues advanced for infrastructure costs, to preserve its historic resources and for other public trust consistent uses permitted under SB 815.

D. Following a public solicitation process to implement goals and objectives developed through a multi-year community process, the Port Commission awarded Developer the opportunity to negotiate exclusively for the lease, construction, and operation of the Project Site in 2010. Negotiations resulted in a Term Sheet that the Port Commission and the Board of Supervisors endorsed in 2013.

E. Mission Rock will be a new mixed-use neighborhood created on a site now used principally to provide parking for the Ballpark. The Project will complement and link Mission Bay to the urban fabric of the City. At build-out, the Project would include approximately 3,600,000 gsf of above-grade development and create approximately 8 acres of new and expanded parks and shoreline access.

F. Seawall Lot 337 will be developed in Phases consisting of one to four Development Parcels each. Eleven of the parcels will provide a mix of commercial/office, retail, and market rate and affordable residential uses, with the precise combination of uses determined by market demands as the Project progresses. One or two Garages will serve the development and other nearby uses, including games and other events at the Ballpark. Most new buildings will have ground floor retail or neighborhood-serving uses.

G. Pier 48 is part of the Project that the Port will convey under a separately negotiated ground lease with its own development schedule. The Port and Developer will work cooperatively to identify a development plan and tenant at Pier 48 that will include a mix of uses to meet public trust requirements, including continued maritime operations on Pier 48's south apron and public access. Developer will enter into an interim lease of Pier 48 for parking and event use in the form of **DDA Exhibit B11**.

H. On November 3, 2015, San Francisco voters approved the *Mission Rock Affordable Housing, Parks, Jobs and Historic Preservation Initiative* (Proposition D), which authorized increased height limits on the Project Site, subject to environmental review, and established a City policy to encourage development of the Project Site with the major features listed below. Proposition D specifically provides that it is intended to encourage and implement the lease and development of the Project Site as described in SB 815 to support the purposes of the Burton Act, especially the preservation of historic piers and historic structures and construction of waterfront plazas and open space.

I. The Project is the culmination of many years of community-based planning and coordination with Other Regulatory Agencies. Project features and Associated Public Benefits include those specified below.

1. The Project will create a vibrant mixed-use community, woven into the fabric of the surrounding Mission Bay and South Beach neighborhoods, without displacing any current residents or businesses. The Project will include between 1,000 and 1,950 housing units, nearly all of which are expected to be rental and 40% of which will be affordable to low- and middle-income households.

2. The Project will create approximately 8 acres of major new and expanded parks, pedestrian plazas and rehabilitated public piers and wharves, and will also provide a dynamic range of space for shops, restaurants, cafés, neighborhood-serving retail uses, such as a grocery store, and community spaces, as well as commercial/office and light industrial space.

3. The Project will implement a Sustainability Strategy that provides leadership in long-term sustainability planning and design. Resilient design strategies will be implemented to respond to climate change and resulting sea level rise.

4. The development of the under-utilized Project Site will generate significant revenues to the City and its Port, estimated at more than $1 billion over the life of Mission Rock, including increased rent payable to the Port of San Francisco, increased property, parking and sales taxes, and Impact Fees.

5. Mission Rock will create an estimated 13,500 temporary construction jobs and 11,000 permanent jobs on- and off-site. Planning, design, and construction work for Mission Rock will provide substantial contracting opportunities for local contractors and professional service firms, as well as many businesses, employers, and organizations.

J. The Planning Commission reviewed and considered the proposed environmental impact report for the Project, consisting of the draft environmental impact report and the "Comments and Responses" document on October 5, 2017. By Motion No. 20018, the Planning Commission certified the completion of the Final EIR in compliance with CEQA based on its findings that: (1) the contents of the report and the procedures through which the report were prepared, publicized, and reviewed comply with CEQA law; (2) the proposed report reflects the City's independent judgment and analysis, is adequate, accurate, and objective; and (3) the Comments and Responses document contains no significant revisions to the draft report. In connection with Project Approvals, the Port Commission and the Board of Supervisors each adopted CEQA Findings, including a Statement of Overriding Considerations, and the MMRP. A complete list of Project Approvals is attached to the Development Agreement.

AGREEMENT

1. PROJECT OVERVIEW

1.1. Purpose and Term.

(a) Purpose. This DDA governs the Parties' respective rights and obligations with respect to the portion of Project to be master developed, as described briefly in **Subsection 1.2(b)** (Master Development) and incorporates all applicable requirements and limitations under the Project Approvals and implementing documents attached as DDA Exhibits.

(b) Term.

(i) The DDA Term will begin on the Reference Date.

(ii) Unless terminated under **Article 11** (Material Breaches and Termination), the DDA Term will end on the earlier of: (1) the date that is 30 years after the Reference Date, as extended by Excusable Delay for any reason other than Down Market Delay; and (2) when the Port has issued the Final Certificate of Occupancy for the Project and accepted the Final Audit.

(iii) Termination of this DDA will not affect any provisions of this DDA, the Acquisition Agreement, the Financing Plan, or other Transaction Documents that expressly survive termination.

(c) Pier 48. The Port and Developer or an Affiliate of Developer will enter into an interim lease for Pier 48 that will provide for terminable termination to allow for the rehabilitation of Pier 48 in accordance with the Pier 48 Rehabilitation Plan under a Pier 48 Development Lease.

1.2. Project Description. The Project consists of the horizontal and vertical development of the Project Site and, when an Interested Pier 48 User is identified, potential rehabilitation of Pier 48 in accordance with the Pier 48 Rehabilitation Plan, consistent with the Waterfront Plan, the Land Use Plan, and the SUD. Key elements of the Project are summarized in this Section.

(a) Project Site. The Project Site consists of Seawall Lot 337, a portion of Terry A. Francois Boulevard, Pier 48, a portion of the wharf between Pier 48 and Pier 50, China Basin Park, and certain other property, all as more specifically described in **DDA Exhibit A1** and as depicted on **DDA Exhibit A2**. Seawall Lot 337 will be subdivided into 12 Development Parcels identified as Parcels A through C, D1, D2, and E through K.

(b) Master Development. Developer is responsible for master development of the new Mission Rock neighborhood encompassing the Project Site as more specifically set forth in this DDA. As soon as practicable after the Reference Date, the Port and Developer will enter into the Master Lease for all of the Project Site except Pier 48. Through Escrow, each Development Parcel that the Port conveys to a Vertical Developer will be released from the Master Lease at the Close of Escrow for the pertinent Parcel Lease, as more specifically set forth in the Master Lease. This DDA establishes the Parties' respective rights and obligations, including Project Requirements, that will apply to horizontal development of Mission Rock and the process for conveyance of Parcel Leases to Vertical Developers.

(c) Pier 48. As soon as practicable after the Reference Date, the Port will enter into the Pier 48 Lease with Developer or its Affiliate.

1.3. Mission Rock.

(a) Horizontal Development. Developer has the right and obligation to construct the Horizontal Improvements for the Project in coordination with vertical development, subject to the terms and conditions in this DDA and all required Regulatory Approvals.

(b) Later Approvals. **Section 14.4** (Regulatory Approvals) will apply to all Later Approvals. In addition, the following will apply to the Parties' efforts to reach the Entitlement Date.

(i) Developer has begun and will diligently pursue the process to obtain a BCDC major permit and will cooperate with the Port's efforts under **clause (ii)** of this Subsection.

(ii) The Port has begun and will diligently pursue the process to obtain State Lands approvals required under Section 4.5 and Section 6(b) of B 815.

(c) Phasing. The Project is expected to be developed in four Phases, as shown in the Phasing Plan attached as **DDA Exhibit A4**, which illustrates the expected size, order, and duration of the Project's Phases and the Parties' best estimates of the conditions that are forecast for the expected development period. Each Phase Area includes Development Parcels and areas that will be developed as Public ROWs and Public Spaces. Features of Phases are discussed in **Article 2** (Project Phasing). Procedures for Phase Approval and adjustments to Phases are addressed in **Article 3** (Phase Approval).

(d) Horizontal Improvements.

(i) The Parties' respective roles regarding Developer's horizontal development activities and applicable construction procedures and standards are described in **Article 12** (Improvement Plans), **Article 13** (Construction Generally), and **Article 14** (Horizontal Development). Together, the Land Use Plan and the Phasing Plan reflect the Parties' current expectations regarding the progression of the Project as a whole.

(ii) The Schedule of Performance establishes Outside Dates by which Developer is required to begin and complete key benchmarks for each Phase of the Project, subject to extension for Excusable Delay under **Article 4** (Excusable Delay). Developer's failure to meet its obligations by the Outside Dates may result in a Material Breach for which the Port could exercise remedies up to termination of this DDA under **Article 11** (Material Breaches and Termination).

(iii) Developer is obligated to construct new and upgraded Horizontal Improvements for the Project Site under this DDA as described in the Infrastructure Plan attached as **DDA Exhibit B1**. Master Utilities Plans and approved Improvement Plans consistent with the approved Infrastructure Plan will be subject to the approval of the responsible Acquiring Agencies as described in the ICA. The Subdivision Code regulates the subdivision map process. The Design Controls provide development controls and design guidelines for street and sidewalk landscaping and furnishings, public parks, and other public access areas in conformance with the SUD.

(iv) The Interagency Cooperation Agreement attached as **DDA Exhibit A9** and the Subdivision Code establish procedures applicable to Other City Agency review and approval of plans, specifications, Subdivision Maps, and Improvement Plans for the Project. Certain Other City Agencies have agreed to, and the Board of Supervisors has directed the Other City Agencies to

comply with, undertaking their review and approvals according to procedures in the ICA.

(e) Vertical Development.

(i) The Port will convey Development Parcels to Vertical Developers by Parcel Leases as described in **Article 7** (Parcel Leases) in accordance with procedures in the Vertical DDAs. Each Vertical Developer's development rights and obligations, which may include the obligation to complete Deferred Infrastructure, will be specified in a Vertical DDA, and permitted uses will be specified in a Parcel Lease.

(ii) Vertical development will include a mix of office, retail, restaurant, parking, and market rate and affordable residential uses conforming to the Land Use Plan attached as **DDA Exhibit A3**. The SUD and the Waterfront Plan regulate vertical development, and the Design Controls provide guiding principles for the design of Vertical Improvements.

(f) Certain Other Construction Obligations. DDA Exhibits and other Transaction Documents provide more detail about Project Requirements, including Associated Public Benefits that will be provided through the Project, some of which are listed below.

(i) The Housing Plan attached as **DDA Exhibit B5** describes how each Vertical Developer of a Residential Project will be required to deliver affordable housing though production of Inclusionary Units. The Housing Plan also addresses how Jobs/Housing Equivalency Fees will be allocated to the Project, acceptable marketing procedures for the Inclusionary Units, the distribution of Inclusionary Units within Residential Projects and the Project Site, and related matters.

(ii) The Transportation Exhibit attached as **DDA Exhibit B7** describes certain transportation and transit-related improvements (some of which may be public facilities) and initiatives to serve visitors to and residents and workers in the neighborhood. Developer's obligations include payment of the Transportation Fee, a TDM Program, and an Event Management Plan.

(iii) The Sustainability Strategy attached as **DDA Exhibit B8** describes sustainability goals for the Project, specifies certain measures that both Developer and Vertical Developers will undertake to further the City's environmental goals. The attached Sustainability Checklist establishes persons responsible for implementing required measures.

(iv) The MMRP attached as **DDA Exhibit A5** describes all the measures required to mitigate environmental impacts of the Project and identifies a responsible person for each measure. Developer is required to undertake all Developer Mitigation Measures.

(v) *DA § 5.4(b)(iv) (Child Care)* establishes a Child Care Equivalency Fee that Vertical Developers of nonresidential uses will pay to the Port. These fees will be used to assist one or more Vertical Developers or their tenants to provide childcare facilities within the Project

(vi) Developer may offer through a Phase Submittal, or the City may request during a Phase Submittal review process, to include in one or more Phases up to a Project-wide total of 15,000 gsf of space for community facilities under *DA § 5.4(b)(vii) (Community Facilities)*.

(g) Financing Plan. The Financing Plan for the Project, attached as **DDA Exhibit C1**, establishes the Parties' agreement on capital sources for Horizontal Development Costs, the use of Public Financing Sources, and the flow of all Project Payment Sources to reimburse Developer and the Port for their capital investments in Horizontal Development Costs with Developer Return and Port Return, respectively.

(h) Conveyances.

(i) Under this DDA, Developer has an Option to ground lease each Development Parcel. Development Parcels are divided into the following three categories:

(1) Option Parcels are Development Parcels that the Port will convey for Fair Market Value as determined under **Section 7.4** (Fair Market Value).

(2) Lead Parcels are a subset of Option Parcels. Lead Parcels will be conveyed by Prepaid Leases in Phase 1. At least two Lead Parcels in Phase 1 will be designated through the Phase 1 Phase Submittal process.

(3) A Garage Parcel is a Development Parcel on which a Vertical Developer Affiliate will build a Garage. The Garage Parcels are Parcel D2 and, if Developer elects under **Section 2.6** (Mission Rock Square Garage) to create an air parcel below Mission Rock Square in which to build the Mission Rock Square Garage, the Mission Rock Square Garage Parcel.

(ii) The Port has granted Options to Developer under which it may acquire leasehold interests in the Option Parcels at Fair Market Value. As described in **Article 7** (Parcel Leases), after Developer exercises an Option, the Port will be obligated to enter into a Vertical DDA with Developer or a Vertical Developer Affiliate that will establish the conditions for the Port's conveyance by a Parcel Lease substantially in the form of **DDA Exhibit D2**.

(iii) Under certain circumstances, as set forth in **Article 7** (Parcel Leases), the Port has a Put Option under which it can require Developer to exercise its Option as to one or more Development Parcels in a Current Phase within the Put Option Period.

(iv) If Developer elects not to exercise its Option for any Development Parcel subject to the Put Option, the Port has the right to undertake a Public Offering of that Development Parcel as described in **Article 7** (Parcel Leases).

(i) Controlling Laws. Nothing in this DDA affects the Parties' respective obligations under this DDA to comply with the Regulatory Requirements and the Development Agreement, as applicable to the Improvements required or permitted to be made to the Project Site.

1.4. Special Use District. The SUD and related zoning maps prescribe allowed uses and certain development standards at the Project Site. Planning Code provisions covering matters that are not addressed in the SUD will apply to the Project Site as modified by the Development Agreement. Allowed land uses under the SUD are shown in **DDA Exhibit A5**.

1.5. Land Use Table. The following table reflects the principal land uses for Development Parcels under the Land Use Plan on the Reference Date.

Parcel	Phase	Anticipated Principal Use on Reference Date
Parcel A	1	Residential
Parcel B	1	Commercial-Office
Parcel C	2	Commercial-Office
Parcel D1	2	Residential
Parcel D2	2	Garage
Parcel E	3	Commercial-Office
Parcel F	3	Residential
Parcel G	1	Commercial-Office
Parcel H	4	Residential or Commercial-Office
Parcel I	4	Residential or Commercial-Office
Parcel J	4	Residential or Commercial-Office
Parcel K	1	Residential

2. PROJECT PHASING

2.1. Schedule of Performance.

(a) Outside Dates. The Outside Dates for certain Project benchmarks are specified in the Schedule of Performance attached as **DDA Exhibit B2**, subject to extension as provided in **Article 4** (Excusable Delay). Developer may request changes to Outside Dates or other revisions to the Schedule of Performance, subject to the Port's approval under **Section 3.7** (Changes to Phase) and **Section 3.8** (Changes to Project). For the Parties' convenience, following a Transfer, the Port, Developer, and the Transferee may agree to maintain one or more separate schedules of performance related to the Transferee's obligations under this DDA for the remainder of the Project or for any relevant Phase.

(b) Coordinated Horizontal and Vertical Construction. To the greatest extent feasible, construction of Horizontal Improvements in each Phase will be coordinated with construction of Vertical Improvements throughout the Project.

2.2. Development Process for Each Phase. The horizontal development process for each Phase is outlined generally in this Section.

(a) Phase Submittals. Developer will initiate each Phase by submitting the applicable Phase Submittal to the Port under **Article 3** (Phase Approval).

(b) Subdivision Maps. Developer is responsible for subdividing the Project Site (except Pier 48), but agrees not to submit any proposed Subdivision Map to Public Works for review and approval under the Subdivision Code without the Port's prior review as landowner. The Port will advise Developer within 30 days after receiving each proposed Subdivision Map of the Port's determination of consistency with Project Requirements. If the Port fails to do so, Developer will be entitled to claim Administrative Delay.

(c) Site Preparation. The Project Site consists largely of uncompacted fill. As a result, among other horizontal development activities to prepare the Project Site for development activities, Site Preparation includes:

(i) deep dynamic compaction of the Project Site, which Developer will perform in two phases; and

(ii) restoration of the area as necessary for the permitted uses under the Master Lease.

(d) Phase Improvements. Developer is required to obtain all necessary Regulatory Approvals before beginning construction of Phase Improvements and an SOP Compliance Determination after they are finally complete.

(e) Fair Market Value Determinations. Subject to **Subsection 7.1(c)** (Lead Parcels), Developer may initiate the Fair Market Value determination process for any Option Parcels in a Phase at any time after submitting its Phase Submittal.

(f) Parcel Leases. After the City approves the Final Map for the Phase Area, and each Party has satisfied or waived the conditions to Close Escrow under the Vertical DDA, the Port will Close Escrow on the Parcel Lease for each Development Parcel. Each Vertical DDA will include:

(i) procedures for the Vertical Developer to obtain required Regulatory Approvals for its Vertical Improvements and any Deferred Infrastructure for which the Vertical Developer is responsible; and

(ii) the required schedule for the Vertical Developer to begin and complete its Vertical Improvements.

2.3. Phase Areas.

(a) Phase Area Boundaries. The preliminary boundaries of the Phase Areas are shown in the Phasing Plan. Developer may request changes to the boundaries of a Phase Area, subject to:

(i) the City's approval of the revised Final Map for the Phase Area; and

(ii) the Port's consent to the revised Final Map and approval under **Section 3.7** (Changes to Phase).

(b) Parcel Boundaries. The preliminary boundaries of the Development Parcels are shown in the Phasing Plan. A Vertical Developer may request changes to the boundaries of a Development Parcel, subject to:

(i) the City's approval of the revised Final Map for the Development Parcel; and

(ii) the Port's consent to the revised Final Map and approval to the extent required under the applicable Vertical DDA.

(c) Associated Public Benefits. Because the Project will be built out over a number of years, the amount and timing of Associated Public Benefits are allocated by Phase. Developer may request changes to the Associated Public Benefits for any Phase, subject to the Port's approval under **Section 3.7** (Changes to Phase).

(d) Phasing Order. Developer will submit Phase Submittals in the order listed in the approved Phasing Plan. Developer may request changes to the approved order, subject to the Port's approval under **Section 3.4** (Phase Submittal Review Process).

2.4. Phasing Goals. The Phasing Plan reflects the following Phasing Goals.

(a) Proportionality. Associated Public Benefits in each Phase of horizontal development should be provided no less than proportionately with that Phase's share of the housing and commercial-office uses in the Project as a whole. In determining proportionality, the following will apply.

(i) If any Prior Phase provided more than its proportionate share of Associated Public Benefits, then Later Phases may provide fewer Associated Public Benefits so long as no Later Phase is required to bear more than its proportionate share.

(ii) Proportionality is to be evaluated on a Project-wide basis.

(b) Functional Development. The scope of Horizontal Improvements should be appropriate for the Vertical Improvements to be built in each Phase Area, consistent with the Infrastructure Plan, Housing Plan, Transportation Exhibit, and Sustainability Strategy, and should be developed in an orderly manner so as to coordinate with the needs of vertical development. Completed infrastructure should provide continuous reliable access and utilities to visitors, residents, and businesses.

(c) Affordable Housing. Inclusionary Units will be provided in each Residential Project in conformity with the Housing Plan.

(d) SB 815. The Phasing Plan should be consistent with the requirements of SB 815 and with the Port's fiduciary duties as a trustee of the public trust.

(e) Flexibility. Subject to Outside Dates, the Phasing Plan should provide enough flexibility to allow Developer, with the Port's approval, to adjust the Phases to respond to market conditions, cost and availability of financing, and economic feasibility.

(f) Feasibility of Later Phases. Subject to *FP § 2.6 (Phase 1 Cost Containment)*, each Phase, including the Current Phase and each Later Phase, should be projected to have sufficient Project Payment Sources to satisfy the Phase-specific Project Payment Obligation.

2.5. Garage Phase Requirements.

(a) Garage Phasing. At full buildout, the Project may include up to 3,100 parking spaces, of which up to 3,000 may be Garage Spaces, that will serve the entire Project as well as the Ballpark and other nearby facilities.

(i) Under the current Phasing Plan, the Parcel D2 Garage would be developed in Phase 2 and would be the only Garage developed in the Project. A Residential Project would be developed in Parcel D1, an air parcel to be created above Parcel D2.

(ii) Developer will have the right to change the Phasing Plan and defer the Parcel D2 Garage to a Later Phase on the following conditions.

(1) The Final Map for Phase 2 creates Parcel D1 as a land parcel with sufficient area for development of a stand-alone building, whether or not the Parcel D2 Garage is built. The boundaries of Parcel D2 would be reduced to accommodate both land parcels in the footprint of the area designated for Parcel D2 in the current Phasing Plan.

(2) If the Port exercises a Put Option under **Section 7.3** (Parcel Put) for any other Parcel in the Phase that includes Parcel D2, the Port also may deliver a Garage Put Notice that will require Developer to exercise its Option for Parcel D2. Developer will exercise its Option through a Vertical Developer Affiliate, which will be obligated to enter into a Vertical DDA to develop the Parcel D2 Garage within 90 days after the Garage Put Notice is delivered to Developer. A Vertical Developer Affiliate's failure to timely enter into the Parcel D2 Vertical DDA will be a Material Breach under **Section 11.2** (Material Breaches by Developer).

(3) The size and configuration of the Parcel D2 Garage will be established through the Phase Submittal process for the Garage Phase, subject to **Subsection 2.5(b)** (Garage Report).

(b) Garage Report. No more than six months period before submitting a Phase Application for any Garage Phase, Developer will submit to the Port, with copies to the Planning Director and the Director of Transportation, a Garage Report containing the following information:

(i) the status of vertical build-out in any Prior Phases;

(ii) a summary of TDM Plan implementation, including progress towards achieving the goal of reducing estimated aggregate daily one-way vehicle trips by 20%, and current parking usage for any completed development project and of other parking available on the Project Site;

(iii) a conceptual analysis of the Garage, including the expected capacity of the Garage at completion, a discussion of any features of the design that would allow for adaptability of portions of the Garage, and any requirements for future adaptation;

(iv) the financial feasibility of the Garage, including estimates of parking demand and how the estimates relate to parking ratios approved by the City during the prior three years in comparable office, residential, and commercial projects in similar submarkets, such as the Mission Bay North and South of Market submarkets;

(v) a summary of TDM efforts then being implemented for the Ballpark, including the most recently available data from surveys of Ballpark patrons and their transportation mode to and from San Francisco Giants home games, parking demand associated with home games, and a discussion of how these travel behaviors are expected to change over the following five to ten years;

(vi) a narrative description of the implementation of the parking management plan for the operation of the Garage, any wayfinding or park-assist systems, an event-period operations plan, and plans for queue abatement measures to avoid any excessive recurring queuing during non-event periods that could affect the operation of the T Third MUNI line;

(vii) a draft of the proposed pricing structure for the Garage in accordance with **Subsection 2.5(d)** (Garage Phase Submittals); and

(viii) an evaluation of the potential for a portion of Ballpark parking demand to be met through other proximate offsite options that could be secured on a long-term basis at comparable cost to the San Francisco Giants and Ballpark patrons.

(c) Garage Recommendations.

(i) After Developer submits the Garage Report, the Port and Developer will meet with the Planning Director and the Director of Transportation. The Planning Director and the Director of Transportation will each have 45 days after the Garage Report is delivered to provide Garage Recommendations regarding development, operations, and parking management to the Port and Developer.

(ii) Developer will consider any Garage Recommendations in good faith and deliver to the Port before or with the Phase Submittal for that Garage Phase, with copies to the Directors of Planning and Transportation, Developer's response to Garage Recommendations, including:

(1) the manner in which accepted Garage Recommendations will be incorporated into the development and operation of the Garage; and

(2) a reasoned narrative setting forth the reasons any Garage Recommendations were not accepted.

(d) Garage Phase Submittals. In addition to other requirements under **Section 3.2** (Phase Submittal), the Phase Submittal for a Garage Phase will include a proposed form of Garage REA covering at least the issues listed in **Subsection 2.5(e)** (Garage REA), confirm that the Garage will be open to the public, and provide additional detail about how Developer will determine pricing for Garage Spaces during non-event times for users who are not residents of a building within the Project Site or employees of businesses in the Project Site, Pier 48, or the Ballpark. Developer's proposed pricing must be:

(i) consistent with the Mission Rock Transportation Exhibit;

(ii) designed to encourage efficient use of the Garage as a part of the larger multimodal network;

(iii) discourage commuter parking;

(iv) provide sufficient flexibility to reflect market conditions and operate the Garage at a net gain;

(v) provide for parking rates that will be subject to change over time in response to demand and market pricing in the surrounding neighborhood; and

(vi) establish a framework for determining and periodically adjusting parking rates consistent with the TDM Plan.

(e) Garage REA. Any proposed form of Garage REA submitted for the Port's review and approval will cover:

(i) easements reasonably required for the mutual benefit of the Garage and the Vertical Improvements to be developed on any Adjacent Parcel; and

(ii) methods for allocating costs of development, operation, and maintenance between the Garage Parcel and any Adjacent Parcel, with the express understanding that Mission Rock Square will not bear any additional costs of construction, operation, or maintenance due to the construction of the Mission Rock Square Garage.

2.6. Mission Rock Square Garage. This Section describes additional requirements should Developer desire to build the Mission Rock Square Garage in the Mission Rock Square Garage Parcel created beneath Mission Rock Square.

(a) No Increase in Garage Spaces. If the Developer develops the Mission Rock Square Garage, the number of Garage Spaces in the Mission Rock Square Garage will be deducted from the allowed number of Garage Spaces in the Parcel D2 Garage. In no event will the total number of Garage Spaces in the Project exceed 3,000.

(b) Second Garage Notice. Under the current Phasing Plan, Mission Rock Square would be developed in Phase 3. If Developer proposes to include the Mission Rock Square Garage in the Project, Developer will deliver to the Port a Second Garage Notice no later than the date on which the Phase Budget for Phase 1 is submitted for Port Commission consideration. The Second Garage Notice must include:

(i) a description of any additional or modified Horizontal Improvements required to serve the Mission Rock Square Garage;

(ii) an estimate of any increased Horizontal Development Costs attributable to the additions or modifications;

(iii) an initial proforma for Garage operations that includes operating costs estimates, including TDM Plan implementation costs such as parking control officers, and demonstrates that Developer's projected parking revenues would be sufficient to pay for operating costs;

(iv) a proposed plan for the subdivision of Mission Rock Square into two air space parcels, consisting of an underground Mission Rock Square Garage Parcel and an above-ground parcel for Mission Rock Square;

(v) easements required for the mutual benefit of the two parcels; and

(vi) any proposed changes to the Phasing Plan.

(c) Second Garage Adjustments. Following delivery of the Second Garage Notice, the Port and Developer will negotiate on Second Garage Adjustments necessary to accommodate the Mission Rock Square Garage. Issues for Second Garage Adjustments will include at least the following:

(i) amendments to the Infrastructure Plan and Master Utilities Plans;

(ii) a preliminary form of Garage REA;

(iii) a formula to determine the incremental Horizontal Development Costs directly attributable to the Mission Rock Square Garage, which the Vertical Developer Affiliate will solely bear;

(iv) additional terms of the lease for the Mission Rock Square Garage, including a requirement for the tenant to bear all operating and maintenance costs, subject to cost-sharing with Vertical Developers of Adjacent Parcels under the Garage REA; and

(v) any proposed changes to the Phasing Plan.

(d) Negotiation Period.

(i) The Parties will negotiate under **Subsection 2.6(c)** (Second Garage Adjustments) for six months, subject to extension by agreement in each Party's sole discretion. If the Port and Developer agree on the Second Garage Adjustments, they will negotiate additional conditions to the Port's Phase Approval for the applicable Garage Phase.

(ii) If the Parties do not agree on the Second Garage Adjustments within the negotiation period under this Subsection, negotiations will terminate automatically, and Developer will not have the right to develop the Mission Rock Square Garage.

2.7. Central Plants. Developer may pursue Regulatory Approvals for either or both Central Plants before preparing Central Plant Feasibility Studies. If the Central Plant Feasibility Studies find either or both of the Central Plants to be feasible, the Central Plant Feasibility Studies submitted under **Subsection 3.2(b)** (Phase 1 Submittal) will include a conceptual design of each Central Plant found to be feasible.

3. PHASE APPROVAL

3.1. Presubmittal Activities.

(a) Progress Meetings. The Parties will schedule regular meetings, at least quarterly, to discuss the progress of the Project, with a focus on the Current Phase and the

Later Phase for which Developer will submit a Phase Submittal. Topics for discussion will include the following, as appropriate:

(i) any observed or anticipated significant changes in market conditions, including potential impacts on the costs of labor and materials;

(ii) any updated estimates of the aggregate Fair Market Value of Development Parcels that the Port has not yet conveyed;

(iii) any updated estimates of construction costs and Acquisition Prices;

(iv) any particular issues that Developer anticipates may require material updates to the most recent Proforma;

(v) estimates of Parcel DRPs, Mello-Roos Taxes, Tax Increment, and bonding capacity for the Phase;

(vi) whether the Port intends to make Port Capital Advances and, if so, the potential impacts to the proposed Phase Budget and Phase Schedule;

(vii) whether Developer anticipates the need to change Insurance Requirements or Adequate Security Requirements; and

(viii) timing of public outreach, any Port Commission hearings on Developer's Phase Submittal, and later informational presentations on expected Vertical Improvements in the Phase.

(b) Subdivision Map Procedures.

(i) City Agencies will review, comment on, and approve or disapprove Subdivision Maps and Improvement Plans in accordance with the Subdivision Code, subject to the DA Waivers, the Project Requirements, and procedures in this DDA and the ICA, as applicable.

(ii) Developer intends to submit for the City's conditional approval a Tentative Map for the Project Site and a Phase Final Map for each Phase Area. Developer must obtain the relevant Phase Approval before the City records any Phase Final Map.

(c) Port Capital Commitment.

(i) To prepare its Phase Submittal, Developer may request that the Port make a nonbinding statement as to whether and when it plans to make any Port Capital Advances and the proposed timing and amount of any Bond issuance for that Phase. In the proposed Phase Budget, Developer may suggest alternatives to any of the Port's funding proposals.

(ii) If the Port does not respond within 30 days after Developer's request, Developer may assume in its Phase Budget proposal that the Port does not intend to make any Port Capital Advances for that Phase, but that assumption will not bind the Port Commission.

3.2. Phase Submittal.

(a) Purpose. The Phase Submittal process is intended to provide a comprehensive overview of the design, expected cost, and Project Payment Sources for Phase Improvements sufficient for the Port to determine consistency with the Project Requirements. Except for Hard Costs incurred for work within the scope of a Port permit issued under **Section 14.2** (Site Preparation), the Port will not be obligated to reimburse Developer or pay directly for any Hard Costs of Phase Improvements incurred before Phase Approval.

(b) Phase 1 Submittal.

(i) Developer must submit its Phase Submittal for Phase 1 by the Outside Date specified in the Schedule of Performance. In addition to the other requirements of this Section, the Phase Submittal for Phase 1 must include:

(1) the Central Plant Feasibility Studies, if not previously submitted;

(2) the proposed Lead Parcels;

(3) the proposed Reserve Rent Allocation for Option Parcels, based on the projected land use and potential FAR for each;

(4) a proposed Affordable Housing Subsidy Plan;

(5) the proposed Parks Plan;

(6) the proposed Event Management Plan;

(7) a proposed form of Master CC&Rs addressing all issues listed in **DDA Exhibit C7**; and

(8) a proposed Retail Program meeting the Port's public trust goals for the Project Site.

(ii) If Developer does not submit its Phase Submittal for Phase 1 by the third anniversary of the Entitlement Date, the Outside Date in the Schedule of Performance for Developer to begin construction of Phase Improvements will be reduced from eight years to six years after the Entitlement Date.

(c) Narrative Statement. Each Phase Submittal must describe:

(i) any proposed changes to the Phase Area from the boundaries shown in the Phasing Plan;

(ii) any proposed changes to the scope of Phase Improvements and a description of Deferred Infrastructure for the Phase;

(iii) the expected land use program for each building, including Inclusionary Units to be provided in each Residential Project in accordance with the Housing Plan;

(iv) any material deviations from the Design Controls that Developer intends to propose with respect to any Development Parcel on an Option Parcel as to which Developer expects to exercise its Option;

(v) consistency with the Transportation Exhibit, Sustainability Strategy, MMRP, and other implementation plans attached under **DDA Exhibit Tab B**;

(vi) any proposed changes to Associated Public Benefits to be provided in the Phase;

(vii) a general description of the type and location of Public Art to be included in the Phase Improvements in accordance with the Design Controls;

(viii) a description of any proposed community facilities consistent with *DA § 5.4(b)(vii) (Community Facilities)*;

(ix) any proposed changes to the boundaries of the Phase Area or any Development Parcels in the Phase;

(x) any proposed changes to the Phasing Plan, which the Port will consider as described in **Section 3.7** (Changes to Phase); and

(xi) an updated, current Phase Proforma, with a statement as to whether it is a preliminary Phase Budget or ready to submit to the Port Commission for approval under **Section 3.5** (Phase Budget Review Process).

(d) Outside Dates for Completing Construction. Each Phase Submittal will include Developer's Estimated Construction Duration, Estimated Construction Schedule, and the proposed Outside Date for final completion of Phase Improvements.

(e) Subdivision Map. If not previously provided, Developer will submit a copy of the preliminary Phase Final Map. If Developer proposes to change the Phase Area boundaries, it will also provide information supporting the proposed change, including any impact on Associated Public Benefits.

(f) Improvement Plans. Developer will provide Improvement Plans for the Phase Improvements at a design level Developer determines in good faith to be required for cost estimating purposes. All Improvement Plans will be prepared in compliance with the Port Building Code, the Seismic Hazards Mapping Act (Cal. Pub. Res. Code ch. 7 & ch. 8), and California Geological Survey Special Publication 117A, *Guidelines for Evaluating and Mitigating Seismic Hazards in California.*

(g) Acquisition Prices. Developer will provide Supplements to *AA Exhibit A* and Acquisition Price Updates to *AA Exhibit B* providing additional detail and any revisions to descriptions of Horizontal Improvements and estimated costs of their Components. Final Acquisition Prices will be determined in accordance with the Financing Plan.

(h) Nonbinding Elections. Developer will make a nonbinding statement of intention as to Development Parcels in the Phase Area regarding whether and when Developer expects to exercise its Options and proceed with the Phase Improvements.

(i) Put Delay Request. In any Phase Submittal delivered before the applicable Outside Date, Developer may request that the Port agree not to exercise the Put Option until a specified date. The Executive Director may grant or deny the request in her sole discretion.

(j) Event Management Plan. For each Phase that will include an event venue or provide event-supporting Garage Spaces, Developer must submit a proposed or updated Event Management Plan meeting the requirements of the Transportation Plan in **DDA Exhibit B7**.

(k) Garage Phase. If the Phase will be a Garage Phase, Developer must comply with **Section 2.5** (Garage Phase Requirements) and, to the extent applicable, **Section 2.6** (Mission Rock Square Garage).

3.3. Phase Budget.

(a) Budget Guidelines. With each Phase Submittal, Developer will submit a proposed Phase Budget in a form reasonably acceptable to the Port. Each proposal for a Phase Budget or revised Phase Budget will be a refinement of the Phase Proforma, consistent with the Funding Goals, Project Requirements, and the Budget Guidelines, and include:

(i) The proposal will include actual dates and amounts of Soft Costs paid, listed by line item up to a specified date before submitting the Phase Budget, with detailed line item estimates of additional Soft Costs that Developer expects to incur over the Estimated Construction Schedule.

(ii) The proposal will provide line item estimates of Hard Costs that Developer expects to incur over the Estimated Construction Schedule based on design information then available. Estimates will include an allowance for inflation and include contractor contingency consistent with **Article 13** (Construction Generally).

(iii) The proposed Developer Contingency for Hard Costs and Soft Costs will be supported by information used to develop the amounts, including commercially reasonable assumptions for unknown conditions, further design development, concealed subsurface conditions, escalation, and Force Majeure.

(iv) Based on projected spending dates, Estimated Construction Duration, and Estimated Construction Schedule, the proposal will include reasonable projections of:

(1) Developer Return (separately stating Allowed Return and Additional Return), Peak Developer Equity, Minimum Developer Return; and

(2) Interest on DRP Advances and, if Port Capital Advances are anticipated, Return on Port Capital (separately stating Allowed Return and Additional Return).

(v) Any unpaid Developer Balance and Port Balance from Prior Phases will be included.

(vi) The proposal for any Phase after Phase 1 will include, if applicable, Alternative Return Rent Credits applied to the Phase 1 Overage under the Master Lease in accordance with *FP § 2.6 (Phase 1 Cost Containment)*.

(vii) Based on pre-Phase consultations, Developer will include projected amounts and dates that the following Public Financing Sources will be available:

(1) proceeds of Mello-Roos Bonds issued in the Phase, subject to Port and City discretion under the Financing Plan; and

(2) any other Project Payment Sources reasonably anticipated, including anticipated "pay-as-you-go" Public Financing Sources not pledged to or required to pay debt service on Bonds.

(viii) The proposal must provide for:

(1) Parcel DRPs that, together with other Project Payment Sources, are sufficient to fund estimated Horizontal Development Costs, Developer Return, and Port Return, including any carryover from Prior Phases; and

(2) Project Payment Sources that are not subject to the Interest Cost Limitation sufficient to fund all Additional Return through the end of the Phase, including any carryover from Prior Phases.

(b) Budget Narrative. Each Phase Budget proposal will include a narrative statement covering at least the following:

(i) a discussion of any material updates to assumptions underlying the most recent Phase Proforma or Phase Budget for that Phase;

(ii) any proposed changes to the land uses designated for Development Parcels in the Phase, and, if Developer expects to exercise its Option for any Flex Parcel, the proposed land use for the Parcel;

(iii) a proposed Phase Schedule that specifies the Estimated Construction Duration and Estimated Construction Schedule, accounting for any Site Preparation, construction of other Horizontal Improvements, and phasing of Development Parcels and Horizontal Improvements based on commercially reasonable assumptions for unknown conditions;

(iv) an estimate of the aggregate Fair Market Value of each Development Parcel in the Current Phase; and

(v) projections of the Jobs/Housing Equivalency Fees payable on Commercial Parcels in the Phase, the minimum amount that will be payable on each Commercial Parcel in accordance with *DA § 5.4(b)(ii) (Jobs/Housing Equivalency Fee),* and any proposed variances from the approved Affordable Housing Subsidy Plan.

3.4. Phase Submittal Review Process.

(a) Completeness.

(i) Port staff will have 60 days after Developer's delivery of the Phase Submittal for Phase 1 to review it for completeness and 30 days for each Phase Submittal for any Later Phase.

(ii) The Port will notify Developer within the review period specified in **clause (i)** of this Subsection if the Phase Submittal is complete or identify any deficiencies and make any requests for additional information or materials that are reasonably necessary to process the Phase Submittal, consistent with **Section 3.2** (Phase Submittal) and **Section 3.3** (Phase Budget).

(iii) The Port will have an additional 15 days after Developer's delivery of requested information and materials to review the Phase Submittal, as supplemented, for completeness. This process will continue until Port staff finds the Phase Submittal completed.

(b) Compliance Review. Port staff will determine whether a Phase Submittal complies with Project Requirements within 30 days after the completeness determination under **Subsection 3.4(a)** (Completeness). The Port Director will provide Developer with a description of the basis for any finding of noncompliance and the changes that are necessary to bring the Phase Submittal into compliance in accordance with **Subsection 5.5(d)** (Disapproval).

(c) Notice of Expired Review Periods. If the Port Director does not notify Developer timely of Port staff's determination under **Subsection 3.4(a)** (Completeness Determination) or **Subsection 3.4(b)** (Compliance Review), Developer may deliver electronic notice in accordance with *App ¶ A.2.2(c) (No Deemed Consent Without Notice)*. No Phase Submittal will be deemed complete or in compliance with Project Requirements unless Developer has complied with this requirement.

3.5. Phase Budget Review Process.

(a) Staff Review. In general, Port staff will have 15 days after the Port finds Developer's Phase Submittal to be complete to review the Phase Budget. If Developer resubmits a Phase Budget to reflect revisions required in other parts of the Phase Submittal, Port staff will have 30 days to review the Phase Budget. Port staff will provide responses to Developer on the following issues.

(i) Port staff will indicate whether the proposed Phase Budget fails to comply with the requirements of **Section 3.3** (Phase Budget) and, if pertinent, measures Developer must take to satisfy those requirements.

(ii) Port staff will indicate whether they believe that Developer's estimate of Horizontal Development Costs and Estimated Construction Schedule in the proposed Phase Budget are commercially unreasonable or inconsistent with the Project Requirements and, if so, the basis for that belief.

(iii) After consulting with the Controller, the Port will address any proposed revisions to the timing and amount of any Bond issuance.

(iv) The Port will make a nonbinding statement of intent to make Port Capital Advances during the Phase or update any previous statement made during progress meetings under **Subsection 3.1(a)** (Progress Meetings).

(b) Port Commission Approval. Each Phase Budget will be subject to approval by the Port Commission in accordance with **Subsection 5.3(c)** (Port Commission Meetings), but Port staff will not be required to submit a proposed Phase Budget to the Port Commission unless staff has found that the proposed Phase Budget complies with **Section 3.3** (Phase Budget). The Port Commission's resolution may delegate authority for the Port Director to approve specific Phase Budget line items within specified parameters.

(c) Deferral of Port Commission Action.

(i) Developer may elect to submit a preliminary Phase Budget and other information regarding Site Preparation and defer Port Commission consideration of a complete Phase Budget to a date closer to Developer's anticipated commencement of construction of Phase-specific Improvements.

(ii) The Port may elect to issue a construction permit authorizing Developer to begin Site Preparation before the pertinent Phase Approval in accordance with **Section 14.2** (Site Preparation).

(d) Port Commission Schedule. Port staff will submit the proposed Phase Budget for approval at the Port Commission's next available meeting if any of the following circumstances apply.

(i) Developer has exercised one or more Options for Development Parcels in the Current Phase.

(ii) The Port intends to exercise its Put Option with respect to any Development Parcels in the Current Phase.

(iii) Developer is requesting Port Commission approval of a Phase Budget with contingencies for certain line items intended to allow Developer to respond quickly to changes in market conditions affecting the Current Phase.

(iv) Developer is requesting Port Commission approval of increases or other material modifications to a previously approved Phase Budget.

(e) Criteria for Approval. The Port Commission will approve the Phase Budget or modification if it reasonably finds that the Phase Budget or modification:

(i) is consistent with the Funding Goals and Project Requirements and satisfies the Budget Guidelines;

(ii) is based on reasonable projections;

(iii) provides for sources sufficient to fund the Phase and any carryover from Prior Phases;

(iv) would not adversely affect Project Payment Sources available to satisfy the Project Payment Obligation for any Later Phases and the Project as a whole; and

(v) would not impair the Port's fiduciary obligations under Applicable Port Laws.

(f) Resubmission. The Port Commission's failure to approve a proposed Phase Budget or modification will be without prejudice to Developer's right to resubmit a revised proposal under this Section.

(g) Reserve Rent. The Port Commission's approval of a Phase Budget will not waive the Port's right to decline to enter into a Parcel Lease under which Annual Ground Rent is less than an Option Parcel's Reserve Rent Allocation, unless explicitly approved in the Phase Budget.

(h) Phase Budget Updates and Revisions.

(i) With its submittal of Phase Quarterly Reports, Supplements, and Acquisition Price Updates, Developer will update the Phase Budget, subject to **Subsection 3.5(i)** (Effect of Phase Budget Approval), to reflect the application of Developer Contingency to:

(1) current market conditions and projections; and

(2) contract prices as they are procured under **Article 13** (Construction Generally).

(ii) At any time, Developer may submit a request for Port Commission approval of a revised Phase Budget to respond to changed circumstances. Each request will describe any material modifications to any of the information previously submitted under **Section 3.3** (Phase Budget). The Port will review each request in accordance with **Section 3.5** (Phase Budget Review Process) and approve revisions necessary to authorize payment of Horizontal Development Costs reasonably required to implement this DDA.

(i) Effect of Phase Budget Approval. The Port Commission's approval of a Phase Budget will have the effects described below.

(i) The approval will establish the benchmarks for the Phase Schedule, including the Outside Date for Developer to finally complete Phase Improvements, which will be the last day of the Estimated Construction Schedule, subject to **Subsection 1.1(b)** (Term) and **Article 4** (Excusable Delay).

(ii) Unless the Parties agree otherwise, the Port will be obligated to submit a Port FY Budget for each City Fiscal Year during the Phase that is consistent with the approved Phase Budget. Nothing in this clause will limit the Port's discretion regarding the issuance of Bonds under *FP art. 5 (Mello-Roos Bonds)*. If the Phase Budget includes Port Capital Advances, Port Commission approval will be the Port's binding commitment to make one or more Port Capital Advances in the amounts and on the dates in the Phase Budget except to the extent the Parties later agree otherwise.

(iii) The Chief Harbor Engineer and the Director of Public Works will be authorized to issue construction permits to Developer for approved Phase Improvements in accordance with **Article 12** (Improvement Plans) and approved Improvement Plans approved under the ICA, subject to **Article 14** (Horizontal Development) and **Article 4** (Excusable Delay).

(iv) The Phase Budget, including all allowances, contingencies, and approved amendments, will establish the upper limit of spending by Developer that will be authorized for reimbursement under the Financing Plan.

3.6. Phase Completion. Developer will deliver a Request for SOP Compliance Determination to the Port when Developer has finally completed all Phase Improvements in accordance with **Section 14.6** (SOP Compliance).

3.7. Changes to Phase.

(a) Changed Conditions. The Parties agree that many factors, including general economic conditions, local housing, office, and retail markets, capital markets, general market acceptability, and local tax burdens will affect the rate at which various residential and commercial uses within the Project can be developed and absorbed.

(b) Developer Request. Developer may request changes to a Phase Approval or changes to the Phasing Plan and related changes to any applicable Outside Dates. Except when **Subsection 2.5(a)** (Garage Phasing) applies, the Port will grant or withhold its approval based on whether, in its reasonable judgment, the modified Phase Approval or Phasing Plan would be consistent with the Phasing Goals.

(c) Port Request. The Port may request changes to the Phasing Plan. In considering whether to approve the Port's requested changes to the Phasing Plan, Developer may grant or withhold its approval based on whether, in its reasonable judgment, the modified Phasing Plan would be consistent with the Phasing Goals.

3.8. Changes to Project. Project build-out will take place over a number years, and unforeseen circumstances may affect market conditions. This Section will apply to any request by Developer to change its Developer Construction Obligations under this DDA.

(a) Timing and Contents of Notice. If Developer determines in good faith that further development of the Project in accordance with this DDA has become commercially infeasible for reasons other than Developer's financial condition, the following will apply.

(i) Developer may deliver a Requested Change Notice to the Port in which Developer provides a detailed description of all provisions of the Transaction Documents that Developer proposes to change, with evidence to support Developer's belief that further development is infeasible without the proposed changes.

(ii) Developer will deliver any Requested Change Notice to the Port before beginning construction for any Phase that would be affected by the changes described in Developer's request.

(iii) The Port will not be required to respond to a Requested Change Notice if:

(1) Developer does not deliver the Requested Change Notice timely; or

(2) when the notice is delivered, an uncured Material Breach or uncured Prospective Breach by Developer of which the Port has given notice exists.

(b) Effect of Requested Change Notice. If Developer delivers a Requested Change Notice complying with **Subsection 3.8(a)** (Timing and Contents of Notice), the following will apply.

(i) If Developer seeks to extend the Outside Dates to begin or complete any Phase for which the Conditions to Commencement in **Article 14** (Horizontal Development) have been satisfied, Developer's request will be presented to the Port Commission for consideration in accordance with **Section 5.3(c)** (Port Commission Meetings).

(ii) Any other Outside Dates specified in the Requested Change Notice will be tolled for the Change Negotiating Period, subject to extension by agreement in each Party's sole discretion.

(c) Amendments.

(i) If Port staff and Developer agree to changes within the Change Negotiating Period, the Port will prepare any appropriate Transaction Document amendment for Port Commission consideration.

(ii) The City, through Board Resolution No. XXXX approving this DDA, has delegated to the Port the authority to make certain modifications to this DDA. If the change would be a Material Modification in the Port Director's reasonable judgment, the Port will also present the amendment to the Board of Supervisors for consideration if the Port Commission approves the amendment. Any decision by the Port Commission or the Board of Supervisors to approve or disapprove a proposed amendment will be made in its respective sole discretion.

(iii) The Port Director and the Director of Public Works are authorized to approve amendments to the Infrastructure Plan unless either, as applicable, reasonably determines that a proposed amendment would significantly increase an Acquiring Agency's costs of ownership or impair the operation of the affected Horizontal Improvements. No other implementing documents may be amended without the approval of the City Agency that acts as the City's principal Regulatory Agency. For example, SFMTA must approve any amendments to the Transportation Exhibit, and MOHCD must approve any amendments to the Housing Plan.

(d) Changes to Implementation Documents. If Port staff and Developer agree within the Change Negotiating Period to changes to implementing documents, the changes will be presented to the Port Commission, the Board of Supervisors, or Other City Agencies if required, and the Change Negotiating Period will be extended for any additional period required for the appropriate City Agency to consider the changes or undertake any additional review under CEQA. City Agencies will have the right to reject any requested change that would not comply with Regulatory Requirements, but will make other determinations in their reasonable discretion in light of the circumstances, including the impact on Project Requirements. Examples of implementing documents are the Infrastructure Plan, the Sustainability Strategy, and the Workforce Development Plan.

(e) Failure to Agree or Approve. Tolling and extensions under **Subsection 3.8(b)** (Effect of Requested Change Notice) will cease, and the Port may exercise any of its rights under this DDA for Developer's failure to meet its obligations by the previously tolled or extended Outside Dates, if:

(i) the Acquiring Agency that will own or operate the Improvements rejects Developer's proposed amendments to the Infrastructure Plan;

(ii) Port staff and Developer are unable to agree within the Change Negotiating Period on changes to be submitted to the Port Commission and, if applicable, Board of Supervisors; or

(iii) the Port Commission or the Board of Supervisors, if applicable, disapproves a proposed amendment presented for its approval.

(f) Developer's Withdrawal of Request. At any time during the Change Negotiating Period, Developer may withdraw its change request in writing. Developer's delivery of its withdrawal will cause the following to occur immediately and without any further action.

(i) The Change Negotiating Period will terminate,

(ii) Extensions of Outside Dates granted by the Port Commission under **Subsection 3.8(b)** (Effect of Requested Change Notice) will terminate.

(iii) The Parties' rights and duties under this DDA will remain in effect without any other changes.

4. EXCUSABLE DELAY

4.1. Generally.

(a) Required Notice.

(i) Except for Environmental Delay and Down Market Delay, the Party claiming Excusable Delay must provide notice to the other Party promptly, and in no case more than 30 days, after learning of:

(1) the Delay Event; or

(2) a delay in performance caused by the Delay Event that the Noticing Party could not reasonably discover immediately after the Delay Event occurred.

(ii) A notice given under this Section must specify:

(1) the Delay Event Date;

(2) the expected period of Excusable Delay; and

(3) whether the Party claims Excusable Delay for a specific obligation, a Phase, or the Project as a whole.

(iii) The Noticed Party may challenge the existence or length of claimed Excusable Delay by notice to the Noticing Party. The following disputes will be resolved by procedures in **Article 9** (Resolution of Certain Disputes):

(1) whether an Excusable Delay has occurred;

(2) whether the Noticing Party gave notice timely; and

(3) the length of Excusable Delay.

(b) Effect of Excusable Delay. In addition to any other specific provisions of this DDA excusing or delaying a performance date, a Party will not be in default of any specific DDA provision, and performance dates will be extended under procedures in this Article, if an Excusable Delay applies to the specific DDA provision. If a Party's performance is subject to Excusable Delay under this Article, any obligation of the other Party that is conditioned on the excused or extended performance will be excused or extended to the same extent. Obligations to process Payment Requests under the Acquisition Agreement or make payments under approved Payment Requests are not Time-Sensitive Matters subject to Excusable Delay.

(c) Limits on Excusable Delay. Each extension for Excusable Delay will cause future performance dates for Time-Sensitive Matters specified in the notice to be extended, subject to the following limitations:

(i) If the delay interrupts Developer's ability to start or finish any Developer Construction Obligations, Developer will take appropriate measures to secure and leave the affected property in good and safe condition until construction can start again.

(ii) Excusable Delay will not affect Developer's obligations to:

(1) pay taxes or assessments, if applicable;

(2) maintain in effect Adequate Security or other financial assurances; or

(3) pay Developer Reimbursement Obligations except to the extent payment due dates are tied to completion of Developer Construction Obligations delayed by Excusable Delay.

4.2. Excusable Delay Periods. All of the following are subject to **Section 4.3** (Limits on Excusable Delay Period).

(a) Environmental Delay. Environmental Delay begins on the Delay Event Date. Environmental Delay will end 90 days after the final judgment or other final resolution of the Delay Event.

(b) Down Market Delay. Down Market Delay begins on the Down Market Test Date. Down Market Delay will end on the earlier of:

(i) the Down Market Test Date of a later Down Market Test under **Subsection 4.4(e)** (End of Down Market) indicating that a Down Market has ended; and

(ii) 24 months after a Down Market Test Date indicating that a Down Market exists.

(c) Other Excusable Delays. Other Excusable Delays will begin on the respective Delay Event Date. Subject to **Section 4.3** (Limits on Excusable Delay Period), these Excusable Delays will end on the earlier of:

(i) the date specified in the notice or as otherwise determined by agreement or procedures under **Article 9** (Resolution of Certain Disputes); and

(ii) 90 days after the date on which the delay caused by the Delay Event ends.

4.3. Limits on Excusable Delay Period.

(a) Meet and Confer.

(i) The Parties agree to meet and confer in a good faith attempt to agree on measures that will allow the Project to proceed if an Excusable Delay (based on an event of Force Majeure) of longer than one year occurs. The obligation to meet and confer will arise when the Parties reasonably foresee or know that the Delay Event will exceed one year.

(ii) Measures to which the Parties agree at the staff level may be subject to Port Commission and Board of Supervisors approval if the Port Director in her reasonable judgment determines that the changes would require a Material Modification to any of the Transaction Documents. But the Parties' failure to reach agreement under this Subsection will not result in adverse consequences to either Party, except for those caused by Force Majeure.

(b) Maximum Delay. In no event will an Excusable Delay extend the DDA Term by more than 36 months. As specified in **Subsection 1.1(b)** (Term), the DDA Term will not be extended by Down Market Delay.

4.4. Down Market Delay Procedures.

(a) Timing. Developer may request a Down Market Test at any time to determine whether a Down Market exists. Except when market conditions are established by a failed Public Offering or by agreement as described in **Subsection 7.8(g)**

(Effect of Failed Offering), a Down Market Test will be used to determine whether each Party's Time-Sensitive Matters for the Phase will be tolled or otherwise adjusted under this Section. Within 30 days after requesting a Down Market Test, Developer will submit to the Port an updated Phase Proforma and a Down Market Test Budget containing all of the information required under **Section 3.3** (Phase Budget), prepared on the assumption that the Current Phase proceeds under then-current market conditions.

(b) Existence of Down Market.

(i) A Down Market for a particular Phase will be deemed to be in effect as a result of any of the following:

(1) the sum of Annual Ground Rent projected to be payable to the Port for all Option Parcels in the Current Phase under the Down Market Test Budget is less than the sum of the Reserve Rent Allocations for the same Option Parcels;

(2) the Down Market Test Budget does not meet the criteria for approval of a Phase Budget under **Subsection 3.5(e)** (Criteria for Approval); or

(3) a Public Offering fails as described in **Subsection 7.8(g)** (Effect of Failed Offering).

(c) Appraisal.

(i) If the Parties do not agree that a Down Market exists under **Subsection 4.4(b)** (Proforma Analysis), then either Party may require appraisals of all Option Parcels in the Phase conducted by procedures described in **Section 7.4** (Fair Market Value).

(ii) A Down Market will be deemed to have occurred if the appraisals conducted under **clause (i)** of this Subsection show that the sum of Annual Ground Rent projected to be payable to the Port for each Option Parcel in the Current Phase is lower than the sum of the Reserve Rent Allocations for the same Option Parcels, taking into account the Parcel DRPs in the Phase Budget.

(d) Effect of Down Market Delay.

(i) During a Down Market Delay as to any Phase, the applicable Outside Dates for Developer's obligations to submit Phase Submittals and to exercise its Option for the Option Parcels in that Phase, and dates by which either Party will perform any other Time-Sensitive Matter will be excused for the period beginning on the Down Market Test Date and ending on the earlier of 24 months later or the date that a new Down Market Test indicates that the Down Market no longer exists.

(ii) One Party's Excusable Delay in performing a Time-Sensitive Matter may automatically affect the other Party's Time-Sensitive Matters. The following example illustrates the effect of a Down Market on the Option process.

(1) Developer may request that the Port allow Developer to exercise its Option for an Option Parcel for the sum reported in the Down Market Test.

(2) The Port will not be obligated to convey the affected Option Parcel and may elect in its sole discretion to hold the Option Parcel off the market until the Down Market ends.

(iii) At its sole discretion, Developer may rescind its exercise of an Option for an Option Parcel that has not Closed by the start of the Down Market

Delay. Rescission under this Subsection will not prejudice Developer's right to exercise the Option after the Down Market Delay ends.

(e) End of Down Market. At any time after the first anniversary of the applicable Down Market Test Date, either Party may request another Down Market Test to determine whether the Down Market has ended. Each new Down Market Test indicating the continuing existence of a Down Market will result in a new Down Market Test Date, subject to the 24-month period under **Subsection 4.2(b)** (Down Market Delay).

5. PARTY RELATIONSHIPS

5.1. No Agency. The Port is not, and none of the provisions in this DDA will be deemed to make the Port, a partner in Developer's or any Vertical Developer's business, or a joint venturer or member in any joint enterprise with Developer or any Vertical Developer. Developer is not, and none of the provisions in this DDA will be deemed to make Developer a partner in Port's business or a joint venturer or member in any joint enterprise with Port. No Party has the right to act as the agent of any other Party in reference to this DDA.

5.2. Interagency Cooperation Agreement. The Port agrees to perform its obligations under the ICA and to use commercially reasonable efforts to cause Other City Agencies to perform their respective obligations under the ICA. Developer is a third-party beneficiary under the ICA with direct enforcement rights under *ICA § 9.4 (Successors and Assigns; Third-Party Beneficiary)*.

5.3. Port Approvals. The approval standards and procedures below will apply to implementation of this DDA except as otherwise specified.

(a) Regulatory Capacity. While this DDA does not constrain the Port's exercise of regulatory authority, the Port has consented to and will comply with the DA Requirements.

(b) Proprietary Capacity. The Port, when acting in its proprietary capacity as landowner and landlord, will make determinations in its reasonable judgment except as otherwise specified. All Improvements will be subject to the Port's review in accordance with applicable procedures in this DDA and as otherwise set forth in the SUD, the Development Agreement, and the ICA.

(c) Port Commission Meetings. Except as otherwise provided in this DDA, whenever the Port Commission must approve or otherwise consider any matter in reference to the Project, the Port Director will submit the matter to the Port Commission at the next regularly-scheduled meeting of the Port Commission for which an agenda has not been finalized and for which Port staff can prepare and submit a staff report in keeping with the Port Commission's customary meeting practices and obligations under public meeting laws. The Port Commission will approve or disapprove discretionary matters in accordance with its powers and duties under Applicable Port Laws and as otherwise specified in this DDA.

(d) Authority for Port Approvals.

(i) The Port Director, or her designee, is authorized to sign on behalf of the Port any documents, including any contracts, agreements, memoranda, or similar documents with state, regional, or local authorities or other persons, or enter into any tolling agreement with any person, to the extent of the authority granted under the Port Commission and Board of Supervisors resolutions approving this DDA. The Port Director's authority is limited to matters that do not materially increase the obligations or liabilities of the Port or the City or materially decrease the public benefits to the Port or the City, and are necessary or

advisable to complete the transactions described in this DDA and to effectuate the purpose and intent of the authorizing resolutions if the Port Director determines, after consultation with the City Attorney, that the document is necessary or proper and in the Port's and the City's best interests. The Port Director's signature on any document will be conclusive evidence of her determination and the proper exercise of her authority.

(ii) The Port Commission, through the Chief Harbor Engineer, administers and enforces the Port Building Code, the Port Harbor Code, and other Port regulations to protect the public health, safety, and general welfare. Unless Public Works is the Permitting Agency, the Chief Harbor Engineer will issue permits for construction, sign certificates regarding completion of Improvements, and issue "red tags" and other regulatory notices that would prohibit or condition use of Port property to protect public safety.

5.4. Developer Approvals.

(a) Authority. Each of the persons executing this DDA on behalf of Developer represents to the Port, and the Port is entitled to rely on those representations, that: (i) Developer is a duly authorized and existing entity under Delaware law; (ii) Developer is qualified to do business in California; (iii) Developer has full right and authority to enter into this DDA and other Transaction Documents; and (iv) each of the persons signing the Transaction Documents on its behalf is authorized to do so. Developer agrees to provide the Port with satisfactory evidence confirming these representations promptly after a Port request.

(b) Authorized Developer Representative. Developer will designate from time to time by notice to the Port under **Section 18.1** (Notices), given in accordance with *App ¶ A.5 (Notices),* a representative who is authorized to act on Developer's behalf in reference to requests for approvals or other actions. The Port will be entitled to rely on any notice delivered under this Subsection until superseded by a later notice.

5.5. Standards Otherwise Applicable. Except as expressly provided otherwise, the following standards will apply to the Parties' conduct under this DDA.

(a) Covenant of Good Faith and Fair Dealing. This DDA is subject to the covenant of good faith and fair dealing applicable to contracts under California law. Accordingly, Developer and the Port each covenants, on behalf of itself and its successors, to take all actions and to execute, with acknowledgment or affidavit if required, all documents necessary to achieve the objectives of this DDA to the extent consistent with applicable law.

(b) Cooperation and Non-Interference. Developer and the Port acknowledge that the implementation of this DDA and the remedies provided to a Party for the other Party's default or failure to perform an obligation under this DDA are predicated on their cooperation throughout the DDA Term, and agree, subject to **Article 10** (Defaults):

(i) to implement this DDA in a manner intended to accomplish its objectives within the time periods specified in this DDA or in any of the Transaction Documents otherwise entered into in conjunction with this DDA or, if a time period is not specified, then within a commercially reasonable period of time, subject, in each case, to any extensions of time provided in this DDA or the applicable Transaction Document;

(ii) to refrain from doing anything that would render performance under this DDA impossible; and

(iii) that a Party will be excused from performing under this DDA to the extent prevented by the other Party's actions.

(c) Commercial Reasonableness. Unless specifically provided otherwise in this DDA, whenever a Party is permitted to make a judgment, form an opinion, provide an estimate or projection, judge the sufficiency of the other Party's performance, or exercise discretion in taking (or refraining from taking) any action or making any determination, that Party will proceed with due diligence and employ commercially reasonable standards in doing so. In general, the Parties' ministerial acts in implementing this DDA, including construction of Improvements, approvals, disapprovals, demands for performance, requests for additional information, and any exercise of an election or option, will be commercially reasonable. The requirements under this DDA extend to and bind any Agents of Developer or of the Port authorized to act on their behalf.

(d) Disapproval. A Party that declines to grant approval or agree to a request, grants conditional approval, or makes a finding of noncompliance will deliver a written statement of its reasons in reasonable detail to the other Party. This requirement does not apply to actions that are subject to either Party's sole discretion or any matter that the Port Commission will consider in open session at a noticed public meeting held under applicable public meeting laws.

(e) Specificity of Approval. A Party's approval to or of any act or request by the other Party will not be deemed to waive or render unnecessary approval to or of any similar or subsequent acts or requests. In determining whether to give an approval, no Party is allowed to require changes from or impose conditions inconsistent with applicable Project Requirements or its prior approvals for the specific matter.

5.6. Day-to-Day Communications.

(a) Manner of Communications. Developer and the Port agree that day-to-day communications regarding the Project must be in writing, but need not be delivered in compliance with *App ¶ A.5 (Notices)* and **Section 18.1** (Notices). Day-to-day communications will be transmitted or confirmed by email or facsimile and will be directed to other Party's designated project managers specified below, as indicated otherwise in a Transaction Document, or as agreed by the Parties.

(b) Scope. In general, this Section will apply to communications made in connection with **Article 3** (Phase Approval), **Article 12** (Improvement Plans), and **Article 13** (Construction Generally).

(c) Project Contacts. As of the Reference Date, day-to-day communications will be delivered to:

(i) Developer: [Name/email/Phone No.]

(ii) Port: [Name/email/Phone No.]

6. TRANSFERS

6.1. Port Conditions. The following conditions will apply to all Transfers except Initial Transfers.

(a) No Breach. Developer is not in Material Breach of this DDA and no Prospective Breach of which the Port has given notice remains uncured before Developer presents the Assignment and Assumption Agreement to the Port Director with the request to sign the Port's consent under **Subsection 6.6(a)** (Form).

(b) Port Costs. Developer agrees to reimburse the Port for its reasonable costs of reviewing the Transferee's qualifications.

(c) No Material Modification. The Transferee does not condition its acquisition on the Port's approval of either: (i) a Material Modification; or (ii) other

changes to the Transaction Documents that would materially increase the costs or other burdens to the Port or the City unless offset by a corresponding increase in revenues.

(d) Insurance and Adequate Security. The Transferee provides commitments that satisfy the Insurance Requirements under **Article 15** (Insurance) and the Adequate Security Requirements under **Article 16** (Security for Project Activities) for all obligations that the Transferee assumes, subject to approvals of the Port Director and Director of Public Works, if applicable, unless Developer confirms, with each applicable Obligor's consent, that the Adequate Security previously provided to the Port will secure the Transferee's assumed obligations.

(e) Single Record Keeper. Unless Developer Transfers all of its rights and obligations as master developer under this DDA, or the Port and the Transferee have consented, Developer will continue to be responsible for all Phase Quarterly Reports, Phase Audits, and the Final Audit, including information from each Transferee's horizontal development activities, except to the extent that *FP § 9.1(c) (Effect of Termination)* applies.

(f) Master Lease. The Transferee of the Developer Construction Obligations for one or more Phases will enter into appropriate subleases with the Master Lease Tenant simultaneously with the Transfer.

6.2. Transfers in Phase 1.

(a) Prohibition. Except for an Initial Transfer under **Subsection 6.2(b)** (Initial Transfer), Developer is expressly prohibited from Transferring its development rights and obligations for Phase 1 (except Deferred Infrastructure) to an Unrelated Transferee under any circumstance without the approval of the Port Commission, in its sole discretion.

(b) Initial Transfer. A proposed Transfer by Developer before Phase 1 Approval that meets the criteria below will be an Initial Transfer not requiring Port consent if:

(i) after the Transfer, one or more Giants Affiliates will retain both:

(1) Significant Ownership; and

(2) Management Control; and

(ii) the Port Director determines, in her reasonable judgment, that:

(1) the Initial Member satisfies the Experience Requirement; and

(2) after the Transfer, Developer will meet the Net Worth Requirement.

(c) Port Rights as to Initial Transfer. The Port will not have the right to approve an Initial Transfer meeting the requirements of **Subsection 6.2(b)** (Permitted Change). But the Port Director will have the right to examine portions of the operating agreement or other documentation that the Port finds reasonably necessary to determine whether the Transfer is an Initial Transfer.

6.3. Transfers Before and After Initial Benchmarks. .

(a) Until Initial Benchmarks. As part of its commitment to the Project, Developer has agreed that, until it has achieved the Initial Benchmarks:

(i) a Giants Affiliate will retain Significant Ownership and Management Control of all Phases of the Project; or

(ii) the Port Commission may approve or disapprove in its sole discretion any proposed Transfer that would result in no Giants Affiliate retaining Significant Ownership and Management Control of all Phases of the Project.

(b) After Initial Benchmarks. After Developer has achieved the Initial Benchmarks, the Port Commission will consider, in accordance with **Subsection 6.4(e)** (Port Consideration), any proposed Transfer that would result in:

(i) neither a Giants Affiliate retaining Significant Ownership and Management Control of the Current Phase and each Later Phase of the Project; nor

(ii) an Initial Transferee Affiliate retaining Significant Ownership and Management Control of the Current Phase and each Later Phase of the Project.

6.4. Other Unrelated Transfers After Developer has achieved the Initial Benchmarks, Transfers to Unrelated Transferees will be subject to Port Commission approval under this Section.

(a) Phase Transfer Before Phase Approval. Developer may Transfer horizontal development rights and obligations for a Phase that is not an Approved Phase subject to the Port's approval under **Subsection 6.4(e)** (Port Consideration).

(b) Phase Transfer After Phase Approval. Developer may Transfer horizontal development rights and obligations for a Phase that is an Approved Phase to an Unrelated Transferee, subject to the Port's approval under **Subsection 6.4(e)** (Port Consideration) and the following conditions.

(i) If Developer has not begun construction of Phase Improvements, Developer may Transfer all of its Developer Construction Obligations for the Approved Phase.

(ii) If Developer has begun construction of Phase Improvements for the Approved Phase, Developer may Transfer all of its future Developer Construction Obligations for the Approved Phase on condition that Developer, the Phase Transferee, and Developer's general contractor enter into assignment and indemnity agreements for the construction work underway on the Approved Phase. These agreements must be commercially reasonable in the Port's reasonable judgment.

(c) After Completion of Backbone Infrastructure. Developer may Transfer future horizontal development rights and obligations for an Approved Phase to an Unrelated Transferee without the Port's prior consent if the following conditions are satisfied.

(i) Developer has substantially completed all Backbone Infrastructure for the Approved Phase, including all punch list items, or has provided funds or other security to the Unrelated Transferee that are adequate to cover the estimated cost to complete all punch list items.

(ii) Each Acquiring Agency has inspected and approved the substantially completed Backbone Infrastructure in accordance with the ICA.

(d) Request for Approval. Developer's request for approval of a Transfer to an Unrelated Transferee will include detailed information to demonstrate compliance with this Section, an Assignment and Assumption Agreement in the form of **DDA Exhibit B10**, and any additional documents and information that the Port Director reasonably requests. Upon request, the Port Director will provide confirmation of her Net Worth Requirement finding.

(e) Port Consideration. The Port will not unreasonably withhold, delay, or condition its approval of a proposed Transfer to an Unrelated Transferee that meets all of the requirements under **Section 6.1** (Port Conditions), **Subsection 6.3(b)** (After Initial Benchmarks) if applicable, and this Subsection.

(i) The proposed Transfer would not result in Developer Construction Obligations for the Phase to be split between more than one person.

(ii) The Transferee must agree to satisfy and maintain the Net Worth Requirement at all times until the Transferee has satisfied all of its assumed obligations. Promptly after the Port's request, a person required to maintain a minimum Net Worth under this DDA must provide to the Port reasonable evidence that the person satisfies the Net Worth Requirement.

(1) If available, the Transferee must submit a copy of its most recent audited financial statements, which must not be dated more than 180 days before the date of the Port's request. Audited financial statements must be prepared by an independent CPA and must include the CPA's opinion that the financial statements are fairly stated in all material respects.

(2) If the Transferee does not have recent audited financial statements, the Port may require that the Transferee make available to the Port for review unaudited CPA-reviewed financial statements.

(iii) Developer (or any Transferee of all of Developer's obligations as master developer) agrees to be solely responsible for any distribution of Project Payment Sources to its Transferees and to indemnify the Port against any Claims from Transferees regarding reimbursements and revenue-sharing.

(f) Port Commission Consideration.

(i) When the Port Director has sufficient information in her reasonable judgment to permit the Port Commission to make its determination, the Port Director will submit the proposed Transfer to an Unrelated Transferee for Port Commission consideration. The Port Director will provide confirmation that she has sufficient information within five days after Developer delivers a request that she do so, all in accordance with **Section 5.6** (Day-to-Day Communications).

(ii) Developer may request that the Port Commission consider a Transfer to an Unrelated Transferee that does not meet all applicable requirements of this Section. The Port Commission may give or withhold its approval to a noncompliant request in its sole discretion.

6.5. Affiliate Transfers . This Section governs Developer's Transfer of horizontal development rights and obligations for one or more Phases under this DDA to one or more Transferee Affiliates.

(a) Conditions to Transfer.

(i) Developer has the right at any time to Transfer any portion of its rights and corresponding obligations under this DDA to a Transferee Affiliate without the Port's approval if Developer is not then in Material Breach and no Prospective Breach of which Developer has notice remains uncured on the effective date of the Transfer.

(ii) Developer will provide notice to the Port of any anticipated Transfer to a Transferee Affiliate at least 30 days before the effective date of the Transfer or any shorter period that the Port Director approves in her sole discretion. Developer's notice will include:

(1) the identity, business and notice addresses, contact person, and contact information for the Transferee Affiliate;

(2) a copy of the proposed Assignment and Assumption Agreement; and

(3) evidence satisfactory to the Port Director that the Transferee would meet the Net Worth Requirement and the Experience Requirement.

(iii) Upon request, the Port Director will provide confirmation of her Net Worth Requirement finding.

(b) Reorganization. A Transfer effected by Developer's consolidation or merger into or with any other business organization that meets the requirements of **Subsection 6.5(a)** (Conditions to Transfer) will be considered a permitted Transfer under this Section even if Developer is not the surviving entity under applicable law.

(c) Application. Any Affiliate Transferee under this Section will be a Developer Party under this DDA to which Developer's Loss Security and any Phase Security will apply to the obligations assumed by the Transferee unless it provides replacement Adequate Security approved by the Port Director.

6.6. Assignment and Assumption Agreement.

(a) Form. Each Transfer permitted under this Article that results in a change in the legal entity contracting with the Port in this DDA will be subject to an Assignment and Assumption Agreement substantially in the form of **DDA Exhibit B11**. With the Port Director's prior approval, the Assignment and Assumption Agreement may address other matters at Developer's request. The Port Director will sign and return the Port Consent within a reasonable time after Developer and the proposed Transferee have provided all required documentation and other information that the Port reasonably requests.

(b) Release.

(i) A Transfer will not release Developer of obligations that expressly survive the DDA or of its obligation to provide reports for the entire Project in accordance with *FP § 9.1(b)* (*Phase Quarterly Reports*) unless the Transferee and the Port expressly agree that the reporting obligation are included among transferred obligations.

(ii) Except as specified in **clause (i)** of this Subsection or in **Subsection 6.8(c)** (Defaults and Breaches), Developer may be released from future obligations under this DDA to the extent explicitly assumed by the Transferee in the relevant Assignment and Assumption Agreement. No Transfer will release Developer from any Claims by the Port that arose before the effective date of the Transfer except to the extent stated in the Port's consent to the Transfer.

(iii) At the Port's election, a Transfer subject to **clause (ii)** of **Subsection 6.4(e)** (Port Consideration) will include a provision in the Assignment and Assumption Agreement that Developer is not released by the Transfer from DDA obligations that the Port specifies as a condition to its consent.

6.7. Notices Regarding Transfers.

(a) Approval Requests. The Port will review any request for approval of a Transfer within 30 days after Developer has delivered its request and supporting information. If the Port finds the request incomplete, the Port will notify Developer of

the additional information that is needed within the 30-day review period, and the Port will have an additional 15 days after Developer's new submittal to review the additional information for completeness.

(b) Affiliate Transfers. The Port will review information that Developer provides under **Section 6.5** (Affiliate Transfers) to determine whether the conditions of that Section are satisfied within 30 days after receiving the request. If the Port finds the request incomplete or the information insufficient, the Port will notify Developer of the additional information that is needed within the 30-day review period, and the Port will have an additional 15 days after receiving Developer's new submittal to review the additional information

(c) Notice After Transfer. Developer will provide notice to the Port in accordance with **Section 18.1** (Notices) and *App ¶ A.5 (Notices)* within 10 business days after the effective date of a Transfer, in addition to providing a copy of the fully executed Assignment and Assumption Agreement and any additional information and materials that the Port Director reasonably requests. The Port will have 20 days to notify Developer if the information submitted is sufficient in accordance with **Section 5.6** (Day-to-Day Communications).

(d) No Deemed Approval. Developer must comply with *App ¶ 2.2(c) (No Deemed Approval or Consent Without Notice)* with respect to all Port responses due under this Section.

6.8. Effect of Transfers.

(a) Prohibited Transfers. Any attempted Transfer that does not meet all applicable requirements of this Article will be void as to the Port, and the Port will continue to have all rights against Developer under this DDA and at law as if the prohibited Transfer had not occurred.

(b) Transferee as Developer. As of the effective dates of Transfers conforming to applicable requirements of this Article, all references to Developer in this DDA relating to the assigned and assumed obligations will include each permitted Transferee.

(c) Defaults and Breaches.

(i) An Event of Default by Developer will not be an Event of Default by a Transferee as to its Approved Phase.

(ii) An Event of Default by one Transferee will not be an Event of Default by any other Transferee as to its Approved Phase.

(iii) An Event of Default by the Transferee in a Transfer that is a Triggering Event as to its Approved Phase will not be an Event of Default by Developer.

(iv) An Event of Default by the Transferee in a Transfer that is a Triggering Event as to its Approved Phase will not be an Event of Default by any other Transferee.

(v) A Material Breach by a Transferee Affiliate will be a Material Breach by Developer, subject to Developer's cure rights under **Subsection 6.8(d)** (Developer's Cure Rights).

(d) Developer's Cure Rights. This Subsection applies to all Transferees.

(i) The Port will deliver to Developer copies of all notices given to a Transferee that could result in termination of any part of this DDA at the same time and in the same manner that notice is delivered to the Transferee.

(ii) If the Port gives notice of a default or of the Port's intent to terminate a Transferee's rights under this DDA due to its Prospective Breach, Developer will have 35 days to cure any monetary Material Breach and to initiate steps to cure any nonmonetary Material Breach. To the extent applicable, the outside date for Developer to cure a nonmonetary Material Breach will be extended by the sum of 35 days and the applicable cure period under **Subsection 11.1(c)** (Cure Period).

(iii) Developer may request that the Port meet and confer before the noticed Termination Date regarding a Transferee's default or Material Breach. If Developer provides notice to Port that Developer is willing and able to cure the Transferee's Prospective Breach and specifies the time and conditions to Developer's performance, the Port and Developer will negotiate in good faith for 90 days, subject to extension by agreement in each Party's sole discretion.

(iv) The Port may accept or reject Developer's proposed conditions in the Port's sole discretion. The Port will not be required to negotiate exclusively with Developer, agree to Developer's proposed terms for assumption, or approve another Transfer proposed by Developer.

6.9. Related Matters.

(a) Certain Recordkeeping. Each Transferee will be required to create and maintain reports, records, and information in compliance with its obligations under this DDA. Unless Developer has transferred all of its rights and obligations as master developer under this DDA, or the Port and the Transferee agree, Developer will continue to be responsible for gathering and compiling all Transferee information for inclusion in integrated reports required under this DDA. The Port's audit and inspection rights as to Developer will apply to all Transferees that assume horizontal development obligations.

(b) Exclusions. Nothing in this Article prohibits or otherwise restricts Developer from any of the following, none of which will be treated as a Transfer:

(i) granting easements, leases, subleases, licenses, or permits to facilitate the development, operation, and use of any part of the Project Site that Developer holds by leasehold;

(ii) granting or creating a Deed of Trust permitted under **Article 17** (Lender Rights);

(iii) conveying its interest in any portion of the Project Site in connection with a Foreclosure Sale in accordance with **Article 17** (Lender Rights); or

(iv) making a Transfer to the Port, the City, or any other Regulatory Agency as authorized by this DDA or other Transaction Document.

7. PARCEL LEASES

7.1. Developer Option.

(a) Option Rights. Under procedures in this Article, Developer has the Option to enter into a Parcel Lease for each Development Parcel through a Vertical Developer Affiliate. Developer may initiate the Option process for any Option Parcel by delivering an Appraisal Notice to the Port. After Developer exercises its Option for a Development Parcel, the Port and the designated Vertical Developer Affiliate will enter into a Vertical DDA that will specify the conditions precedent for the Close of Escrow for the pertinent Parcel Lease and construction obligations for the parcel.

(b) Market Conditions Consultation. At least once each quarter, or more frequently at a Party's request on reasonable advance notice, the Parties will meet and confer to decide when market conditions support development of each Phase. These meetings will begin after the Entitlement Date and continue until Developer has exercised or relinquished all of its Option rights under this DDA. During this period, the Parties will jointly engage a mutually acceptable real estate professional to estimate the Fair Market Values of the Option Parcels in each Phase.

(c) Lead Parcels. To provide early Parcel DRPs for the Port to apply to the Entitlement Sum, the Parties will jointly engage one or more mutually acceptable Qualified Appraisers to deliver appraisals of the designated Lead Parcels at least 90 days before Developer anticipates entering into the PIA for Phase 1. The Port will Close Escrow on Prepaid Leases for the Lead Parcels with Developer's designated Vertical Developer Affiliates as provided in *FP § 3.4 (Lead Parcels)*. Parcel DRPs from the Prepaid Leases will be applied to the Entitlement Sum as set forth in *FP § 2.3 (Entitlement Costs)*.

(d) Reserve Rent Allocations. The following will apply to all Option Parcels except the Lead Parcels.

(i) The Reserve Rent Allocation for each Option Parcel establishes the floor for Annual Ground Rent that the Port expects to receive under the pertinent Parcel Lease.

(ii) The Port will be required to enter into a Vertical DDA for an Option Parcel if the Annual Ground Rent that the Port would receive under the Parcel Lease as determined under **Section 7.4** (Fair Market Value) would equal or exceed its Reserve Rent Allocation. The net present value of Annual Ground Rent payments over the life of the Parcel Lease plus the amount of the Parcel DRP should equal its Fair Market Value.

(iii) If the Port agrees to enter into a Parcel Lease with a greater proportion of rent as prepaid rent, or with a greater proportion of rent as Percentage Rent, the Reserve Rent Allocations may be adjusted. The Port will not be required to enter into any Parcel Lease unless the initial Annual Ground Rent that the Port will receive under the Parcel Lease will equal or exceed its adjusted Reserve Rent Allocation.

(e) Proposal to Prepay Rent. Developer may seek the Port's consent, which the Port may grant or withhold in its sole discretion, to enter into a Prepaid Lease for any Option Parcel in addition to the Lead Parcels.

(f) Garages. Developer intends to develop the Parcel D2 Garage and may elect to develop the Mission Rock Square Garage to serve Mission Rock, the Ballpark, and other nearby facilities subject to the requirements in **Section 2.5** (Garage Phase Requirements) and **Section 2.6** (Mission Rock Square Garage). Any Garages will be developed by Vertical Developer Affiliates. A Vertical Developer Affiliate building a Garage will be required to enter into a Garage REA as described in **Subsection 2.5(e)** (Garage REA) and enter into a Vertical DDA and a Parcel Lease generally in the form of **DDA Exhibit D2**, revised by applicable requirements in **Section 2.5** (Garage Phase Requirements) and **Section 2.6** (Mission Rock Square Garage).

7.2. Phase 1 Put Option.

(a) Phase 1 Election. If Developer states in its Phase Submittal for Phase 1 that it is not ready to present the Phase Budget included in the Phase Submittal to the Port Commission for approval under **Subsection 3.2(b)** (Phase 1 Submittal), then the Port Director may elect to either:

(i) hold the Phase Budget until Developer states its readiness to proceed with Phase 1 and to submit the Phase Budget, with or without modification, to the Port Commission for approval; or

(ii) at any time that is later than three years after the Entitlement Date, initiate the process under **Subsection 7.2(b)** (Phase 1 Put Procedures).

(b) Phase 1 Put Procedures.

(i) The Port will engage a Qualified Appraiser to conduct an appraisal of at least one Commercial Parcel and one Residential Parcel in Phase 1 in accordance with appraisal procedures in **Section 7.4** (Fair Market Value), except that:

(1) the appraisals will be delivered only to the Port, in confidence; and

(2) the appraisals will be provided to Developer only if the Port exercises its Put Option for Phase 1.

(ii) The Port will conduct a proforma feasibility analysis of Phase 1 using the appraised values to make reasonable estimates for the other Development Parcels in the Phase and the estimated costs in the proposed Phase Budget to test whether Phase 1 is feasible. The Port will determine feasibility by whether the analysis projects that the sum of projected Project Payment Sources and Developer Capital would be sufficient to pay the Entitlement Sum, Phase 1 Horizontal Development Costs, and Developer Return.

(iii) If the Port decides to exercise its Put Option for Phase 1, the Port will deliver to Developer a Put Notice that includes copies of the appraisals and the feasibility analysis.

(iv) Developer may dispute the Port's feasibility analysis by submitting the matter to binding arbitration under **Section 9.4** (Binding Arbitration). Developer's Arbitration Notice will toll all rights and obligations under this Section until the proceeding is finally resolved.

(v) Within 60 days after the Put Notice is effective under *App ¶ A.5 (Notices)* or an Arbiter's decision is final, Developer must update the proposed Phase Budget for Phase 1. The updated Phase Budget must incorporate the values and other applicable elements of the appraisals and feasibility analysis and include Parcel DRPs at least equal to the unpaid Developer Balance. Port staff will review the Phase Submittal and present the updated Phase Budget to the Port Commission for its approval.

(vi) If the Port Commission approves the updated Phase Budget:

(1) Developer may elect to initiate the appraisal process for any Development Parcel in Phase 1;

(2) the Port may elect to exercise its Put Option for any Development Parcel in Phase 1 under **Section 7.3** (Parcel Put);

(3) the Port may include its costs for the appraisal and feasibility analysis as Port Costs;

(4) Developer will be entitled to Credit Bid up to the aggregate amount of the unpaid Developer Balance when any Vertical Developer Affiliate Closes Escrow on a parcel; and

(5) the Commission's action will be treated as a Phase Approval for all purposes under this DDA.

(vii) If Developer does not exercise its Option on Development Parcels with an aggregate value at least equal to the Entitlement Sum, the Port will have the right to initiate a Public Offering to select a Vertical Developer. The Port will use Parcel DRPs to pay off any remaining balance of the Entitlement Sum by disbursements at the Close of Escrow on third-party Parcel Leases.

7.3. Parcel Put.

(a) Port Exercise. Subject to **Subsection 3.2(i)** (Put Delay Request), the Port may exercise a Put Option for any of the Development Parcels in a Current Phase if the Port believes that the Annual Ground Rents payable to the Port on Option Parcels in the Current Phase would be at least equal to their combined Reserve Rent Allocations. The Port may deliver a Put Notice to begin the 15-day Put Exercise Period at any time between Phase Approval and the Outside Date for Developer to begin construction of Phase Improvements. The Put Notice will list each Development Parcel that is subject to the Put Option.

(b) Effect on Option Parcels. After receiving the Put Notice but no later than the last day of the Put Exercise Period, Developer may deliver an Appraisal Notice to the Port for any Option Parcel in the Put Notice. If Developer fails to respond to the Put Notice, then Developer's Option for all Option Parcels in the Put Notice will be suspended. If Developer's Appraisal Notice specifies that Developer is exercising its Option for one or more, but not all, Option Parcels in the Put Notice, then Developer's Option for declined Option Parcels will be suspended.

(c) Garage Parcels. The Port may include Parcel D2 in a Put Notice under the circumstances described in and subject to **clause (ii)** of **Subsection 2.5(a)** (Garage Phase Requirements).

(d) Election to Publicly Offer.

(i) The Port will have the right to publicly offer under **Section 7.8** (Public Offering Procedures) any Option Parcel for which Developer's Option was suspended at any time after the earlier of:

(1) the last day of the Put Exercise Period; and

(2) the effective date of Developer's Appraisal Notice to the Port declining to exercise the Put Option for all the Option Parcel.

(ii) The Port will deliver notice of its election to initiate a Public Offering to Developer within five business days after the expiration of the period under **clause (i)**. After the notice is delivered, **Section 7.8** (Public Offering Procedures) will apply.

7.4. Fair Market Value.

(a) Established by Appraisal. Fair Market Values of Option Parcels will be established by appraisals under this Section.

(b) Appraisal Notice. Developer will trigger the appraisal process for an Option Parcel by delivering an Appraisal Notice to the Parties' jointly chosen Qualified Appraiser before the Outside Date to begin construction of Phase Improvements or in response to a Put Notice. The Appraisal Notice will identify the Option Parcel and provide a detailed program of uses planned for the parcel, including the area programmed for each type of use. The Appraisal Notice will include Appraisal Instructions that

require the Qualified Appraiser to deliver an appraisal report for the applicable Option Parcel to the Parties within 30 days after the Appraisal Notice is delivered.

(c) Appraiser Qualifications. Each Qualified Appraiser must meet the following qualifications:

(i) be licensed in the State of California as a Certified General Appraiser;

(ii) be a member of the Appraisal Institute;

(iii) have at least 10 years' experience in the San Francisco Bay Area valuing commercial-office or multiple occupancy residential properties or both, depending on the allowed uses of the Option Parcel;

(iv) be a principal in either a national or regional firm based in California that:

(1) is not a Vertical Developer Affiliate;

(2) does not have an equity investment in Developer, any Vertical Developer Affiliate, any Vertical Developer that has entered into a Parcel Lease with the Port, or any of their Affiliates;

(3) does not have a conflict of interest by virtue of a contractual relationship with Developer either existing or in the 24 months immediately preceding the engagement, unless the Port in its sole discretion waives the conflict;

(4) agrees to avoid future conflicts of interest as a condition to being on the panel; and

(v) is otherwise acceptable to both Parties.

(d) Qualified Appraiser Pool. The Qualified Appraiser Pool from which the Parties may select as of the Project Approval Date is attached as **DDA Schedule 2**. From time to time, either Party may propose in writing to amend the Schedule to add or remove appraisers to or from the Qualified Appraisers Pool. If the Parties disagree on a proposed addition or removal, then the Parties will engage in a dispute resolution procedure under **Section 9.4** (Binding Arbitration).

(e) Appraisal Instructions. The Appraisal Instructions will direct the Qualified Appraiser to prepare and deliver simultaneously to both Parties a Joint Appraisal. For a Residential Project where TAY Units are required, the appraisal instructions will instruct the Qualified Appraiser to assume that:

(i) TAY Units will be provided as Inclusionary Units restricted to households with incomes up to 45% of AMI;

(ii) TAY Units and associated service space will occupy the same building area that would be occupied by the same number of Inclusionary Units restricted to households with incomes up to 45% of AMI; and

(iii) the Vertical Developer and operator of the Residential Project will not bear the cost of services associated with TAY Units.

(f) Revisions. Either Party may propose to make nonmaterial changes to the forms of Appraisal Instructions from time to time, and the other Party will not unreasonably withhold, condition, or delay its approval. If a Party proposes material changes to Appraisal Instructions, such as assumptions, special assumptions, limiting conditions, hypothetical conditions, and special instructions, the Party proposing the changes must provide its proposal in writing together with evidence supporting its

proposed changes, and the other Party may approve or disapprove the proposed change in its sole discretion.

(g) Joint Appraisal.

(i) If the Parties agree on the value conclusions in the Joint Appraisal for an Option Parcel, it will become the Final Appraisal. The costs of the Joint Appraisal will be Soft Costs.

(ii) If the Parties do not agree on the value conclusions in a Joint Appraisal, the dispute will be resolved by procedures in **Section 7.5** (Appraisal Disputes). Whether determined by a mutually acceptable Joint Appraisal or by **Section 7.5** (Appraisal Disputes), a Final Value for any Option Parcel must be determined within six months after the date that Developer delivered the related Appraisal Notice.

7.5. Appraisal Disputes. A Party that objects to the Fair Market Value or the Rent Conversion Factor in the Joint Appraisal may submit the Disputed Value to binding arbitration under this Section by notice delivered within two weeks after the Joint Appraisal is delivered.

(a) Right to Party Appraisals. Each Party will engage another Qualified Appraiser to prepare a Party Appraisal using the same instructions used for the disputed Joint Appraisal. The fees and costs of Party Appraisals will not be Soft Costs.

(b) Dispute Resolution Procedures. The Final Value will be determined as follows.

(i) Step 1. If the Disputed Values in the Party Appraisals are within 10% of each other, then the Final Value will be the average of those two. Otherwise, go to Step 2.

(ii) Step 2. The Parties will jointly select another Qualified Appraiser to prepare a Neutral Appraisal using the same instructions. The fees and costs of the Neutral Appraisal will be Soft Costs. The Disputed Value will be established as follows.

(1) If the Disputed Values in the Neutral Appraisal and only one of the Party Appraisals are within 10% of each other, then the Final Value will be the average of the Disputed Values in the Neutral Appraisal and the Party Appraisal within 10%.

(2) If the Disputed Value in the Neutral Appraisal is within 10% of the Disputed Values in both Party Appraisals, then the Final Value will be the average of all three values.

(3) If neither **Paragraph (1)** nor **Paragraph (2)** applies, then both Party Appraisals will be disregarded, and the Final Value will be the Disputed Value in the Neutral Appraisal.

7.6. Rent.

(a) Annual Ground Rent. Except for Prepaid Leases, all Parcel Leases will require Annual Ground Rent, which will be determined by deducting the Parcel DRP in the Phase Budget from Prepaid Lease Value and multiplying the difference by the Rent Conversion Factor.

(b) Percentage Rent.

(i) For any Parcel Lease that will include Percentage Rent, the Parties will retain a real estate economics consultant within 30 days after Final Values are established under **Subsection 7.4(g)** (Joint Appraisal) or **Section 7.5** (Appraisal

Disputes). The Parties will provide the Final Appraisal and the underlying materials and information to the consultant with directions to prepare and deliver to the Parties a proforma with a Projected AGI conclusion for the Option Parcel.

(ii) If the Parties agree with the consultant's proforma analysis, the percentage for Percentage Rent will be determined using the consultant's Projected AGI.

(iii) A Party that disagrees with the consultant's proforma analysis may deliver an Arbitration Notice to the other Party to initiate a proceeding under **Section 9.4** (Binding Arbitration).

(iv) Percentage Rent will be set as the percentage derived by dividing Annual Ground Rent by Projected AGI, as finally agreed or determined.

7.7. Option Parcel Closings.

(a) Closing Deadline.

(i) Developer will have 30 days after the Final Values for an Option Parcel that will not include a Percentage Rent Obligation are final to deliver an Option Notice to the Port.

(ii) Otherwise, Developer will have 30 days after the Percentage Rent for an Option Parcel is final to deliver an Option Notice to the Port.

(iii) If Developer timely delivers its Option Notice to the Port, Developer's selected Vertical Developer Affiliate will have 40 days to enter into a parcel-specific Vertical DDA with the Port.

(iv) Developer's failure to deliver an Option Notice or its Vertical Developer Affiliate's failure to deliver its executed Vertical DDA timely will give the Port the right to initiate a Public Offering for the Option Parcel.

(b) Disposition of Parcel DRPs.

(i) The Port will instruct the Escrow Agent to disburse all Parcel DRPs from Escrow at Closing. The Parties will make entries in the Developer Capital Schedule and the Port Capital Schedule to reflect the disposition of Parcel DRPs. Acceptable forms of payment are:

(1) cash;

(2) cash deemed to have been deposited by Credit Bid as described in *FP § 3.5 (Right to Credit Bid)*; and

(3) any deemed DRP Advance for estimated Deferred Infrastructure costs.

(ii) All Parcel DRPs will be subject to reconciliation and adjustment by a Phase Audit under *FP § 9.3(a) (Phase Audit)*.

(c) Down Market Delay Before Closing. If Annual Ground Rent finally determined under **Subsection 7.6(a)** (Annual Ground Rent) would be lower than the Reserve Rent Allocation for an Option Parcel, the Parties may take the following actions.

(i) In its sole discretion, Developer may deliver to the Port within 30 days after the appraisal is final an offer to pay Annual Ground Rent equal to the Reserve Rent. Within 40 days after Developer delivers the offer, a Vertical Developer Affiliate must enter into a parcel-specific Vertical DDA with the Port. Neither Party may take any other action regarding the parcel until each period in

this clause has expired, unless Developer gives notice to the Port rescinding Developer's offer or waiving its right under this clause.

(ii) After either or both of the "no action" periods under **clause (i)** of this Subsection have expired, the Port in its sole discretion may deliver notice to Developer rescinding its offer to convey the Option Parcel.

(iii) A Party rescinding under this Subsection may direct the Escrow Agent to close the Escrow Account. Without further action, the Final Appraisal triggering action under this Subsection will be disregarded for any purpose under this DDA.

(d) Effect of Failure to Close Escrow. Developer's or a Vertical Developer Affiliate's failure to Close Escrow by the Closing Deadline in effect when all conditions to Closing under its Vertical DDA have been satisfied or waived will give the Port the right to conduct a Public Offering to for the affected Option Parcel under **Section 7.8** (Public Offering Procedures).

7.8. Public Offering Procedures.

(a) Broker-Managed Offerings. Each Public Offering will be managed by a Qualified Broker selected jointly by Developer and the Port from a list that the Parties have approved. The Qualified Broker Pool as of the Reference Date is set forth in **DDA Schedule 3**. From time to time, either Party may propose in writing to add or remove Qualified Brokers to or from the list. If the Parties disagree on a proposed addition or removal, then the Parties will engage in the dispute resolution procedure under **Section 9.4** (Binding Arbitration).

(b) Offering Document. The Public Offering documents for any Option Parcel will identify the parcel and include at least the following information:

(i) the permitted uses and height, bulk, mass, and other physical limitations on Vertical Improvements to the Option Parcel;

(ii) existing encumbrances, including applicable Impact Fees and Exactions, including Inclusionary Unit requirements for any Residential Parcel;

(iii) any Deferred Infrastructure obligations;

(iv) whether Fair Market Value is to be prepaid in full or in part, paid by Annual Ground Rent that amortizes Fair Market Value over the Parcel Lease term, or a combination of a Parcel DRP and Annual Ground Rent;

(v) financial requirements, including:

(1) the Parcel DRP;

(2) the minimum Annual Ground Rent, which will be no less than the Reserve Rent;

(3) parameters for a percentage rent proposal if percentage will be required;

(4) and the Minimum Price, consistent with the Phase Budget, but subject to negotiation in conjunction with a proposed revision of the Phase Budget;

(vi) the Qualified Broker managing the Public Offering;

(vii) a date by which sealed bids must be submitted, a Closing Deadline by which the winning bidder must enter into a Parcel Lease, and any conditions to

extension of the Closing Deadline, such as Developer's failure to timely complete Backbone Infrastructure needed to serve the Option Parcel;

(viii) a form to be submitted with each bid requiring each bidder to agree to enter into a Vertical DDA and Parcel Lease with the Port substantially in the forms attached to this DDA and acknowledge that the Port will require the winning bidder to comply with the Project Requirements and the Regulatory Requirements;

(ix) a description of the criteria and scoring system that the Port will use to determine the highest and best offer;

(x) matters that will result in automatic disqualification, including a bid submitted after the offering period ends and a proposal for Annual Base Rent below Reserve Rent;

(xi) disclose that Developer or its selected Vertical Developer Affiliate will be a deemed Qualified Bidder entitled to submit a bid on the same conditions as all other Qualified Bidders except that the Vertical Developer Affiliate will have the right to Credit Bid; and

(xii) the date by which any challenges to the Port's award must be submitted.

(c) Bidder Prequalification. Each Public Offering document will specify a prequalification period ending no less than [XXXX] days before bids are due during which any person interested in bidding will submit evidence of its qualifications to the Port for its determination. The Port will notify each person who submits qualifications of the Port's determination at least [XXXX] days before bids are due. Each Qualified Bidder subject to this requirement will:

(i) be a Vertical Developer that is reasonably creditworthy in the Port's reasonable judgment given the obligations the bidder would be assuming and its other qualifications;

(ii) have one or more principals with at least five years of experience in developing the type of land use to be developed on the Option Parcel; and

(iii) meet all other applicable bidder criteria in **DDA Exhibit D5**.

(d) Offering Periods. The following time periods will apply to a Port election to publicly offer an Option Parcel under this Subsection. Failure to meet any of these time periods will cause the Public Offering to be deemed a failed offering under **Subsection 7.8(g)** (Effect of Failed Offering).

(i) The Port will require the broker managing the Public Offering to publish the offering documents within 120 days after:

(1) Developer or a Vertical Developer Affiliate failed to Close Escrow under **Subsection 7.7(d)** (Effect of Failure to Close Escrow); or

(2) the effective date of the Port's notice under **Subsection 7.3(d)** (Election to Publicly Offer).

(ii) The Port's target date to Close Escrow with the successful bidder will be six months after the deadline to submit bids for the Public Offering. If the Port does not Close Escrow, **Subsection 7.8(h)** (Effect of Bidder Delay) will apply.

(iii) The outside date for the Port to Close Escrow with the successful bidder will be one year after the deadline to submit bids for the Public Offering.

(e) Award. The Port will award the publicly-offered Option Parcel to the Qualified Bidder receiving the highest point score according to the criteria and scoring system described in the Public Offering document.

(f) Obligations After Selection.

(i) Unless otherwise directed by the Port, Developer will begin diligent efforts to satisfy the Conditions to Commencement for Phase Improvements by the Closing Deadline specified in the Public Offering document.

(ii) Until the Closing Deadline, the Port will be obligated to enter into a Parcel Lease for the Option Parcel with the Vertical Developer.

(iii) The Port will be required to forbear from issuing another Put Notice for any Option Parcel specified in its earlier Put Notice for 24 months after the bid deadline specified in the Public Offering document.

(g) Effect of Failed Offering. A failed Public Offering will reinstate automatically Developer's Option for the Option Parcel that was publicly offered, but will not extend any Outside Dates in the Schedule of Performance applicable to the parcel unless Developer exercises its rights under **Section 4.4** (Down Market Delay Procedures). A Public Offering will be considered to have failed if:

(i) no Qualified Bidder submits a timely bid at or above the Minimum Price; or

(ii) the Vertical Developer selected through the Public Offering does not timely enter into a Vertical DDA or Close Escrow timely under **clause (iii)** of **Subsection 7.8(d)** (Offering Periods).

(h) Effect of Bidder Delay. If the Vertical Developer does not Close Escrow by the six-month target date specified in **clause (ii)** of **Subsection 7.8(d)** (Offering Periods), Developer's target date to begin construction of Phase Improvements will be extended one day for each additional day until the Close of Escrow under **clause (iii)** of **Subsection 7.8(d)** (Offering Periods), for a maximum of six months' delay.

(i) Bidder's Failure to Close Escrow. A Vertical Developer's failure to Close Escrow on a Parcel Lease will not be deemed to be evidence of a Down Market Delay, but the Parties will meet and confer as to whether they agree that Down Market Delay exists.

(i) If the Parties agree that Down Market Delay exists, the Closing Deadline that the Vertical Developer failed to meet will be deemed to be the Down Market Test Date under **Section 4.4** (Down Market Delay Procedures).

(ii) If the Parties do not agree that Down Market Delay exists, either Party seeking a Down Market Delay must proceed under **Section 4.4** (Down Market Delay Procedures).

7.9. Coordination Agreement. As a condition to Closing each Parcel Lease, the Port will require Vertical Developers to enter into a Coordination Agreement with Developer. The Port will have the right to review and object to Developer's form of Coordination Agreement, but the Port will not be a party to it. The Coordination Agreement may address:

(a) plans for Developer's reasonable access to the Development Parcel during construction of Phase Improvements adjacent to or serving the parcel;

(b) coordination of horizontal and vertical development, including obligations for Backbone Infrastructure and Deferred Infrastructure;

(c) Developer's and the Vertical Developer's respective construction staging plans;

(d) any required milestones in construction of the Phase Improvements consistent with the Phase Schedule approved as part of the Phase Budget;

(e) mutual indemnity and insurance requirements; and

(f) at Developer's sole election, a requirement that the Vertical Developer enter into a project labor agreement to minimize the risk of labor conflicts.

7.10. Pier 48.

(a) Pier 48 Rehabilitation Plan Objectives. The Parties have agreed to make joint efforts to develop a Pier 48 Rehabilitation Plan that would, upon receipt of all required Regulatory Approvals:

(i) accommodate new commercial/light industrial uses of the Pier 48 sheds and aprons, consistent with the SUD, the Waterfront Plan, and Applicable Port Laws;

(ii) continue maritime operations on the aprons and along Channel Plaza;

(iii) provide for rehabilitation of Pier 48 consistent with the Secretary's Standards;

(iv) maintain the Pier 48 aprons as open space, with maximum feasible public access, consistent with maritime operations; and

(v) complement the development and character of the rest of the Project and the surrounding neighborhood.

(b) Public Input into Process.

(i) Developer acknowledges that the Port anticipates issuing a Request for Interest for public-serving uses at its finger piers in the near future and agrees that Pier 48 will be included to generate a better shared understanding of potential uses that could achieve the objectives of the Pier 48 Rehabilitation Plan.

(ii) The Port agrees that the Request for Interest will specifically disclose Developer's rights under **Subsection 7.10(f)** (Developer's Rights) and the Port's obligation to identify an Interested Pier 48 User under the process described in **Subsection 7.10(e)** (Public Solicitation Process).

(c) Feasibility Analysis.

(i) The Port may give notice to Developer at any time if the Port determines on the basis of credible available information and reasonable economic projections that a specific potential Pier 48 Rehabilitation Plan appears economically feasible.

(ii) The Port's notice will include:

(1) a description of the proposed Pier 48 Rehabilitation Plan;

(2) the feasibility study on which the Port's determination is based; and

(3) a description of the potential uses that would satisfy the objectives of the Pier 48 Rehabilitation Plan.

(iii) Developer will have 150 days after the Port delivers its notice, subject to extension by agreement, to prepare, in consultation with the Port, and

submit to the Port a more detailed feasibility analysis of the proposed Pier 48 Rehabilitation Plan.

(iv) Developer's feasibility analysis will include:

(1) preliminary cost estimates;

(2) a development pro forma;

(3) explanations as to why any of its assumptions differ from those underlying the Port's feasibility study.

(d) Pier 48 Term Sheet Negotiations.

(i) Either Party may deliver to the other Party a Pier 48 Negotiation Notice within 120 days after Developer delivers its feasibility analysis to the Port. The Noticing Party may specify whether it desires to include any refinements from the feasibility analysis in the potential Pier 48 Rehabilitation Plan.

(ii) The Pier 48 Negotiation Notice will start a 120-day period during which the Port will negotiate exclusively with Developer on the terms of a nonbinding term sheet for a Pier 48 Development Lease. The Parties may extend the negotiation period by agreement in each Party's sole discretion.

(iii) The term sheet will specify any related amendments to the Transaction Documents necessary or desired to implement the Pier 48 Rehabilitation Plan. If the negotiations for a Pier 48 Development Lease term sheet are successful, the Parties will as promptly seek any Regulatory Approvals required to enter into the Pier 48 Development Lease and carry out the Pier 48 Rehabilitation Plan.

(iv) During the 120-day negotiation period, Developer may negotiate a sublease term sheet separately with an identified Interested Pier 48 User.

(e) Public Solicitation Process. If the negotiations initiated by the Pier 48 Negotiation Notice do not result in the Parties' agreement on the on the terms of a Pier 48 Development Lease within the negotiation period under **Subsection 7.10(d)** (Pier 48 Term Sheet Negotiations), the Port may elect, upon notice to Developer, to issue a Pier 48 Solicitation. Any Pier 48 Solicitation will specify:

(i) the permitted uses and height, bulk, mass, and other physical limitations on the redevelopment of Pier 48, consistent with the Pier 48 Rehabilitation Plan;

(ii) applicable Impact Fees, Exactions, and other applicable laws;

(iii) a date by which proposals must be submitted;

(iv) a certificate to be submitted with each proposal requiring each proposer to agree to enter into an exclusive negotiating agreement with the Port substantially in an attached form;

(v) a description of the criteria and scoring system that the Port will use to determine the highest and best offer; and

(vi) the date by which any challenges to the Port's award must be submitted.

(f) Developer's Rights. Developer may elect one of the following alternatives with respect to any Pier 48 Solicitation.

(i) Developer or a Vertical Developer Affiliate will have the right to respond to the Pier 48 Solicitation.

(1) Developer may give notice to the Port within **20** days after the Port delivers notice under **Subsection 7.10(e)** (Public Solicitation Process) that Developer irrevocably waives its right to respond to the Pier 48 Solicitation under **clause (i)** of this Subsection. After delivery of Developer's notice:

(2) the Port will not issue the Pier 48 Solicitation until Developer has had at least 45 days to review and comment on the draft Pier 48 Solicitation; and

(3) Developer will be entitled to participate in the Port's evaluation of responses to the Pier 48 Solicitation to the extent desirable, in the Port's reasonable judgment, to coordinate the potential development of Pier 48 with the rest of the Project.

(g) Responses to Pier 48 Solicitation.

(i) If the Port receives one or more responses to the Pier 48 Solicitation from qualified respondents, the Port may select and enter into an exclusive negotiating agreement with the respondent in accordance with the Pier 48 Solicitation.

(ii) If the selected respondent is a third party, Developer's rights under **Subsection 7.10(f)** (Developer's Rights) will terminate automatically.

(iii) If the Port does not select and enter into an exclusive negotiating agreement with a respondent, or if the Port enters into an exclusive negotiating agreement that terminates without agreement on a Pier 48 Development Lease, Parties' rights and obligations as to a Pier 48 Rehabilitation Plan and a Pier 48 Development Lease will be reinstated automatically.

8. PROPERTY CONDITION AND INDEMNITIES

8.1. As-Is. Under the Master Lease and this DDA, the Port will deliver the Project Site and Development Parcels strictly in their "**as-is**" condition with all faults and defects. Developer has agreed to the form of Vertical DDA, which requires all Vertical Developers includes a similar "**as-is**" provision. The Port has no obligation to repair any improvements on the Project Site or any liability for their damage or destruction, however caused.

(a) Developer Due Diligence.

(i) Developer acknowledges explicitly that it has had the opportunity to investigate the physical and title conditions affecting the Project Site fully, using experts of its own choosing. Through the term of the Master Lease, Developer will have a continuing opportunity to conduct due diligence, including physical testing, subject to reasonable conditions in the Master Lease. The Port, at no cost to the Port, will cooperate reasonably with Developer in its investigations and provide Developer with prompt access to public books and records in the Port's possession or control relating to the prior use and ownership of the Project Site during the Port's regular business hours. Developer will provide a reasonably detailed description of the documents that it wishes to review at least five days before any requested review date.

(ii) Developer represents that it has received and reviewed a geotechnical investigation report covering the geological conditions, focused on areas intended to be developed as Public ROWs and Public Spaces, prepared by a California Certified Engineering Geologist or California Registered Geotechnical Engineer of its choice that was prepared in compliance with the requirements of the Port Building Code, the Seismic Hazards Mapping Act (Cal. Pub. Res. Code

ch. 7 & ch. 8), and California Geological Survey Special Publication 117A (Guidelines for Evaluating and Mitigating Seismic Hazards in California).

(iii) Developer acknowledges that it had the opportunity to conduct, but elected not to do so, a thorough geotechnical investigation report covering the geological conditions of portions of the Project Site not intended to be developed as Public ROWs and Public Spaces and bears all risks of its election before the Port enters into Vertical DDAs with Vertical Developers responsible for construction on Development Parcels.

(b) Hazardous Materials.

(i) Developer expressly acknowledges its knowledge of the industrial history of the Project Site and nearby property, the contents of Environmental Covenants attaching to the Project Site. Developer agrees to comply with Environmental Laws, including the Environmental Covenants, applicable to the Project Site, whenever it has access to or possession of any portion of the Project Site.

(ii) Developer acknowledges that no City Party has made any representation or warranty, express or implied, in reference to the condition of the Project Site.

(c) FEMA Disclosure. FEMA is performing detailed coastal engineering analyses and mapping of the San Francisco Bay shoreline within the nine San Francisco Bay Area counties that will provide flood and wave data for the City's Flood Insurance Study report and Flood Insurance Rate Maps. This process may have significant impacts for developing new structures and reconstructing or repairing existing structures on San Francisco's waterfront. The City, through the Port, advises Developer as follows.

(i) FEMA prepares the Flood Insurance Rate Maps to support the National Flood Insurance Program, a federal program that enables property owners, businesses, and residents in participating communities to purchase flood insurance backed by the federal government. The Board of Supervisors adopted the Floodplain Ordinance, which governs new construction and substantial improvements in flood-prone areas of San Francisco and authorizes the City's participation in the National Flood Insurance Program. National Flood Insurance Program regulations allow a local jurisdiction to issue variances to its floodplain management ordinance under certain narrow circumstances without jeopardizing the local jurisdiction's eligibility in the National Flood Insurance Program. But, projects that obtain variances from the local jurisdiction may be deemed ineligible for federally-backed flood insurance by FEMA.

(ii) Flood Insurance Rate Maps identify areas that have a 1% chance of inundation in a given year, also known as a base year or a 100-year flood. FEMA refers to an area that is at risk from a flood of this magnitude as a special flood hazard area. To prepare the Flood Insurance Rate Map for San Francisco, FEMA has performed detailed coastal engineering analyses and mapping of the San Francisco Bay shoreline. The San Francisco Bay Area Coastal Study includes both regional hydrodynamic and wave modeling of the San Francisco Bay, as well as detailed onshore coastal analysis used to estimate wave runup and overtopping, as well as overland wave propagation. These onshore analyses form the basis for the Base Flood Elevations and special flood hazard areas shown on the Flood Insurance Rate Map.

(iii) In November 2015, FEMA issued a preliminary Flood Insurance Rate Map of San Francisco tentatively identifying special flood hazard areas along the City's shoreline in and along the San Francisco Bay consisting of

"A zones" (areas subject to inundation by tidal surge) and "V zones" (areas subject to the additional hazards that accompany wave action). These zones generally affect City property under Port jurisdiction and other areas of the San Francisco waterfront, including parts of Mission Bay, Hunters Point Shipyard, Candlestick Point, Treasure and Yerba Buena Islands, and an area adjacent to Islais Creek. FEMA plans to finalize the Flood Insurance Rate Map in mid-2018. Six months after this date, the Flood Insurance Rate Map will become effective and will be used for flood insurance and floodplain management purposes. During this six-month period, the City plans to amend the Floodplain Ordinance to adopt the Flood Insurance Rate Map.

(iv) The Port Building Code provides for variances from these requirements under certain extraordinary circumstances that parallel those in the Floodplain Ordinance. The Port Building Code regulates construction activities on piers and wharves and incorporates, with certain amendments, California Building Code provisions that generally limit new construction in V zones to areas that are landward of the reach of mean high tide.

(v) The federal legislation and regulations implementing the NFIP are located at 42 U.S.C. §§ 4001 et seq.; 44 C.F.R. Parts 59-78, §§ 59.1-78.14. FEMA also publishes "*Answers to Questions About the NFIP*" and FEMA Publication 186 entitled "*Mandatory Purchase of Flood Insurance Guidelines*." Additional information on this matter can be found on the City's and FEMA's websites at the following links:

http://sfgsa.org/san-francisco-floodplain-management-program

https://www.fema.gov/national-flood-insurance-program-flood-hazard-mapping

https://www.fema.gov/national-flood-insurance-program

http://www.r9map.org/Docs/Oct13-SanFranCo-FEMA_Factsheet_rev%20(2).pdf

8.2. Damage and Destruction. Beginning on the Reference Date, Developer will assume all risk of damage to or destruction of existing or future Improvements as provided in this Section.

(a) Existing Improvements to be Demolished. A casualty causing damage to or destruction of any existing improvements in a Phase Area, including any off-site improvements serving the Master Lease Premises and other changes in site conditions, will not affect the Parties' rights and obligations under this DDA except by application of this Section or **Article 4** (Excusable Delay). Developer will have the right to elect to obtain relief under either provision, but not both, following a casualty.

(b) Cost Report. Before seeking relief under this Section, Developer will contract for an updated construction cost estimate for any affected Horizontal Improvements prepared by a construction cost estimator approved by the Port Director. Developer will instruct the estimator to deliver copies of the construction cost estimate simultaneously to Developer and the Port within 120 days after the casualty. The report will identify increased costs caused solely by the casualty and those caused by market increases in the costs of labor or materials. At either Party's request, Developer and the Port will confirm the date on which they received the report.

(c) Developer's Remedies. If a casualty outside of Developer's reasonable control occurs before the Close of Escrow for the Port's first conveyance of an Option Parcel in any Phase, Developer may choose one of the following as its exclusive remedy under this Section.

(i) Under these circumstances only, Developer may deliver a Requested Change Notice to the Port under **Section 3.8** (Changes to Project) seeking to revise the Phase Schedule to provide Developer a reasonable amount of additional time to make adjustments to the Phase Improvements in light of the casualty. The Parties' obligations under this DDA would not be affected except to the extent changes are approved under **Section 3.8** (Changes to Project).

(ii) If the updated construction cost estimate, net of any available insurance proceeds, is more than 20% above the cost estimate that Developer submitted with a Phase Submittal, then Developer may terminate this DDA as to the related Phase by giving 60 days' notice to the Port within 60 days after Developer receives the updated cost estimate, specifying the date on which the termination will be effective.

(iii) If the casualty occurs at any time between the Reference Date and the date the Port Commission considers Phase Approval for the second Phase, and the updated construction cost estimate, net of any available insurance proceeds, is more than 20% above the cost estimate that Developer submitted with its Phase Submittal, Developer may elect to terminate this DDA in its entirety. Developer may exercise this election by giving 60 days' notice to the Port within 60 days after Developer receives the updated cost estimate, specifying the date on which the termination will be effective. All of the Parties' rights and obligations under this DDA, except those that explicitly survive termination, will be extinguished on the termination date.

(d) No Action. If Developer fails to seek a remedy under **Subsection 8.2(c)** (Developer's Remedies), the Parties' rights and obligations under this DDA will not be affected by the casualty except to the extent of relief available under **Article 4** (Excusable Delay).

(e) Negotiation Period. If the Port Director reasonably determines that Developer's proposed termination of a Phase under **clause (ii)** of **Subsection 8.2(c)** (Developer's Remedies) would violate the proportionality principle in **Subsection 2.4(a)** (Proportionality), then, within 15 days after the date of the applicable termination notice, the Port Director will give notice of her determination to Developer. The Port Director's notice will initiate a 90-day negotiation period, which will be deemed an Administrative Delay under **Article 4** (Excusable Delay), during which the Parties will negotiate in good faith for a proposed resolution that substantially maintains the benefits of the bargain for both Parties. If the Parties are unable to reach agreement within the 90-day negotiating period, then the Parties may agree, each in its sole discretion, to submit the matter to arbitration under **Section 9.5** (Nonbinding Arbitration).

8.3. General Indemnity.

(a) Scope of Indemnity. The following apply to an Indemnitor's obligations under this Section.

(i) The Indemnitor will defend the Indemnified Parties against any Claims for Losses that reasonably fall or are otherwise determined to fall within this indemnity even if the Claims may be groundless, fraudulent, or false. If a Claim is made against an Indemnified Party that may be within the scope of this indemnity, that Indemnified Party will provide notice to the Indemnitor of the Claim within a reasonable time after learning of the Claim and cooperate with the Indemnitor in the defense of the Claim. An Indemnified Party's failure to provide the notice, however, will not affect the Indemnitor's obligations except to the extent of prejudice caused by the lack of notice. The Indemnitor's defense

obligation will arise when a City Party tenders the Claim to the Indemnitor and will continue until finally resolved.

(ii) After the Port has entered into a Parcel Lease with a Vertical Developer, the Parcel Lease will govern the scope and extent of its indemnification obligations. The agreements to indemnify under this DDA are in addition to, and must not be construed to limit or replace any other obligations or liabilities that the Port may have to a Vertical Developer or that a Vertical Developer may have to the Port under any Parcel Lease or applicable law.

(b) Developer. Except to the extent directly or indirectly caused by a City Party's acts or omissions, Developer will indemnify the City Parties against all Losses arising directly or indirectly from:

(i) any Developer Party's failure to comply with any Regulatory Requirement applicable to its design and construction of the Horizontal Improvements;

(ii) any Developer Party's acts or omissions in relation to construction, management, or operations at the Project Site, including patent and latent defects and mechanic's or other liens to secure payment for labor, service, equipment, or materials;

(iii) contracts or other agreements between Developer Parties and third parties in connection with Developer's performance under this DDA with or without a City Party's consent and whether or not the City Party is a party to an action.

8.4. Hazardous Material Indemnity.

(a) Scope of Obligation. In addition to its obligations under **Section 8.3** (General Indemnity), Developer agrees to indemnify the City Indemnified Parties from any and all Losses and Hazardous Materials Claims that arise as a result of any of the following:

(i) any Hazardous Material Condition existing or occurring during the DDA Term or the Master Lease Term;

(ii) any handling, release, or exacerbation of Hazardous Materials in, on, or under the Project Site by Developer, Tenant, or any Related Third Party during the DDA Term or the Master Lease Term;

(iii) failure by Developer, Tenant, or any Related Third Party to comply with the Environmental Covenants; or

(iv) Claims by Developer, Tenant, or any Related Third Party for exposure occurring during the DDA Term to Pre-Existing Hazardous Materials or New Hazardous Materials in, on, or under the Project Site.

(b) Limitations. Nothing in **Subsection 8.4(a)** (Scope of Obligation) relieves the City Indemnified Parties from liability, nor will the obligations under **Subsection 8.4(a)** (Scope of Obligation) or **Section 8.5** (Defense of Claims) extend to Losses:

(i) to the extent caused by the gross negligence or willful misconduct of the City Indemnified Parties, or

(ii) from third-party Claims for exposure to Hazardous Materials before the Reference Date.

(c) Pollution Liability Coverage.

(i) If it is reasonable for a City Indemnified Party to assert that a claim for indemnification under this Section that is covered by a pollution liability insurance policy under which the City Indemnified Party is an insured party or a potential claimant, the Port will reasonably cooperate with Developer in asserting a claim under the insurance policy. Making a claim under the insurance policy will not waive any rights under this Section.

(ii) If a City Indemnified Party is a named insured on a pollution liability insurance policy obtained by Developer, Developer's obligation under this Section will be suspended until:

(1) the City Indemnified Party has asserted and diligently pursued a claim under the policy; and

(2) the policy limits are exhausted, on condition that Developer pays any self-insured retention required under the policy.

The conditions in this clause do not require a City Indemnified Party to initiate a judicial proceeding before seeking indemnification from Developer.

(d) Hazardous Materials Loss. Developer's obligations to the City Indemnified Parties under **Subsection 8.4(a)** (Scope of Obligation) include all Hazardous Material Losses, subject to **Subsection 8.4(b)** (Limitations) and **Subsection 8.4(c)** (Pollution Liability Coverage). Developer must reimburse the pertinent City Indemnified Party for its costs, with interest at the Interest Rate from the date of the demand until paid, within five business days after the demand is delivered.

(e) Developer agrees that, subject to **clause (ii)** of **Subsection 8.4(c)** (Pollution Liability Coverage), its liability to the City Indemnified Parties under this Section for a covered Claim arises upon the earlier to occur of:

(i) Developer's discovery of any Hazardous Materials (other than Pre-existing Hazardous Materials) in, on, or under the Master Lease Premises;

(ii) the handling or release of Hazardous Materials in, on, or under the Premises;

(iii) the handling or release of Hazardous Materials in, on, or under areas outside of the Master Lease Premises but within the Project Site caused by Developer, Tenant, or a Related Third Party; or

(iv) when any third party files a Hazardous Materials Claim against a City Indemnified Party.

8.5. Defense of Claims.

(a) Notice.

(i) The Port, on behalf of itself and the City Parties, and Developer, on behalf of itself and Developer Parties, agrees to give notice to any Indemnitor by the earlier of:

(1) 10 business days after valid service of process of a summons or other notice that an action has been filed against the Indemnified Party; or

(2) 10 business days after receiving notice that: (A) an action has been filed or a Claim has been made against an Indemnified Party; or (B) any other event that the Indemnified Party believes in good faith will be covered by this indemnity.

(ii) But the Indemnified Party's failure to give timely notice will not affect the Indemnified Party's rights or the Indemnitor's obligations under this DDA except to the extent that the delay prejudices the Indemnitor.

(b) Control. Subject to the Indemnified Party's approval, the Indemnitor will be entitled to control the defense, compromise, or other resolution of any Claim through counsel of the Indemnitor's choice. But in all cases the Indemnified Party will be entitled to participate in the defense, compromise, or other resolution of the Claim at its own expense.

(c) Failure to Defend. If the Indemnitor fails to take reasonable and appropriate steps to defend the Claim within a reasonable time after notice from the Indemnified Party describing in reasonable detail the nature of the Indemnitor's alleged failure, the Indemnified Party will have the right to hire defense counsel to carry out the defense at the Indemnitor's cost, which may be any combination of the City Attorney's Office (for a City Party), in-house counsel (for a Developer Party), and outside counsel. The Indemnified Party's defense costs will be due and payable within 30 days after the Indemnified Party delivers to the Indemnitor an invoice meeting the requirements of *App. ¶ 4.1 (Attorneys' Fees)*.

8.6. Mutual Release and Waiver.

(a) Scope. The releases under this Section do not affect either Party's rights to enforce the other Party's obligations, assert an Event of Default or Material Breach by the other Party, or seek its remedies under any Transaction Document at law or in equity.

(i) In consideration of the Port's covenants and obligations under this DDA and as part of Developer's agreement to accept the Project Site in its "**as-is**" condition under **Section 8.1** (As-Is), Developer, on behalf of itself and all other Developer Parties, agrees to waive any right to recover from, and forever releases the City Parties and their Agents of and from any Losses, whether direct or indirect, known or unknown, foreseen or unforeseen, that any Developer Party may now have or that may arise later on account of or in any way be connected with:

(1) the negotiations for this DDA and other Transaction Documents;

(2) the Existing Geotechnical Condition of the Project Site;

(3) the Existing Hazardous Material Condition of the Project Site, nuisance, or other physical condition that occurred or existed before Developer first took possession of the Project Site, except to the extent arising from any Developer Party's acts or omissions;

(4) Developer Losses incurred with respect to third-party Claims arising from the Existing Geotechnical Condition of any portion of the Project Site; or

(5) any applicable laws in effect on the Reference Date.

(ii) In consideration of Developer's covenants and obligations under this DDA and as part of its agreement to master develop the Project Site, the Port releases Developer Parties from all Losses that may arise on account of or in any way be connected with:

(1) the negotiations for this DDA and other Transaction Documents;

(2) the Existing Geotechnical Condition of the Project Site;

(3) any applicable laws in effect before the Reference Date; or

(4) the Existing Hazardous Material Condition of the Project Site, nuisance, or other physical condition that occurred or existed before Developer first took possession of the Project Site, except to the extent arising from any Developer Party's acts or omissions on the Project Site.

(b) Waiver of Statute. In connection with this release, Developer and the Port each acknowledges familiarity with California Civil Code section 1542, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR WHEN OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED THE SETTLEMENT WITH THE DEBTOR.

Each Party agrees that the release given in this Subsection covers unknown Claims and that, by entering into this DDA, each Party waives the benefits of Civil Code section 1542, or under any other statute or common law principle of similar effect.

(c) Informed Consent. Each Party represents that it has been fully informed in reference to, and represented by counsel of its choice in connection with the rights, remedies, limitations on damages, and waivers contained in this DDA and after consultation with its attorneys, with full knowledge of its rights and remedies otherwise available at law or in equity, presently and actually intends to waive and relinquish those rights and remedies to the extent specified in this DDA, and to rely solely on the prescribed remedies for any breach of this DDA, or any other right that the Party seeks to exercise.

8.7. Parties to Contract. For purposes of this Article, no City Party will be deemed to be a party to a contract solely because the City Party approved or consented to the contract, and no Developer Party will be deemed to be a party to a contract solely because Developer Party approved or consented to the contract.

8.8. Cost of Claims. Except to the extent the applicable Claim was caused solely by the gross negligence or willful misconduct of Developer or its Agents, costs that Developer incurs in discharging its obligations under this Article or *Master Lease art.* 19 (Indemnification of Port) with respect to any Claims, net of insurance proceeds and any recovery from third parties, will be Soft Costs of the Phase or Phases to which the Claim relates.

8.9. Survival. The agreements to indemnify described in **Section 8.3** (General Indemnity) and **Section 8.4** (Hazardous Material Indemnity), and the releases and waivers stated in **Section 8.6** (Mutual Release and Waiver) will survive termination of this DDA. The agreements to indemnify are in addition to, and do not limit or replace, any other obligations or liabilities under this DDA or other Transaction Documents.

9. RESOLUTION OF CERTAIN DISPUTES

9.1. Arbiters.

(a) Arbiter Pool. The Parties have agreed, or may agree, to submit certain disputes to Arbiters listed on the Approved Arbiters Pool attached as **DDA Schedule 1** and have agreed that Arbiters on the list meet the qualifications under this Subsection. To be qualified, an Arbiter will have at least 10 years' experience in the Bay Area in a

professional capacity handling issues arising from complex real estate and master planned development transactions with expertise in areas such as property valuation, commercial and multifamily residential real estate sales and leasing, engineering and cost-estimating, real estate economics, and complex financial accounting.

(b) Changes.

(i) The Parties will review the Approved Arbiters Pool periodically to determine each Arbiter's continued availability and willingness to serve. Either Party may propose to change the Approved Arbiters Pool by notice to the other Party, together with documentation supporting the proposed change, such as a proposed new Arbiter's qualifications or reasons to remove an Arbiter from the Approved Arbiters Pool.

(ii) The other Party will have 15 business days to respond. Failure to respond will be deemed consent if the notice prominently stated that the other Party's failure to respond within 15 business days will be deemed consent.

(iii) If the other Party objects, the Parties will meet and confer under **Subsection 9.2(a)** (Good Faith Efforts) and, if necessary, discuss whether to resolve the dispute by nonbinding arbitration under **Subsection 9.5(b)** (Nonbinding Arbitration Process).

9.2. Meet and Confer Requirement.

(a) Good Faith Efforts. Before resorting to any dispute resolution procedure under **Subsection 9.4(b)** (Binding Arbitration Procedures) or **Subsection 9.5(b)** (Nonbinding Arbitration Process), or initiating a judicial action, each Party agrees to make good faith efforts to resolve the dispute as follows.

(i) Any Party may initiate a meet-and-confer effort by giving notice to the other Party. Within 10 business days after a Disputing Party's request to confer regarding an identified matter, decision-making representatives of each Disputing Party will meet in a good faith effort to resolve the dispute.

(ii) If the Disputing Parties are unable to resolve the dispute at the meeting (or any longer time to which each Disputing Party agrees in its sole discretion), the following options will apply.

(1) The Parties may agree to submit the matters listed in **Subsection 9.4(a)** (Agreed Scope) to binding arbitration under **Subsection 9.4(b)** (Binding Arbitration Procedures).

(2) The Parties, each in its sole discretion, may agree to submit the matters listed in **Subsection 9.5(a)** (Scope) to nonbinding arbitration under **Subsection 9.5(b)** (Nonbinding Arbitration Process).

(3) The Parties, each in its sole discretion, may agree to submit any other matters to arbitration under this Article.

(iii) If the Disputing Parties do not agree to arbitration, or the dispute is not resolved by nonbinding arbitration, or the dispute is not subject to arbitration under this Article, any Disputing Party may seek to enforce its rights and remedies at law or in equity.

(b) No Prejudice. The dispute resolution procedures in this Article will not delay or otherwise prejudice a Party's right to give notice of an alleged default under **Article 10** (Defaults).

9.3. General Arbitration Procedures.

(a) Notice. A Party may initiate arbitration by providing an Arbitration Notice to the other Party, specifying with particularity both the nature of the dispute between the Parties and the initiating Party's demand to resolve the dispute. Neither Party may initiate or continue to prosecute a judicial action, except to comply with court rules, while an arbitration proceeding is pending.

(b) Selection of Arbiter. The Parties will meet to designate the Arbiter from the Approved Arbiters Pool within 10 business days after the effective date of the Arbitration Notice. If the designated Arbiter is not available to meet the time requirements for the proceeding, the Disputing Parties will designate another Arbiter on the Approved Arbiters Pool. If none of the Arbiters listed is able or willing to hear a dispute, the Disputing Parties will agree on the selection of an Arbiter to serve for the purposes of that dispute. Each Party initially will advance 50% of the required arbitration fee.

(c) Arbiter's Authority. The Arbiter will be authorized to:

(i) decide the matter on the written submissions;

(ii) hold an evidentiary hearing on reasonable prior notice to the Parties;

(iii) enter a default decision against a Party that does not deliver a brief or appear at the hearing and require the non-participating Party to pay the other Party's attorneys' fees and arbitration fees; and

(iv) award attorneys' fees and arbitration fees to the prevailing Party.

(d) Limits on Arbiter's Authority. The Arbiter will have no authority to:

(i) decide any matter that is listed in **Section 9.5** (Nonarbitrable Matters);

(ii) decide any matter that was not specified in the initiating Party's notice;

(iii) add to, remove from, disregard, modify, or otherwise alter this DDA or any other agreement between the Parties regarding the Project;

(iv) negotiate new agreements or provisions between the Parties;

(v) award damages of any kind or award attorneys' fees or arbitration fees except as specified in **Subsection 9.3(c)** (Arbiter's Authority); or

(vi) order any form of equitable relief.

(e) Service of Documents. In all dispute resolution proceedings under this Article, all agreements, submittals, and decisions will be in writing, and each Disputing Party will serve copies of any documents submitted to any Arbiter simultaneously to all other Disputing Parties.

(f) Ex Parte Communications. No Disputing Party or any of its Agents may engage in ex parte communications with the Arbiter with regard to any pending arbitration proceeding. A Disputing Party may write to the Arbiter concerning procedural matters such as scheduling if it delivers a copy simultaneously to the other Disputing Parties.

9.4. Binding Arbitration.

(a) Agreed Scope. The Parties have agreed to submit the following disputes to binding arbitration:

(i) proposed changes to the Qualified Appraiser Pool **Subsection 7.4(d)** (Qualified Appraiser Pool);

(ii) proposed changes to the Qualified Broker Pool under **Subsection 7.8(a)** (Broker-Managed Offerings);

(iii) proposed changes to the Approved Arbiters Pool under **Subsection 9.1(b)** (Changes);

(iv) the Port's conclusions regarding its feasibility analysis under **Subsection 7.2(a)** (Phase 1 Election); and

(v) Projected AGI to be used to established Percentage Rent for a Parcel Lease under **Subsection 7.6(b)** (Percentage Rent).

(b) By Later Agreement. The Parties, each in its sole discretion, also may agree to submit any other dispute to binding arbitration under this Section.

(c) Binding Arbitration Procedures. The following procedures will apply to binding arbitration of disputes under this Section.

(i) Each Disputing Party may submit an initial brief, not to exceed 10 double-spaced pages, and supporting documentary evidence to the Arbiter within 20 business days after the Arbitration Start Date. Evidence may include expert or consultant opinions, any form of graphic evidence such as photos, maps, and charts, and other evidence that could assist the Arbiter in resolving the dispute in the Disputing Party's discretion.

(ii) Each Disputing Party may submit a reply brief, not to exceed five double-spaced pages, within 20 business days after the Arbitration Start Date, even if it did not submit an initial brief. The Arbiter may request further briefing on specified issues, with documents submitted within 10 business days after the Arbiter's request.

(iii) Unless each Disputing Party agrees otherwise, the Arbiter will hold a telephonic hearing. The Arbiter will issue a decision within 25 business days after the submission deadline for the last set of briefs submitted under **clause (ii)** of this Subsection. The Arbiter's decision will be final, binding on all Parties, and nonappealable. Each Party explicitly waives any right to de novo judicial review of an Arbiter's decision under this Section.

9.5. Nonbinding Arbitration.

(a) Scope. The Parties, each in its sole discretion, may agree to submit any other dispute to nonbinding arbitration under this Section.

(b) Nonbinding Arbitration Process.

(i) The Disputing Parties may agree to submit disputes to nonbinding arbitration within 15 business days after the meet-and-confer period under **Section 9.2** (Meet and Confer Requirement) expires. The Disputing Parties may submit a joint statement of the dispute and a proposed discovery, briefing, and hearing schedule to the Arbiter. Otherwise, each Disputing Party may submit to the Arbiter a short statement of the dispute and a proposed discovery, briefing, and hearing schedule, and the Arbiter will specify the schedule for the proceeding. The Disputing Parties may agree to supplement, but not override, the nonbinding arbitration process under this Subsection by procedures applicable to commercial nonbinding arbitration of alternative dispute resolution providers in the Bay Area.

(ii) The Arbiter will decide any dispute subject to nonbinding arbitration under this Section. The Disputing Parties will provide the Arbiter with

briefs, not to exceed 10 double-spaced pages, on their respective positions. The Arbiter's decision will be due 30 days after the last submission.

(iii) Within 20 business days after the Arbitration Start Date, the Arbiter will conduct a preliminary hearing, either by telephone or personal appearance at the Arbiter's option. At the preliminary hearing, the Arbiter will establish discovery and briefing schedules and relevant dates, including a hearing date. In resolving discovery issues, the Arbiter will consider expediency, cost effectiveness, fairness, and the needs of the Disputing Parties for adequate information in reference to the dispute. The Disputing Parties will make good faith efforts to prepare a joint record of evidentiary documents for the proceeding.

(iv) The Disputing Parties may agree to retain one or more consultants to assist the Arbiter at the Arbiter's request in writing explaining the need for each proposed consultant, the consultant's identity and relevant qualifications, hourly rate, the estimated costs of the service, and a proposed cap on the consultant's cost. If all Disputing Parties do not approve each consultant's retention, the cost cap, and each Parties' allocated share of the consultant's cost, the Arbiter's request will be denied.

(v) The evidentiary hearing will be scheduled to begin within 60 days and be completed within 80 days after the preliminary hearing, unless the Arbiter extends the date with the Disputing Parties' consent. The Arbiter will issue an advisory decision, specifying the reasons for the decision, within 20 days after the hearing. Each Disputing Party will give due consideration to the Arbiter's decision before deciding to pursue further legal action.

(vi) No advisory decision will be admissible or have any res judicata or collateral estoppel effect in any other arbitration conducted under this Article or in any other action.

9.6. Nonarbitrable Matters. The following are not subject to arbitration under this DDA unless both Parties agree, each in its sole discretion.

(a) Construction Completion. Developer cannot compel the Port to arbitrate a decision not to issue an SOP Compliance Determination.

(b) Approval. Developer cannot compel any City Agency to arbitrate a decision not to grant a Regulatory Approval for the Project.

(c) Adequate Security. Developer cannot compel the Port to arbitrate a dispute about whether a Port draw on Adequate Security was wrongful or whether an Obligor failed to perform the Obligor's obligations under the Adequate Security.

(d) Sole Discretion. One Party cannot compel the other to arbitrate any decision that another Party is entitled to make in its sole discretion.

10. DEFAULTS

10.1. Generally.

(a) Notice. Except as otherwise specified, an Aggrieved Party will provide notice of the occurrence of an alleged Prospective Default, to the Breaching Party in accordance with **Section 18.1** (Notices) and *App ¶ A.5 (Notices)*. The notice will state with reasonable specificity the nature of the alleged default, the provisions under which the Aggrieved Party claims the default arose, and the cure period for the default.

(b) Cure Period.

(i) A Prospective Default that is cured before the specified cure period ends will not become an Event of Default.

(ii) The Breaching Party will have [XXXX] business days after the effective delivery date of the default notice to request a meeting with the Aggrieved Party to discuss measures to cure any performance (not payment) Prospective Default. The Aggrieved Party's agreement to meet will not cause the cure period to be extended.

(iii) If the Breaching Party cures the Prospective Default in accordance with this DDA or otherwise to the Aggrieved Party's reasonable satisfaction within the cure period, the Aggrieved Party will acknowledge the cure within three business days after the cure is complete.

(iv) If the Breaching Party does not timely cure the Prospective Default, the Aggrieved Party in its sole discretion may:

(1) agree to extend the cure period;

(2) waive the Event of Default; or

(3) take any other measure permitted under this DDA following an Event of Default, including an action at law or in equity.

10.2. Events of Default by Developer. The Parties agree that the occurrence of any of the following will be an Event of Default by Developer under this DDA.

(a) Nonpayment to Port. Developer fails to pay any sum due under this DDA and does not cure the default within 30 days after the Port delivers notice to Developer.

(b) Taxes. Developer or, subject to **Section 6.8** (Effect of Transfers), any Transferee fails to pay any property taxes or Mello-Roos Taxes levied on any Taxable Parcel subject to the Master Lease or a Parcel Lease by the delinquency date specified in its tax bill. This Event of Default will not be subject to any cure period except to the extent that **Section 6.8** (Effect of Transfers) applies.

(c) Other Obligations. Developer fails to perform any other obligation to be performed by Developer under this DDA, excluding obligations described in **Section 11.2** (Material Breaches by Developer), and does not cure the Prospective Default within the specified cure period (or 60 days if none is specified), or if the Prospective Default cannot be cured within the specified period (or 60 days if none is specified), Developer fails to take steps to cure the Prospective Default within the cure period and diligently complete the cure within a reasonable time.

(d) Financial Condition. A Significant Adverse Change to Developer occurs, and Developer fails, within 45 days after the Port delivers notice to Developer, to provide the Port with either: (i) evidence reasonably acceptable to the Port Director of Developer's continuing ability to meet Developer Construction Obligations and Developer Reimbursement Obligations; or (ii) a letter of credit or other security instrument reasonably satisfactory to the Port Director, securing the cost of the remaining Developer Construction Obligations and Developer Reimbursement Obligations for the applicable Phase in which the Significant Adverse Change Occurs.

(e) Insolvency. Developer initiates or is the subject of an Insolvency proceeding, if not released, dismissed, or stayed within 120 days.

10.3. Events of Default by the Port. The Parties agree that the occurrence of any of the following will be an Event of Default by the Port under this DDA.

(a) Financing Plan. The Port, by action (such as revoking instructions to the Escrow Agent or Special Fund Trustee) or omission (such as failure to issue required instructions) causes funds then available to pay any part of the Project Payment Obligation under the Financing Plan to be withheld and does not cure the Prospective Default within 30 days after Developer delivers notice to the Port, or if the Prospective Default cannot be cured within 30 days, the Port fails to take steps to cure the Prospective Default within the cure period and diligently complete the cure within a reasonable time.

(b) Other Obligations. The Port fails to perform any other agreement or obligation under this DDA, excluding obligations described in **Section 11.3** (Material Breaches by the Port), and does not cure the Prospective Default within the specified cure period (or 60 days if none is specified), or the Port fails to take steps to cure the Prospective Default within the cure period (or 60 days if none is specified) and diligently complete the cure within a reasonable time.

10.4. Remedies for Events of Default.

(a) Equitable Remedies.

(i) Following an Event of Default, the Aggrieved Party may file an action in equity to compel the Breaching Party to perform its obligations under this DDA or to prevent the Breaching Party from further violating this DDA. The Aggrieved Party is not required to postpone filing an equitable action if it believes in good faith that postponement would cause it to suffer irreparable harm.

(ii) The Parties agree that, except when a dispute involves a known or knowable sum or an indemnified Loss:

(1) monetary damages are generally inappropriate remedies for an Event of Default under this DDA;

(2) determining the actual damages suffered by any Party as a result of an Event of Default would be extremely difficult and impractical; and

(3) equitable remedies are particularly appropriate to enforce this DDA.

(b) Specific Remedies. This DDA prescribes the following specific remedies for certain Events of Default.

(i) Phase Security. The Port will not issue any construction permit for any work in any Phase until Developer has provided Loss Security and Phase Security complying with the requirements of **Article 16** (Security for Project Activities). Developer's failure to provide required Adequate Security will not extend any dates for Developer's performance under this DDA.

(ii) Significant Adverse Change. If a Significant Adverse Change to Developer occurs, the Port may increase Loss Security requirements to commercially reasonable levels commensurate with the degree of the Significant Adverse Change.

(iii) Nonpayment of Taxes. During any period when Developer or any Affiliate is delinquent on its obligation to pay any property taxes or Mello-Roos Taxes levied on a Taxable Parcel subject to the Master Lease or a Parcel Lease, the City will not be obligated to issue any Bond for the Project.

(iv) Violation of Covenants. If Developer defaults in its performance of the Other City Requirements described in **DDA Exhibit A6** or the implementation documents attached under **DDA Tab B**, the Port and the City will

have the remedies prescribed in the applicable ordinance, policy, or implementation document.

(v) Other Payment Obligations. If either Party fails to make any payment when due (other than Developer Reimbursement Obligations for Developer or a final judgment in favor of either Party), the Aggrieved Party's exclusive remedy is to initiate a request for nonbinding arbitration under **Article 9** (Resolution of Certain Disputes) or a judicial action for actual damages.

(c) Rights and Remedies Cumulative. Except as expressly limited by this DDA, the Parties' respective rights and remedies with respect to an Event of Default are cumulative. An Aggrieved Party's exercise of any one or more of its remedies for an Event of Default by the Breaching Party will not preclude its exercise, at the same or different times, of any of its other remedies. Each Party acknowledges its intent to limit its remedies for an Event of Default by the other Party to those specified in this DDA.

11. MATERIAL BREACHES AND TERMINATION

11.1. Generally.

(a) Nature of Material Breaches. Because certain defaults could seriously impair the benefits that the Parties expect the Project to generate, they are categorized as Material Breaches and could result in more serious consequences affecting some or all of the Project as described in this Article.

(b) Notice. An Aggrieved Party will provide notice to the Breaching Party as specified in **Article 18** (Notices) and *App ¶ A.5 (Notices)* of any alleged Prospective Breach by the Breaching Party. The notice will state with specificity the nature of the alleged Prospective Breach, the provisions of this DDA under which the alleged Prospective Breach would arise, and the specified cure period.

(c) Cure Period.

(i) Except as otherwise specified, the Breaching Party will not be in Material Breach unless it fails to cure the Prospective Breach within the specified cure period.

(ii) The Breaching Party may request a meeting to discuss measures to cure a potential performance-based Prospective Breach. But the Aggrieved Party must not be required to meet if the Breaching Party delivers the request less than [XXXX] business days before the cure period ends for the Prospective Breach.

(iii) If the Breaching Party cures the Prospective Breach by performing in accordance with the applicable provisions of this DDA (or otherwise to the Aggrieved Party's reasonable satisfaction) within the cure period, the Aggrieved Party will acknowledge the cure within three business days after it is complete.

(iv) If the Breaching Party does not cure the Prospective Breach within the cure period, the Aggrieved Party in its sole discretion may:

(1) agree to extend the cure period;

(2) waive the Prospective Breach; or

(3) take any other measure permitted under this DDA, including an action at law or in equity.

11.2. Material Breaches by Developer. The occurrence of any of the following will be a Material Breach by Developer under this DDA.

(a) Prohibited Transfer. Developer causes or allows a Transfer that violates any provision of **Article 6** (Transfers) and does not reverse or rescind the Transfer within 30 days after the Port delivers notice to Developer.

(b) Outside Dates. Developer fails to meet any Outside Date and does not cure its failure within 90 days after the Port delivers notice to Developer.

(c) Abandonment. Developer abandons its work on Phase Improvements for more than 60 consecutive days or a total of 120 days (which need not be consecutive) during the Current Phase, subject to **Article 4** (Excusable Delay), and does not cure the Prospective Breach within 45 days after the Port delivers notice to Developer.

(d) Maintain Adequate Security. Developer fails to maintain or replenish any form of Adequate Security required under **Article 16** (Security for Project Activities) and does not cure the failure within 45 days after the Port delivers notice to Developer.

(e) Replace Adequate Security. The Obligor of any Adequate Security commits a default under the applicable security instrument or revokes or refuses to perform as required under the Adequate Security, and Developer does not replace the Adequate Security within 90 days after the Port delivers notice to Developer.

(f) Significant Change to Obligor. Neither Developer nor the Obligor of any Adequate Security complies with **Subsection 16.4(a)** (Verification), or a Significant Adverse Change to Obligor occurs, and Developer fails to provide the Port with new Adequate Security when required under **Section 16.4** (Obligor Net Worth).

(g) Special Taxes. The CFD is unable to satisfy any obligation under an Indenture due to Developer's failure to pay any property taxes or Mello-Roos Taxes levied on any Taxable Parcel subject to the Master Lease by the delinquency date specified in its tax bill.

(h) Development Agreement. The Planning Director finds Developer is not in compliance with the Development Agreement or the City initiates proceedings under Administrative Code section 56.17(c) or otherwise takes action to enforce its rights and remedies under the Development Agreement.

(i) Final Judgment. Developer fails to satisfy a final judgment in the Port's favor in an action for payment or performance against Developer within 60 days after the judgment becomes final or any longer period specified in the judgment.

(j) Parcel D2 Garage. After the Port exercises its Option under **Section 7.3** (Parcel Put), Developer fails to exercise its Option and cause a Vertical Developer Affiliate to begin construction on the Parcel D2 Garage by the Closing Deadline for the Parcel Lease, except under circumstances described in **clause (ii)** of **Subsection 2.5(a)** (Garage Phase Requirements).

11.3. Material Breaches by the Port. The occurrence of any of the following will be a Material Breach by the Port under this DDA.

(a) Project Finance. A noticed Event of Default by the Port occurs under **Section 10.3** (Events of Default by the Port) that also:

(i) materially and adversely affects Developer's ability to meet the Schedule of Performance or to perform its Construction Obligations, all as reasonably determined by Developer; or

(ii) prevents or substantially delays or impairs the availability of Project Payment Sources.

(b) Failure to Enter into Vertical DDA or Close Escrow. After 30 days' notice, the Port fails to:

(i) enter into a Vertical DDA with a Vertical Developer Affiliate in accordance with **Article** 7 (Parcel Leases); or

(ii) Close Escrow on the Parcel Lease for an Option Parcel after all of the Port's conditions and mutual conditions to Closing have been satisfied or waived.

(c) Port Title Defect. The Port defaults on the Port Title Covenant by creating or allowing a title exception other than the Permitted Exceptions, and the Port does not remove the exception within 60 days after Developer delivers notice to the Port.

(d) Final Judgment. The Port fails to satisfy a final judgment in Developer's favor in an action for payment or performance against the Port within 60 days after the judgment becomes final or any longer period specified in the judgment.

11.4. Termination as Remedy. Either Party may elect to terminate this DDA if the other Party is in Material Breach of this DDA. A Party's exercise of its termination rights will not affect its right to seek other remedies in lieu of or in addition to termination. **Section 6.8(c)** (Defaults and Breaches) applies to the Port's rights under this Section.

11.5. Mutual Termination Right. If a Third-Party Challenge to the Project is filed, Developer may elect not to reimburse all Port Costs and City Costs arising from the action by providing notice to the Port within XXXX days after Developer receives notice of the action. If Developer makes this election, either Party may terminate this DDA on 10 days' notice to the other Party. Termination under this Section will not relieve Developer of its obligation to pay all Port Costs and City Costs incurred before the Termination Date.

11.6. Termination Procedures. The following procedures will apply to all terminations.

(a) Termination Notice.

(i) The Party electing to terminate will provide a Termination Notice to the other Party that prominently includes the phrase "*Termination Notice*." The notice will describe the Material Breach or other circumstance giving rise to the right to terminate, list portions of the DDA or the Project to be terminated, and specify a Termination Date at least 30 days after the notice is delivered.

(ii) A Party may agree in its sole discretion to extend the Termination Date in a writing confirming the later Termination Date, but doing so will not require the Party to deliver a new Termination Notice.

(iii) The Port may deliver a Termination Notice before the date of the public meeting at which the Port Commission is expected to consider termination. None of the following will affect the validity of the Port's Termination Notice, except as to the specified Termination Date: (1) the Port Director, in her sole discretion agrees to extend the anticipated Termination Date; (2) the matter is not placed on the Port Commission's agenda for the anticipated Termination Date; or (3) the Port Commission continues its action to a later date.

(b) Port Commission Action. Except for the situation described in **Section 11.5** (Mutual Termination Right), a Port Commission resolution is required for the Port to terminate any part of this DDA.

(c) Recorded Notice. After termination, the Party electing termination may record a Notice of Termination specifying the Termination Date in the Official Records. The Party will deliver, or cause delivery of, conformed copies of any recorded Notice of Termination to the other Party and any Interested person.

(d) Preservation of Special Tax Lien. The Parties acknowledge that the lien of the CFD on all Taxable Parcels benefits Developer, the Port, the City, and the public trust. Developer agrees not to object to any agreement between the Port on its own behalf, or as the CFD Agent, and the City, any Indenture Trustee, or other person that would confirm the lien even if any portion of Developer's rights under this DDA is terminated.

11.7. Effects of Termination on Development Rights. On the Termination Date, the following changes will take effect automatically.

(a) Mutual Obligations. On the Termination Date, each Party's future obligations to the other Party for the terminated portions of this DDA will terminate, except for indemnities and any other obligations that expressly survive termination.

(b) Development Opportunities.

(i) The Port will have the right to offer the Development Opportunities associated with the terminated portions of the DDA to third parties through proprietary public offerings and to specify any terms that the Port determines in its sole discretion are appropriate for the offered Development Opportunities.

(ii) Developer will have no rights to the Development Opportunities associated with the terminated portions of the DDA or to reimbursement of Developer Capital it uses for the terminated Development Opportunities after the Termination Date.

(iii) Developer acknowledges the Port's rights under this Subsection and expressly waives any right that Developer might have to: (1) challenge or limit the Port's right to publicly offer any Development Opportunity under this Subsection; or (2) bid in the proprietary public offering.

11.8. Effects of Termination on Project Payment Sources.

(a) Before Lead Parcel Conveyance. Port termination of the DDA following a Material Breach by Developer before the Lead Parcels are conveyed will terminate Developer's right to reimbursement of any outstanding portion of the Entitlement Sum under this DDA. Instead, Developer's rights will be as specified in the Master Lease.

(b) Incomplete Phase 1. If the Port terminates the DDA as to Phase 1 following a Material Breach by Developer while Phase 1 is incomplete, the following will apply.

(i) Subject to **Subsection 11.8(a)** (Before Lead Parcel Conveyance), Developer will be entitled to reimbursement of Horizontal Development Costs that it incurred before the Termination Date, without Developer Return, to the extent of Project Payment Sources generated by Phase 1 Parcel Leases on which Vertical Developer Affiliates Closed Escrow before the Termination Date.

(ii) Developer's Option for all other Option Parcels will terminate.

(c) Other Phases Incomplete. If the Port terminates the DDA as to any incomplete Phase other than Phase 1 following a Material Breach by Developer, the following will apply.

(i) Developer will be entitled to reimbursement of Horizontal Development Costs (without Developer Return) that it incurred in the incomplete Phase before the Termination Date to the extent of Project Payment Sources generated by:

(1) Parcel Leases in any Phase on which Vertical Developers Closed Escrow before the Termination Date; and

(2) Parcel Leases in any Phase on which Vertical Developers Close Escrow after the Termination Date if the related Vertical DDA was in effect on the Termination Date.

(ii) Developer will be entitled to Reduced Return on Horizontal Development Costs that it incurred in the incomplete Phase for substantially complete Phase Improvements before the Termination Date to the extent of Project Payment Sources generated by:

(1) Parcel Leases in any Phase on which Vertical Developer Affiliates Closed Escrow before the Termination Date; and

(2) Parcel Leases in any Phase on which Vertical Developer Affiliates Close Escrow after the Termination Date if the related Vertical DDA was in effect on the Termination Date.

(iii) Developer's Option for all other Option Parcels in the Phase will terminate.

(d) After Phase Completion. If the Port terminates the DDA as to any Phase after the Phase Improvements are substantially completed, Developer will be entitled to receive the Developer Balance for its Horizontal Development Costs of the Phase to the extent of Parcel DRPs and Public Financing Sources generated by Parcel Leases in effect in the Terminated Phase or any Prior Phase or any Parcel Lease that Closes Escrow after the Termination Date if the related Vertical DDA was in effect on the Termination Date.

11.9. Assignment of Documents after Termination.

(a) Consulting Contracts. Developer agrees to use good faith efforts to obtain provisions in services contracts with its consultants that will permit Developer's assignment of Project Materials to the Port under this Section.

(b) Required Assignment. If this DDA is terminated in whole or in part, upon notice from Port, Developer will:

(i) provide to the Port at no cost within 60 days after the Port's notice a Project Assignment of all Project Materials, including all Structural Materials, to the associated portions of the Project, to the extent permitted under Developer's consulting contracts;

(ii) satisfy all outstanding fees relating to the Project Materials for services rendered by any of the Project Consultants up to the Termination Date and provide proof of payment to the Port; and

(iii) subject to limitations in this Section, deliver copies of all Project Materials in Developer's possession or confirm for materials not in its possession, on request from Project Consultants or the Port, that Project Consultants are authorized to deliver all Project Materials to the Port.

(c) Allowed Disclaimer. Developer will be permitted to disclaim any representations or warranties with respect to the Project Materials (other than Developer's payment of fees), and, at Developer's request, as a condition to the delivery of the Project Assignment and any Project Materials, the Port will provide Developer with a release from liability arising after any future use by the Port of the Project Materials, in a mutually acceptable form. Developer's acceptance of the Port's release will be deemed to waive and release the Port from any claims by Developer of proprietary rights or interest in the Project Materials.

12. IMPROVEMENT PLANS

12.1. Improvement Plans for Phase Improvements.

(a) Generally. This Section applies to Developer's submittal of Improvement Plans for Phase Improvements. Developer has consented to the procedures in and agreed to comply with *ICA art 4 (Review Procedures for Improvement Plans, Inspections, and Acceptance)*.

(b) Other Deferred Infrastructure. Whenever the Parties agree that a Vertical Developer will build Deferred Infrastructure, Developer will be required to:

(i) seek and obtain the appropriate Other City Agency's consent to inspect Deferred Infrastructure Plan for compliance with Developer's approved Improvement Plans in accordance with the ICA; and

(ii) coordinate the construction and permitting of the Backbone Infrastructure with the related Deferred Infrastructure.

12.2. Review of Improvement Plans. All applicable City Agencies have conditionally approved the Infrastructure Plan attached as **DDA Exhibit B3**.

(a) Review by City Agencies. The Port and Other City Agencies have entered into the ICA, which establishes procedures for City Agency review and approval of Improvement Plans and applications for construction permits for Horizontal Improvements. In the ICA, the City Agencies agree to conduct their review consistently with this DDA and the Development Agreement.

(b) Standard of Review. Except as otherwise provided in this DDA, the Port's review and approval or disapproval of Improvement Plans subject to its review will be final and conclusive.

12.3. Conflicts with Other Governmental Requirements.

(a) Other Regulatory Approvals. The Port will not withhold its approval, if required under this DDA, of elements of or changes to Improvement Plans required by any other Regulatory Agency if all of the following occur.

(i) The Port receives notice of the required change.

(ii) The Port has at least 10 days to discuss the element or change with the other Regulatory Agency requiring the element or change and with Developer's registered design professional in responsible charge.

(iii) Developer cooperates fully with the Port and the other Regulatory Agency within the 10-day discussion period to reach a design solution satisfactory to the Port and the other Regulatory Agency.

(iv) As modified, the Improvements will comply with all applicable laws.

(b) Disputes. Developer and the Port recognize that regulatory conflicts may arise at any stage in the preparation of the Improvement Plans, but that it is more likely to arise at or after the Final Permit Sets have been prepared and may arise in connection with permit applications. Accordingly, time is of the essence when a conflict arises. Both Parties agree to use their good faith efforts to reach a solution expeditiously that satisfies both Developer and the Port. At any time, either Party may submit the conflict to the dispute resolution procedures of **Section 9.4** (Binding Arbitration).

12.4. As-Built Drawings. As a condition to the Port's issuance of an SOP Compliance Determination for each Phase, Developer must deliver to the Port As-Built Drawings for the applicable Phase Improvement that meet the requirements of this Section.

(a) Technical Requirements. As-Built Drawings must reflect all requests for information responses, field orders, change orders, and other corrections to the documents made during the course of construction. As-Built Drawings must be both in the form of full-size (24" x 36"), hard paper copies and converted into electronic format as full-size scanned tagged image files (TIFF) and AutoCAD files. As-Built Drawings must be full-sized documents, with "mark-ups" neatly drafted to indicate modifications from the original design documents, scanned at 400 dots per inch (dpi). Each drawing must have a unique number stamped onto the title block. An index of drawings must be prepared correlating drawing titles to the numbers. A minimum of 10 drawings must be scanned as a test before execution of this requirement in full.

(b) Format. The AutoCAD files must be contained in Release 14 or a later version, and drawings must be transcribed onto electronic storage media. All "X-REF," "block" and other referenced files must be coherently addressed within the environment of the compact disc. Media containing files that do not open automatically without searching or reassigning "X-REF" addresses will be returned for reformatting. A minimum of 10 complete drawing files, including all referenced files, must be transmitted to the Port as a test before execution of this requirement in full.

(c) Production Costs. Developer's costs to produce required files will be reimbursable Soft Costs unless Developer fails to comply timely with this Section. If Developer does not comply, the Port, after giving notice to Developer, will have the right, but not the obligation, to cause an engineer of the Port's choice to prepare final surveys and As-Built Drawings, plans and specifications, at Developer's sole, unreimbursable cost.

12.5. Schematic Design Review of Public Spaces. This Section specifies conditions precedent to the Port's issuance of construction permits for Park Parcels. [

(a) Approval of Parks Plan. The Port Commission will adopt a Parks Plan, which will include limits on restricted access events at Public Spaces consistent with *DA § 5.9 (Public Spaces)* and may be added to the Port Code, before or in conjunction with its approval of Developer's first Schematic Design Application for Public Space in Phase 1. Developer will have an opportunity to comment on proposed rules and regulations in the Parks Plan before it is submitted to the Port Commission for approval. After approval, the Parks Plan will apply to each Public Space when opened to the public under this DDA.

(b) Applications. Developer will submit to the Port a Schematic Design Application for each Park Parcel sufficiently in advance of applicable Outside Date to permit an orderly review and approval process. Developer may elect to include more than one Park Parcel in each application.

(c) Presubmittal Meetings.

(i) At least 30 days before submitting a Schematic Design Application for Port Commission approval, Developer will provide the Port Director with draft documents.

(ii) At least 20 days before submitting a Schematic Design Application, Developer and Port staff will schedule and hold at least one presubmittal meeting. Developer may submit information and materials iteratively, and Developer and the Port staff may agree to hold additional meetings.

(iii) If Developer fails to submit draft documents or to schedule a presubmittal meeting as specified in this Subsection, the Port's time for review of the Schematic Design Application will be extended by 30 days.

(d) Public Review. Prior to submitting a Schematic Design Application, Developer will host a public presentation of its design and will provide a minimum of two weeks' notice by publication, posting, mailing, or other means reasonably aimed at providing stakeholders with an opportunity to attend the presentation.

(e) Initial Port Review. Port staff will review each Schematic Design Application for completeness. The Port will make its determination of completeness within 15 days after submittal and will advise Developer in writing of any deficiencies.

(f) Design Advisory Committee Review. Port staff will transmit each complete Schematic Design Application to the Design Advisory Committee for consideration at its next noticed public meeting. The Design Advisory Committee will make design recommendations to ensure that the design of Public Spaces is consistent with the Design Controls and other Project Requirements.

(g) Port Commission Approval. The Port Director will submit the applicable complete Schematic Design Application to the Port Commission for review and consideration with the Design Advisory Committee recommendation in accordance with **Subsection 5.3(c)** (Port Commission Meetings).

(h) Approval of Public Space Improvement Plans.

(i) After the Port Commission's approval of a Schematic Design Application, Public Space Improvement Plans will be reviewed in accordance with the ICA.

(ii) The Port Director may approve Public Space Improvement Plans that amend or modify the approved Schematic Design Application if she finds that the amendment or modification:

(1) would not be a Material Modification;

(2) would not be detrimental to the public welfare or injurious to property or improvements in the vicinity of the Project; and

(3) would be consistent with the Design Controls and other Project Requirements.

13. CONSTRUCTION GENERALLY

13.1. Substantial Compliance with Plans. Developer agrees to construct Horizontal Improvements in substantial compliance with approved Improvement Plans and in compliance with applicable Project Requirements. Each Vertical Developer's construction obligations will be subject to similar standards and be specified in its Vertical DDA.

13.2. Standards of Construction.

(a) Generally. Developer will be responsible for constructing all Improvements in compliance with good construction practices, engineering standards under the Professional Engineers Act (Cal. Bus. & Prof. Code §§ 6700-6799), and other applicable laws.

(b) Required Measures. Developer will undertake commercially reasonable measures to:

(i) minimize damage, disruption, or inconvenience caused by its work, including an obligation not to impede tenant access to adjacent premises;

(ii) make adequate provision for the safety and convenience of all persons affected by the work;

(iii) minimize the risk of damage to adjoining portions of the Project Site, Horizontal Improvements and Vertical Improvements under way or completed, and the surrounding property; and

(iv) minimize the risk of injury to its workforce and members of the public.

13.3. Security. During all construction activities, Developer will be responsible for taking commercially reasonable measures to secure the physical site and protect the public, as well as the City, the Port, and their Agents, from reasonably foreseeable harm. Examples of security measures are fencing, security patrols, and general liability insurance.

13.4. Contracting Procedures. Developer agrees to follow the contracting procedures described in this Section to negotiate all construction contracts for Phase Improvements consistent with each Phase Approval.

(a) General Contractor Selection. This Subsection applies to all construction contracts.

(i) Developer will select one or more general contractors for each Phase through a competitive "best value" selection process that requires the general contractor and all subcontractors to be licensed by the Contractors State License Board and in good standing with the City. "Competitive" for purposes of this Section means that Developer receives at least three bids from qualified bidders. Other relevant factors include the contractor team's experience with similar projects, contract price, and financial capacity, including ability to meet bonding requirements and comply with all City contracting requirements.

(ii) Developer will submit a description of and rationale for its proposed selection process, including examples of similar and different processes that Developer considered to the Port Director for her approval. The proposed selection process may provide for an expedited selection process for smaller scopes of work, in accordance with specified standards. The Port Director will not unreasonably withhold approval of a process that she finds is commercially reasonable and designed to be fair and equitable.

(iii) Before initiating its general contractor selection process for Phase 1, Developer will provide the Port with a list of the general contractors from which Developer intends to solicit bids for construction of Horizontal Improvements before issuing bid packages. The Port must deliver its objection to any of the proposed general contractors to Developer within five business days after receiving Developer's list. The Port's reasons for objection will be limited to the general contractor's:

(1) relevant experience and financial capacity, including its ability to meet bonding requirements;

(2) ability to comply with the Workforce Development Plan and the Other City Requirements to the extent applicable; and

(3) legal grounds for disqualification, such as disbarment or failure to be licensed by the Contractors State License Board.

(iv) If the Port objects to a general contractor, then Developer may either:

(1) provide the Port with notice of a replacement general contractor, subject to the five-day objection period; or

(2) submit the matter to the dispute resolution procedures of **Section 9.4** (Binding Arbitration).

(v) Before entering into a construction contract, Developer will provide a report to the Port with supporting documents to demonstrate compliance with the approved selection process and support the proposed selection as the "best value" among all bidders. The Port Director will have five days to object to Developer's proposed selection, but only on the grounds that Developer did not comply with the approved selection process or that the general contractor does not reasonably represent the "best value" among all bidders.

(b) Bid Package Requirements and Security. The bid package for general contractors must include relevant Improvement Plans, which may be preliminary, defining the scope of work. The bid package will require the general contractor to guarantee performance and payment the work, which may be provided through a subcontractor default insurance provided by the general contractor covering all enrolled subcontractors, or require each subcontractor under subcontracts having a value of more than $100,000 to provide payment and performance bonds guaranteeing their work. Payment and performance bonds must be issued by a surety meeting the required standards under the Subdivision Code.

(c) Guaranteed Maximum Price Contract. If Developer wishes to use a guaranteed maximum price form of contract, it will select a contractor/CM-GC in accordance with this Section, subject to the following additional requirements.

(i) In its bid, the CM-GC must include the following:

(1) estimated preconstruction costs;

(2) an estimate of General Conditions costs to complete the Horizontal Improvements and the method used for estimation, such as a fixed monthly cost for the staff and support;

(3) a construction management fee as a fixed percentage to be applied to the cost of Horizontal Improvements;

(4) a preliminary estimate for the cost of the Horizontal Improvements; and

(5) any Horizontal Improvements the CM-GC intends to self-perform.

(ii) At the end of the preconstruction period, Developer will negotiate a GMP contract based on budgeting and estimating performed by the CM-GC in collaboration with appropriate sub-trades at various design milestones during preconstruction, subject to the following.

(1) Developer may elect to proceed under the negotiated GMP contract terms or terminate the contract and issue a new solicitation in accordance with this Section. In either case, the CM-GC will be required to solicit competitive bids in accordance with this Section for each sub-trade package, including work it wishes to self-perform.

(2) The CM-GC's decision to self-perform any of the sub-trade work must be based on evidence of potential time savings, cost savings, quality control, and enhanced worksite safety.

(3) GMP contract terms will limit contingency to 15% or less unless the competitive process demonstrates that the market terms for contingency are higher. If the proposed contingency is greater than 15%, Developer must obtain the Port's consent before negotiating the contract.

(4) Developer must obtain the Port's approval of contractual incentives to ensure the contractor's performance.

(iii) Before entering into any GMP contract, Developer agrees to provide the Port with the opportunity to review the proposed contract and its scope of work. The Port's review will be limited to determining the contract's consistency with the Phase Approval, selection process, approved Improvement Plans, and Project Requirements. The Port will give notice of its determination regarding consistency (including the reasons for any determination of inconsistency) of the proposed GMP contract within 15 days after its delivery to the Port.

(d) Subcontractor Selection.

(i) Developer's general contractor will select subcontractors through a competitive selection process. All subcontractors must provide evidence of relevant experience and financial capacity and agree to comply with all applicable City contracting requirements. Bidders that are not in good standing with the City or are not licensed by the Contractors State License Board will not be eligible for selection. Other relevant factors include the subcontractor's experience with similar projects, contract price, and financial capacity, including ability to meet bonding requirements and comply with all City contracting requirements

(ii) Developer will submit a description of and rationale for the proposed subcontractor selection process to the Port Director for her approval. The Port Director will not unreasonably withhold approval if she finds the process is commercially reasonable and designed to be fair and equitable.

(iii) The general contractor will select subcontractors using the approved selection process. The Port will be permitted to review, but not copy, all bid documents, correspondence, and quotations from bidders promptly after contractor selection.

(iv) Developer may propose authorizing the general contractor to perform trade work as appropriate for the project or to negotiate subcontracts without competitive bidding in accordance with **Section 13.5** (Sole Source Contracts).

13.5. Sole Source Contracts.

(a) Developer Validation. If Developer selects a contractor to perform a particular scope without competitive selection, Developer must validate the costs as qualified for reimbursement by either:

(i) providing the Port with an engineer's cost estimate of Hard Costs demonstrating that the cost will not have a negative impact on the expected Phase Budget; or

(ii) demonstrating that the product or service is available from only one supplier in the Bay Area region.

(b) Port Decision.

(i) The Port may hire a third-party consultant, with costs reimbursable as Port Costs, to validate the Hard Costs and Soft Costs when evaluating the commercial reasonableness of the sole source bid.

(ii) The Port Director will approve a proposal under this Section if Developer is able to demonstrate to the Port Director's reasonable satisfaction that the cost is commercially reasonable.

13.6. Documentation of Costs.

(a) Reporting. Whenever Developer anticipates incurring any Horizontal Development Costs that do not satisfy **Section 13.4** (Contracting Procedures), it will include an estimate of the costs in its next Phase Quarterly Report submitted under *FP § 9.1(b) (Phase Quarterly Reports)*.

(b) Estimated Costs. Each Phase Quarterly Report that Developer submits under *FP § 9.1(b) (Phase Quarterly Reports)* will update estimates of Horizontal Development Costs for the Phase in as much reasonable detail as then practicable, based on executed contracts and approved change orders to the extent available. The standards for estimated costs include:

(i) substantial consistency with applicable Improvement Plans, subject to approved changes;

(ii) line item details for all Hard Costs and Soft Costs;

(iii) detail for cost changes due to approved and expected change orders; and

(iv) a comparison of updated costs with the applicable Phase Budget, including costs incurred to date, percentage of work completed, and current cost variances by line item.

(c) Disputes. The Port will notify Developer within five days after Developer's submission of documents described in **Subsection 13.6(b)** (Estimated Costs) if the Port considers any of the estimated costs to be commercially unreasonable. If not resolved by consultation under **Subsection 13.7(a)** (Purpose), the Parties may agree to submit the following disputes for resolution under **Section 9.5** (Nonbinding Arbitration):

(i) whether the challenged costs are commercially unreasonable;

(ii) whether the challenged costs are outside the scope of approved Improvement Plans;

(iii) proposed changes to address regulatory conflicts under this Subsection; and

(iv) whether the review process meets the applicable standard of conduct.

(d) Change Orders Generally. Developer and its general contractor may agree on change orders to the underlying contract over the course of construction of the applicable Phase Improvements, subject to **Subsection 13.6(e)** (Change Order Threshold).

(e) Change Order Threshold. Developer must provide the Port with information on any change order that would exceed $250,000 per occurrence at the earliest feasible opportunity, but in any event no later than the next regular progress meeting under **Section 13.7** (Progress Meetings). If multiple occurrences are packaged in a single change order, this threshold applies only to individual occurrences.

(f) Reporting. All change orders will also be reflected in Developer's reporting of estimated or actual Horizontal Development Costs required under *FP § 9.1(b) (Phase Quarterly Reports)*. Each Payment Request submitted under the Acquisition Agreement, must include documentation supporting each change order, including any amendment to a GMP or other construction contract reflecting change orders at or above the threshold.

(g) Consultation. Developer agrees to consult with the Port to discuss whether reasonable cost-containment and value engineering measures can be applied to reduce expected cost increases above the threshold. At the Port's request, the consultation will take place outside of scheduled progress meetings.

(h) Exigent Circumstances. When exigent circumstances make it infeasible for Developer to wait until a progress meeting to share a contractor request for a proposed change order above the threshold, Developer agrees to contact the Port's assigned engineer orally and by email immediately after receipt of the change order request. The Parties will meet within one business day to confer on whether reasonable cost-containment and value engineering measures can be applied to reduce an expected cost increase.

13.7. Progress Meetings.

(a) Purpose. During construction of all Improvements, Developer will notify Port staff about the place, date, and time of on-site construction progress meetings and the expected discussion topics. The Port and the other Acquiring Parties will be entitled to participate in all pertinent meetings. The purpose of the Acquiring Parties' participation in these meetings will be to:

(i) review the status of design work and design decisions with significant cost implications;

(ii) review progress in the preparation and submission of Improvement Plans to the Port for City Agency review;

(iii) review progress in constructing the Improvements;

(iv) coordinate the Acquiring Parties' inspections;

(v) review any expected change orders and cost increases;

(vi) review any expected changes in the scope of work; and

(vii) review cost estimates and identify any expected cost increases and means of achieving cost efficiencies or savings.

(b) Disputes. Should Developer approve a change order that would result in an increase above the change order threshold despite the Port's objection as to the eligibility of any additional cost for reimbursement, the Parties may agree to submit the dispute for resolution under **Section 9.5** (Nonbinding Arbitration).

(c) Emergency. In case of an emergency or other exigent circumstance (other than a change order addressed in **Subsection 13.6(h)** (Exigent Circumstances)) making it unreasonable to defer action until the next progress meeting, Developer will:

(i) provide oral notice to the Port of the circumstance;

(ii) specify in the oral notice the action that Developer proposes to take in response to the situation; and

(iii) include the circumstance in the agenda of items to be discussed at the next regular progress meeting.

(d) Minutes. Developer agrees to prepare and distribute meeting minutes promptly after each progress meeting. Port staff and Developer (and their respective consultants) agree to communicate and consult informally as frequently as reasonably necessary to assure that the formal submittal of any Improvement Plans to the Port can receive prompt and speedy consideration.

(e) Representatives. For the purposes of this Section, until otherwise directed, the Port's representative is the Chief Harbor Engineer, and Developer's representative is _ _____.

(f) Reports. During periods of construction, the Port will have the right to require Developer to submit monthly progress reports on construction to the Port, in form and detail as required by the Port.

13.8. Other Construction Matters.

(a) Port and Other Governmental Permits. Developer has the sole responsibility for obtaining all necessary permits for the Horizontal Improvements and will submit applications for the permits directly to the applicable Regulatory Agency. Whenever a Port building permit is required for Horizontal Improvements in a Phase, Developer will submit to the Port a complete Permit Set of Improvement Plans sufficiently in advance of Developer's desired construction start date to permit review in accordance with the ICA. Developer will bear all risk of delay due to its submission of an incomplete or insufficient permit application.

(b) Port Right of Entry. Developer acknowledges that under the Master Lease, the Port and its Agents have the right of entry onto the Project Site to the extent reasonably necessary to carry out the purposes of this DDA as follows.

(i) The Port may inspect work on Horizontal Improvements on reasonable prior notice to Developer during regular business hours. During an inspection, the Port will comply with Developer's onsite safety measures and act reasonably to minimize any interference with Developer's construction activities. The Port will provide a copy of any inspection reports prepared by the Port or its Agents promptly following Developer's request, subject to the Port's right to withhold documents otherwise privileged or confidential. The Port disclaims any warranties, representations, and statements made in any reports, will have no liability or responsibility with respect to any warranties, representations, and statements, and will not be estopped from taking any action (including later claiming that the construction of the Horizontal Improvements is defective, unauthorized, or incomplete) or be required to take any action as a result of any inspection.

(ii) The Port will have access required to install, repair, replace, monitor, and service any security installations.

(iii) The Parties may agree to submit disputes over whether Port actions arising from entry under this Section or through the Port's exercise of its right of entry under the Master Lease unreasonably impeded Developer's construction activities for resolution under **Section 9.5** (Nonbinding Arbitration).

(c) Construction Signs and Barriers. Developer will provide appropriate construction barriers, construction signs, and a project sign or banner describing the Project and will post the signs at the Project Site during construction. Except to the extent governed by *Design Controls § 2.10 (Wayfinding and Signage)*, the Port's *Guidelines for Review and Approval of Signs and Murals on Port Property*, adopted by Resolution No. 97-12, will apply. Developer will submit the proposed size, design, text,

and location of any construction signs and the composition and appearance of any construction barriers to the Port for approval before installation.

(d) Coordination. The Parties acknowledge that a number of construction projects on public land near the Project Site are being or are expected to be constructed at the same time as the construction of early Project Phases. Expected projects include the rehabilitation of Lefty O'Doul Bridge, new residential development across from the Project Site at Mission Bay Parcel 1 on Third Street on Channel Street and Mission Bay Parcel 8 and Parcel 9A on Mission Rock Street at Terry A. Francois Boulevard, lease build-outs at Pier 48.5, Pier 50, and 401 Terry A. Francois Boulevard. Developer and the Port each agree to use reasonable efforts to coordinate construction efforts, to the extent within each Party's respective control, with those at other Project Sites in a manner intended to reduce construction conflicts without material delay to Developer Construction Obligations under this DDA.

(e) Construction Staging. During the DDA Term, Developer may use portions of the Project Site as staging areas for construction lay down and parking, construction equipment, and related materials in accordance with the Master Lease. The Port will have no responsibility for providing additional areas for construction staging.

(f) Mechanics' Liens. Developer will keep the Project Site and Horizontal Improvements free from any liens arising out of any work performed, materials furnished, or obligations incurred by Developer or its Agents. Developer's failure to cause any construction-related lien to be released of record or bonded or take other action acceptable to the Port within 30 days after Developer's receipt of final notice of the imposition of the lien will be a default under this DDA, and the Port will have the right at its option to effect a release of the lien by any commercially reasonable means. Developer at its sole cost, will reimburse the Port for all costs the Port incurs to do so within 30 days after the Port's demand. Developer will be permitted to contest the validity or amount of any tax, assessment, encumbrance, or other lien and to pursue any remedies associated with the contest, but the contest will be subject to all applicable conditions in the Master Lease.

13.9. Mitigation Measures. Developer and the Port agree that construction and operation of all Improvements will comply with applicable Mitigation Measures in the MMRP.

(a) Horizontal Improvements. Developer agrees to implement Developer Mitigation Measures related to the Horizontal Improvements as required by the MMRP and Project Requirements. Developer also agrees to cause its contractor, subcontractors, and Transferees to comply with this obligation through its construction contracts and Assignment and Assumption Agreements, as applicable.

(b) Vertical Improvements. Developer and the Port agree that Vertical DDAs and Parcel Leases will incorporate each Vertical Developer's responsibility to implement Developer Mitigation Measures related to Vertical Improvements.

(c) Other Horizontal Improvements. The Port agrees to implement the Mitigation Measures that are Port obligations as required by the MMRP and use good faith efforts consistent with the ICA to cause the necessary Other City Agencies to implement any Mitigation Measures assigned to them.

14. HORIZONTAL DEVELOPMENT

14.1. Outside Dates. Developer must begin construction of Phase Improvements by the Outside Dates in the Schedule of Performance. Outside Dates for Developer to finally complete Phase Improvements will be established through the Phase Approval process.

14.2. Site Preparation. The Port will issue construction permits for Site Preparation on the conditions in this Section. Conditions to construction of other Horizontal Improvements are not prerequisites to the Port's issuance of Site Preparation permits.

(a) Improvement Plans. Developer will submit for the Chief Harbor Engineer's approval a Permit Set of Improvement Plans for the proposed Site Preparation work and pay the permit fee. Demolition and Utility Relocation Plans, Mass Grading Plans, and Ground Improvement Plans may be submitted separately or together in a Permit Set.

(b) Cost Estimates. Developer will submit current construction cost estimates for the work, to the extent not included in a previously submitted Phase Quarterly Report updating the Phase Budget or an Acquisition Price Update, supported by contract bids or executed contracts procured in compliance with **Article 13** (Construction Generally).

(c) Adequate Security. Developer will provide evidence of Adequate Security meeting the requirements of **Article 16** (Adequate Security for Project Activities). Until the Port issues a Notice to Proceed for Phase Improvements, Phase Security will be limited to the estimated cost of authorized Site Preparation.

(d) Regulatory Approvals. Developer will provide evidence to the Port that Developer has obtained all other required Regulatory Approvals for the work.

(e) Insurance. Developer will provide evidence that it has satisfied applicable Insurance Requirements.

14.3. Other Horizontal Improvements. The Port and Developer will execute a Notice to Proceed confirming that all conditions described in this Section have been satisfied or waived before Developer begins any other Phase Improvements.

(a) Conditions for Developer's Benefit. The following are conditions to Developer's obligation to begin construction of any Phase Improvements unless waived by Developer in its sole discretion.

(i) The Port has performed all obligations under this DDA that the Port is then required to have performed.

(ii) The Port is not in Material Breach of this DDA, and no Prospective Breach remains uncured.

(b) Conditions for Port's Benefit. The conditions in this Section are solely for the benefit of the Port. Only the Chief Harbor Engineer, in his sole discretion, may waive any of those conditions.

(i) Developer is not in Material Breach of this DDA, and no Prospective Breach by Developer remains uncured.

(ii) Developer has met all Adequate Security requirements under **Article 16** (Security for Project Activities).

(c) Mutual Conditions. The following may be waived only if both Parties agree, and are waivable only to the extent permitted by law.

(i) The Port has issued the applicable Phase Approval, approved the Phase Budget, and approved Developer's Schematic Design Application for any Park Parcels in the Phase.

(ii) Developer has obtained Public Works' conditional approval of the Tentative Map for the Phase Area, entered into a PIA with the City, provided all bonds required under the Subdivision Code, and Public Works' authorization to begin construction.

(iii) Each applicable Acquiring Agency has reviewed and approved Improvement Plans for the Phase Improvements under the ICA.

(iv) All other Regulatory Approvals required to begin construction of the Phase Improvements have been issued and are final.

(v) Developer has entered into one or more contracts for the construction of the Phase Improvements consistent with the Phase Budget and **Article 13** (Construction Generally).

(d) Effect of Failure of Condition. Developer's failure to satisfy any condition described in **Subsection 14.3(b)** (Conditions for Port's Benefit) for one Phase will not alone:

(i) be a failure of Port conditions for any other Phase unless the failure directly impedes the other Phase;

(ii) relieve either Party of any obligations that previously arose under this DDA; or

(iii) be a Material Breach except in conjunction with Developer's failure to meet an Outside Date for the Phase or Developer's abandonment of construction after notice and the opportunity to cure.

14.4. Regulatory Approvals.

(a) Requirement to Obtain. Developer understands that:

(i) its construction of Horizontal Improvements will require Regulatory Approvals from other Regulatory Agencies to begin construction under this DDA; and

(ii) no Port action with respect to the Developer Construction Obligations in the Port's regulatory capacity is a guarantee that other Regulatory Agencies will grant required Regulatory Approvals.

(b) Cooperation. The Port will cooperate reasonably with Developer to obtain required Regulatory Approvals and will sign any application that the Port is required to sign as a co-applicant or co-permittee. Developer is not authorized to agree to any conditions or restrictions to a Regulatory Approval that would create any Port obligation not expressly stated under this DDA without the Port's approval in its sole discretion. The Port's obligation under this Subsection does not apply to any application for a Regulatory Approval that would require the Port to incur any material costs unless Developer agrees to reimburse the Port.

(c) City Regulatory Approvals.

(i) Developer and the Planning Department, with the Port's consent, have entered into the Development Agreement, which will govern certain land use matters under the Planning Code, including Impact Fees and Exactions.

(ii) The Port and Other City Agencies, with Developer's consent, have entered into the ICA specifying certain procedures and standards that will apply when Developer seeks Regulatory Approvals from Other City Agencies.

(iii) Under this DDA, the Development Agreement, and the ICA, City Agencies, including the Port and the Planning Department, have agreed that their Regulatory Approvals will be consistent with Existing City Laws, their prior Regulatory Approvals, and, as applicable, this DDA (for the Port), the Development Agreement (for the Planning Department), and the ICA (for Other City Agencies).

(d) Compliance. Developer is solely responsible for ensuring that the design and construction of the Horizontal Improvements comply with all Project Requirements at no cost to the Port.

(e) Noncompliance. Developer will pay any fines and penalties and perform any corrective actions imposed for noncompliance with any applicable Regulatory Requirement and indemnify the Port against any liability arising from noncompliance, even if the Port is a co-permittee. Fines, penalties, and costs of corrective actions will not be reimbursable Horizontal Development Costs.

14.5. Deferred Infrastructure.

(a) Identification of Deferred Infrastructure. The timely and efficient construction of Phase Improvements may require the construction of certain Deferred Infrastructure to be delayed until the adjacent Vertical Improvements are built. When Developer submits its Basis of Design Report under the ICA, it will identify Deferred Infrastructure as "not-in-permit."

(b) Deferred Infrastructure Zones. To the extent known, Developer will identify Deferred Infrastructure Zones associated with the applicable Phase Improvements in each Phase Submittal and with each Basis of Design Report.

(c) Construction of Deferred Infrastructure. Developer (or a Vertical Developer under a Vertical DDA) will be obligated to construct the Deferred Infrastructure in accordance with the Project Requirements and the applicable Schedule of Performance.

14.6. SOP Compliance. This Section sets forth the procedures for determining whether Developer has finally completed Phase Improvements by the Outside Date under the Schedule of Performance. The ICA addresses procedures and standards that will apply when Developer seeks certain Regulatory Approvals from the Port and Other City Agencies, including future acceptance of Phase Improvements.

(a) Request to Port.

(i) Developer will submit its SOP Compliance Request to the Chief Harbor Engineer a request for a Determination of SOP Compliance. Developer's request must include all of the documents listed in **DDA Exhibit B9**.

(ii) Unless the SOP Compliance Request specifically requests a determination as to Deferred Infrastructure, the Chief Harbor Engineer will make an SOP Compliance Determination without regard to Deferred Infrastructure.

(b) SOP Compliance Determination.

(i) The Chief Harbor Engineer will review the SOP Compliance Request and will consult with Other City Agencies as provided under the ICA to determine whether Developer has finally completed Phase Improvements in compliance with the Schedule of Performance. A Determination of Completion issued by Public Works will be sufficient to find it complete in an SOP Compliance Determination.

(ii) Under the ICA, each Other City Agency must respond within 30 days to the Chief Harbor Engineer with any comments, subject to a 14-day cure period for failure to respond within the 30-day period. In any event, the Chief Harbor Engineer will grant or withhold each SOP Compliance Request within 45 days after receiving Developer's complete SOP Compliance Request.

(iii) The Chief Harbor Engineer will grant an SOP Compliance Request by issuing an SOP Compliance Determination identifying each finally complete

Phase Improvement. The Parties will negotiate on the form of the SOP Compliance Determination before Developer submits its Phase Submittal for Phase 1.

(iv) If the Chief Harbor Engineer disapproves the SOP Compliance Request, he will deliver instead a reasonably detailed description of the reasons for disapproval and measures necessary to address the deficiencies. Developer's resubmittal of an SOP Compliance Request will be subject to the same review and response periods.

(v) If the Chief Harbor Engineer fails to respond to the SOP Compliance Request within 45 days after receiving Developer's complete packet, Developer may submit a request to the Chief Harbor Engineer, clearly labelled, "*Action Required for Determination of SOP Compliance or Deemed Approval*," in accordance with *App ¶ A.5 (Notices)* and **Section 18.1** (Notices) requesting issuance of the SOP Compliance Determination. If the Chief Harbor Engineer fails to respond within 15 days after the date the notice is delivered, the SOP Compliance Request will be deemed approved solely for the purpose of establishing Developer's compliance with the Schedule of Performance.

(c) Effect of SOP Compliance Determination. An SOP Compliance Determination or deemed approval under **clause (iv)** of **Subsection 14.6(b)** (SOP Compliance Determination):

(i) will conclusively establish Developer's compliance with the Outside Date under the Schedule of Performance for final completion of each Phase Improvement listed in the SOP Compliance Request; but

(ii) will not have any precedential effect for the purpose of the City's acceptance of Horizontal Improvements.

(d) Effect of Recordation. Developer may record in the Official Records each SOP Compliance Determination or, if applicable, a Memorandum of Deemed Approval. After a recordation, any person then owning or later purchasing, leasing, or otherwise acquiring any interest in the applicable Phase Area will not, solely by virtue of its interest or actual or constructive knowledge of the contents of this DDA, incur any obligation or liability under this DDA for the construction, operation, restoration, or rehabilitation of the Phase Improvements to which the recorded document applies.

(e) Timing. The Schedule of Performance includes Outside Dates by which Developer must obtain an SOP Compliance Determination for all Phase Improvements, including Public Spaces within Park Parcels and Deferred Infrastructure. Developer will not be in Material Breach for failure to meet the Outside Date for an SOP Compliance Determination if it has submitted a complete SOP Compliance Request for the applicable Improvements at least 45 days before the applicable Outside Date, and, if SOP Compliance Request, Developer is diligently curing any deficiencies identified by the Chief Harbor Engineer.

14.7. Acceptance of Port Facilities. After the Chief Harbor Engineer issues an SOP Compliance Determination for any Park Parcel or other Phase Improvement that the Port will accept, subject to final completion of Deferred Infrastructure, Port staff will place an item on the Port Commission's calendar in accordance with **Subsection 5.3(c)** (Port Commission Meetings). Port staff's memorandum to the Port Commission will report on the findings made by the Chief Harbor Engineer in issuing the SOP Compliance Determination and recommend that the Port Commission accept the applicable Park Parcel or Phase Improvement on the following terms.

(a) Conformity Findings. The Port Commission finds that the Improvement is a functional Public Space or Phase Improvement and is constructed in conformity with the Project Requirements.

(b) Delegation for Deferred Infrastructure. The Port Commission delegates to the Port Director the authority to accept Deferred Infrastructure associated with the applicable Improvement. The Port Commission resolution will specify any conditions to the actions delegated to the Port Director.

(c) Release and Acceptance. Upon satisfaction of all conditions required by the Port Commission for acceptance, the Port Commission will authorize and direct the Port Director, or her designee, to record a partial release in accordance with *ML § XXXX (Adjustment of Premises for Development)* releasing the area containing the finally complete Improvement from the Master Lease promptly after the Chief Harbor Engineer issues an SOP Compliance Determination for the Deferred Infrastructure. The Port Director will deliver a conformed copy of the recorded document to Developer promptly after recordation. If the Deferred Infrastructure is the last of the required Phase Improvements to be finally completed, the Port Director also will deliver a signed Phase Completion Certificate to Developer.

(d) Effect of Recordation. Recordation of the partial release under **Subsection 14.7(c)** (Release and Acceptance) will:

(i) transfer ownership of the applicable Improvement to the Port; and

(ii) release Developer from future obligations for liability or repair of the Improvement except to the extent provided under **Section 8.3** (General Indemnity), **Section 8.4** (Hazardous Materials Indemnity), and applicable warranties.

14.8. Acceptance of Other Horizontal Improvements.

(a) City Acceptance. The ICA provides for the City Agencies to meet and confer to consider other standards and procedures for acceptance of Horizontal Improvements, including Utility Infrastructure and, if desired, adopt procedures for obtaining the acceptance of Horizontal Improvements by the Board of Supervisors.

(b) Release from Master Lease. For any Horizontal Improvement that any Other City Agency accepts in accordance with applicable Regulatory Requirements, upon a City Agency's acceptance of a Horizontal Improvement, the Parties will record a Partial Release under *ML § XXXX (Adjustment of Premises for Development)*, which will release Developer from future obligations for liability or repair except to the extent provided under **Section 8.3** (General Indemnity), **Section 8.4** (Hazardous Materials Indemnity), and applicable warranties.

14.9. Maintenance of Horizontal Improvements.

(a) New Port Facilities. Developer will be required to maintain Phase Improvements that will be under Port jurisdiction until the Port issues the applicable Phase Completion Certificate.

(b) Existing Outfall Infrastructure. From the date that Developer begins work on a portion of the Outfall Infrastructure until the Acquiring Agency accepts the Relocated Outfall Infrastructure, Developer be responsible for all associated maintenance and repair. This obligation does not include responsibility to maintain Other Regulatory Approvals to operate the Outfall Infrastructure.

(c) Non-Port Facilities. Developer will be required to maintain all other Phase Improvements until the effective date of the Board of Supervisors' acceptance action.

(d) Services Special Taxes. The Parties expect to fund Ongoing Maintenance Costs of completed Phase Improvements by Services Special Taxes from the Mission Rock CFD in accordance with *FP § 4.6 (Services Special Taxes)*.

(e) Maintenance as Soft Costs. All Ongoing Maintenance Costs will be Soft Costs to the extent Services Special Taxes are not available to pay for the costs. Upon 30 days' prior notice, the Port may require Developer to provide Maintenance and Repair Security in an amount up to 5% of the Hard Costs of the covered Phase Improvements as additional security for its obligations under this Section.

14.10. Completion of Development Parcels. Developer Construction Obligations include completing all work necessary to prepare Development Parcels for conveyance to Vertical Developers, including the following.

(a) Final Map. Developer must obtain approval of the Final Maps creating separate legal parcels for each Development Parcel and have them recorded in the Official Records.

(b) Site Conditions. Each Development Parcel will be graded and soil compacted under the applicable grading permit and the geotechnical recommendations for the site as certified by Developer's geotechnical engineer in a form acceptable to the Port.

(c) Phase Improvements. Developer will complete construction of the Phase Improvements serving each Development Parcel, except to the extent that the Port in consultation with Other City Agencies has agreed to make Vertical Developers assume responsibility for applicable Deferred Infrastructure, and otherwise be in compliance with the Phase Schedule for other Phase Improvements.

(d) Regulatory Approvals. Developer will satisfy all other obligations under applicable Regulatory Approvals.

15. INSURANCE

Developer will be required to meet the Insurance Requirements under the Master Lease. As a part of each Phase Submittal, Developer may propose the form, amount, type, terms, and conditions of insurance coverages required of Developer in connection with the applicable Phase to the extent different from the Insurance Requirements, which the Port Director will consider for approval in consultation with the City's Risk Manager.

16. SECURITY FOR PROJECT ACTIVITIES

16.1. Adequate Security. Developer must provide to the Port Adequate Security from one or more Obligors meeting the Obligor Net Worth Requirements to secure obligations under this DDA as provided in this Article.

(a) Multiple Adequate Security Instruments. If Developer provides more than one instrument of Adequate Security, the instruments must not be cross-defaulted, and liability under each will be several and not joint, unless Developer requests otherwise with each Obligor's consent. The Port will have the right to proceed against all forms of Adequate Security securing the same obligation simultaneously or in any order that the Port elects in its sole discretion.

(b) Substitution of Adequate Security. Developer has the right to substitute at any time any portion of the Adequate Security that it has provided to the Port with another form of Adequate Security that meets the requirements under this Article.

(c) Material Breach. Except as specified in **Subsection 16.3(a)** (Delivery), Developer's failure to provide timely, or to cure its failure to provide and maintain or

replenish, Adequate Security as required under this Article will be a Material Breach of this DDA under **Section 11.2** (Material Breaches by Developer). Immediately after this Material Default, Developer must:

(i) take steps to preserve the existing condition of Improvements and other actions necessary to protect public health and safety; and

(ii) suspend all other activities that were, or were to be, secured by the Adequate Security.

16.2. Loss Security.

(a) Delivery. As a condition to the Port's issuance of the first construction permit for each Phase, Developer will provide to the Port Loss Security in the aggregate amount of $5.5 million to secure Developer Reimbursement Obligations for the Phase. Each Loss Security instrument must be issued by an Obligor that meets the Obligor Net Worth Requirement and be in a form approved by the Port Director. Developer will maintain and replace or replenish the Loss Security until the applicable Loss Security End Date.

(b) Delivery by Transferees. As specified in **Article 6** (Transfers), the Port Commission's approval of any Transfer will be conditioned on the continued availability of Loss Security meeting the requirements of this Section.

(c) Replenishment. No payment or performance by the Obligor under any Loss Security will reduce or eliminate the requirement for Loss Security meeting the requirements of this Section until the applicable Loss Security End Date. Accordingly, within 30 days after any payment or performance by an Obligor under its Loss Security, Developer or its Transferee, as applicable, will replenish the Loss Security to its previous level. Developer or its Transferee may satisfy this requirement by replacing the Loss Security or providing an amendment to the Loss Security from the Obligor that honored the claim meeting all of the requirements for the Loss Security under this DDA.

(d) Release. The Port will release the unused portion of any Loss Security and, on request, destroy or return the original instrument to Developer or Transferee after the Loss Security End Date.

(e) Relationship to Phase Security. Developer Reimbursement Obligations are secured by Loss Security and not by Phase Security. The Port may demand payment and performance of Developer Reimbursement Obligations only under the Loss Security.

16.3. Phase Security.

(a) Delivery.

(i) As a condition to the Port's issuance of the first construction permit for each Phase, Developer must provide to the Port Phase Security in form acceptable to the Port and in the Secured Amount required under this Section. Phase Security will secure completion of Developer Construction Obligations for the Phase, including payment of the related costs of labor, materials, equipment, and services.

(ii) Developer must deliver the Phase Security to the Port at least five business days before commencing construction with respect to the particular Phase for which Phase Approval has been received without any requirement that the Port provide notice or an opportunity to cure. The Port will not be required to issue a construction permit until five business days after its receipt of Phase Security, and the five-day delay will not be an Excusable Delay if it causes Developer to miss the Outside Date to begin construction of Phase Improvements.

(b) Secured Amount.

(i) Subject to **clause (ii)** of this Subsection, Phase Security will have aggregate liability no less than 100% of estimated cost of Developer Construction Obligations for the Phase. More specifically, Developer will provide security sufficient to pay for 100% of the costs to complete the Phase Improvements, plus (without duplication) 100% of the costs of labor, materials, and goods needed to complete the Phase. In each case, the Port Director will approve the proposed Phase Security.

(ii) To the extent that the Phase Security secures the same obligations for which Developer has provided Improvement Bonds to Public Works, the Port will approve an appropriate reduction in the Secured Amount of the Phase Security under this DDA. In all cases, the sum of the payment and performance obligations that Developer provides under the Subdivision Code and the Phase Security will be 100% of the estimated cost of payment and performance of Developer Construction Obligations for Phase Improvements.

(c) Reduction, Return, and Release.

(i) Phase Security will be proportionately reduced when Developer has satisfied portions of Developer Construction Obligations for the Phase to the extent approved by the Port or by the express terms of the Phase Security.

(ii) Phase Security will be released when Developer has satisfied all Developer Construction Obligations for the Phase. After the Port has issued the last Final Phase Completion Certificate for the Phase, Developer may ask the Port to destroy or return to Developer the original Phase Security documents.

(iii) If the Port terminates this DDA as to a Phase before issuing the last Final Phase Completion Certificate for that Phase, the Port will release the Phase Security when Developer Construction Obligations for the period ending on the Termination Date are complete or, if applicable, as ordered by a final judgment.

(d) Port Facilities. When implementing this Section, the Parties expressly agree to take into account their agreement that Developer may provide Adequate Security for Developer Constructions relating to Improvements that will be Port facilities separately from Adequate Security required under the Subdivision Code.

16.4. Obligor Net Worth.

(a) Verification.

(i) Documentation for each form of Adequate Security will require the Obligor to provide reasonably satisfactory evidence to the Port on request that the Obligor satisfies the Obligor Net Worth Requirement. The Port may direct its request to the Obligor or Developer from time to time but not more than once in any calendar year unless the Port reasonably believes that a Significant Change to Obligor has occurred.

(ii) In response to the Port's request, Developer or the Obligor must provide to the Port a copy of a financial statement on the Obligor's financial condition prepared by a CPA. The report must not be dated more than six months before the date of the Port's request and must include the CPA's unqualified opinion (subject to customary qualifications) that the data in financial statement are fairly stated in all material respects.

(iii) If the Obligor or Developer does not to provide the financial statement within 30 days after the Port's request, Developer will deliver to the

Port a new form of Adequate Security that satisfies the requirements of **Section 16.1** (Adequate Security) within the following 30 days.

(iv) If a Significant Adverse Change to Obligor occurs of which Developer has actual knowledge, Developer will notify the Port as soon as reasonably practicable. Within 45 days after the occurrence of the Significant Change to Obligor, Developer will deliver to the Port a new form of Adequate Security that satisfies the Adequate Security Requirements from a replacement Obligor that satisfies the Obligor Net Worth Requirement.

(v) An Obligor may satisfy the Obligor Net Worth Requirement by providing a guaranty satisfactory in form and content to the Port Director in her sole discretion, guaranteeing the Secured Amount from a different person that meets the Obligor Net Worth Requirement.

17. LENDER RIGHTS

17.1. Right to Encumber. Subject to this Article, Developer or permitted Transferee may encumber its respective real property interest in a Development Parcel as a Borrower under a Deed of Trust to secure the Borrower's obligation to repay one or more loans that a Lender makes to finance Improvements benefiting the Encumbered Property. This Article does not apply to Pier 48.

17.2. Lender's Right to Transfer. A Lender may transfer any part of its interest in a Deed of Trust without the consent of or notice to any Party, but the Port will not be obligated to give notice under this DDA to a successor Lender until the Lender or its successor delivers to the Port notice of the transfer, copies of the documents effecting the transfer, and successor notice information. More specifically, if the Port receives notice of a Deed of Trust transfer after delivering a copy of a notice or demand to the original Lender under **Section 17.4** (Copies of Notices), the successor Lender will not be entitled to an extension of the time periods for a Lender's response or performance.

17.3. Certain Assurances. The Port agrees to cooperate reasonably with prospective Lenders to confirm Lender rights under this DDA.

17.4. Copies of Notices. A Lender that wishes to receive copies of notices from the Port of the occurrence of the pertinent Borrower's default under this DDA will give notice to the Port under *App ¶ A.5.4 (Interested Persons)* providing the Lender's address for notices and requesting copies of notices from the Port to the Borrower. When the Port delivers any notice or demand to a Lender relating to its Borrower's default, the Port will deliver a copy to the Lender at the address listed in its most recent notice to the Port.

17.5. Option to Cure Defaults. Each Lender may elect to cure or cause to be cured an Event of Default by its Borrower.

(a) Extended Cure Periods. A Lender electing to cure will have any cure period specified in **Section 10.2** (Events of Default by Developer) or **Section 11.1** (Material Breaches by Developer), plus an additional 30 days to cure a monetary Event of Default or Material Breach and an additional 60 days to cure a nonmonetary Event of Default or Material Breach that can be cured without obtaining title to or control of the Encumbered Property.

(b) Port Forbearance. The Port will refrain from exercising any of its remedies for an Event of Default or for a Material Breach after the periods under **Subsection 17.5(a)** (Extended Cure Periods) expire if the Lender does all of the following:

(i) gives notice to the Port before the extended cure period expires that the Lender intends to initiate a Foreclosure Sale within 60 days after its notice to the Port;

(ii) begins proceedings for a Foreclosure Sale within 60 days after its notice to the Port and completes the Foreclosure Sale within 180 days after notice to the Port; and

(iii) promptly after completing the Foreclosure Sale, cures all outstanding Events of Default and Material Breaches except matters covered by **Subsection 17.6(a)** (Developer Construction Obligations) and **Subsection 17.6(b)** (Personal Obligations).

17.6. Foreclosure Purchaser's Limited Obligations and Rights.

(a) Developer Construction Obligations. No Foreclosure Purchaser will be obligated under this DDA to obtain Phase Approvals, begin construction or complete construction of Horizontal Improvements or Vertical Improvements, or provide any form of Adequate Security (unless it chooses to construct Improvements). Although no Foreclosure Purchaser is obligated to do so, a Foreclosure Purchaser that directly or indirectly obtains title to the Encumbered Property and then properly completes construction of approved Improvements on the Encumbered Property under this DDA is entitled to a Final Phase Completion Certificate on request to the Port. Nothing in this DDA permits or authorizes any Lender Foreclosure Purchaser to construct any Improvements other than uses and Improvements consistent with the Project Requirements.

(b) Personal Obligations. No Lender or Foreclosure Purchaser will be obligated under this DDA to cure any Event of Default or Material Breach that is personal to its Borrower, such as the Borrower's Insolvency or failure to submit required information in the Borrower's possession.

(c) Assumption after Foreclosure Sale.

(i) Except as specified in this Article, no Lender or Foreclosure Purchaser will have any obligations or other liabilities under this DDA unless the Lender completes a Foreclosure Sale and enters into an agreement expressly assuming Developer's development rights and obligations under this DDA. A Foreclosure Purchaser will take title subject to this DDA to the extent applicable to the foreclosed Encumbered Property, including any Claims for payment or performance of obligations that are due as of the date of the Foreclosure Sale, as a condition to enjoying certain benefits under this DDA.

(ii) If a Foreclosure Purchaser assumes obligations to construct Improvements on the Encumbered Property under this DDA, the Port will agree to reasonable extensions of the construction-related periods under the Phase Schedule and, if applicable, the Schedule of Performance. In addition, a Foreclosure Purchaser will be entitled to reimbursement of its Horizontal Development Costs.

(d) No Assumption After Foreclosure Sale. If a Foreclosure Purchaser does not enter into an assumption agreement with the Port within XXXX days after the date of the Foreclosure Sale, the Port will have the right to terminate this DDA in reference to the Encumbered Property.

(e) Nominees. This Section also applies to a Lender's nominee in a Foreclosure Sale.

17.7. No Impairment of Lien. A Borrower's Event of Default or Material Breach under this DDA will not invalidate the lien of the applicable Deed of Trust.

17.8. Multiple Deed of Trusts.

(a) Priority of Liens. If more than one Deed of Trust attaches to any part of the Encumbered Property, the senior Lender will be vested with all rights under this Article to the exclusion of any junior Lender. For purposes of this Section, in the absence of a final court order establishing lien priority, the Port may rely on a title report prepared by a reputable title company licensed to do business in California and having an office in San Francisco as conclusive evidence of lien priority.

(b) Junior Lender's Rights. If a senior Lender fails to exercise its rights under this Article with respect to the Encumbered Property, then rights under this Article will vest in junior Lenders successively in their order of priority on a junior Lender's delivery of notice to the Port asserting rights under this Article with a copy delivered simultaneously to the senior Lender. A junior Lender exercising its rights will not be entitled to any further extensions of the cure periods under **Subsection 17.5(a)** (Extended Cure Periods).

17.9. Cured Defaults. The Port's right to pursue any remedies for an Event of Default or Material Breach will terminate on the date a Lender cures the Event of Default or Material Breach if the cure is completed within the time provided under **Subsection 17.5(a)** (Extended Cure Periods), **Subsection 17.5(b)** (Port Forbearance), or **Subsection 17.6(c)** (Assumption after Foreclosure Sale).

17.10. Application. This Article pertains only to Lenders holding perfected liens on Encumbered Property and has no application to any Deed of Trust securing obligations unrelated to the Project Site.

17.11. Estoppel Certificates. Each Party agrees to execute and deliver to the requesting Party and, if requested, any Lender or prospective Lender, within 20 days after a the request is made, an estoppel certificate with regard to the following matters.

(a) Modification. The responding Party must state that this DDA:

(i) is unmodified and in full force and effect;

(ii) is in full force and effect with modifications specified in the estoppel certificate; or

(iii) is not in full force and effect for reasons specified in the estoppel certificate.

(b) Defaults. The responding Party will state whether it is aware of any Event of Default or Material Breach or the occurrence of an event that with notice or the passage of time or both would be an Event of Default or Material Breach if not cured, by the other Party under this DDA and, if so, describing the event, Event of Default, or Material Breach.

18. MISCELLANEOUS PROVISIONS

The following apply to this DDA in addition to the standard provisions in the Appendix.

18.1. Notices.

(a) Notice Addresses. Addresses for notice under this DDA are listed below.

Port: Port of San Francisco
Pier 1
San Francisco, CA 94111
Att'n: Mike Martin, Director, Real Estate & Development

Telephone: (415) 274-0400
Facsimile: (415) 274-0495
Email: michael.martin@sfport.com

With a copy to: City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Att'n: Eileen Malley, General Counsel

Telephone: (415) 274-0485
Facsimile: (415) 274-0494
Email: eileen.malley@sfgov.org

Developer:

Attention:

Facsimile:
Email:

With copies to:

Attention:

Facsimile:
Email:

18.2. Transaction Documents.

(a) Relationship to ENA and Master Lease. The ENA will terminate on the later of the date that this DDA is fully executed and the Reference Date. This DDA will control over any inconsistent terms in the Master Lease.

(b) Documents on Record with the Port. All exhibits and attachments to this DDA need not be recorded but will be kept on file with the Port as amended or supplemented from time to time. In addition, the Proforma as of the Reference Date is on file with the Port, and the Port will keep on file each updated Proforma as approved by Developer and the Port. The Port Director and Developer will update or supplement the Schedule of Performance from time to time to reflect changes to the same as permitted in this DDA. All public records on file with the Port will be made available to members of the public in keeping with the Port's standard practices and public records laws.

(c) Brokers. Developer and the Port each represents to the other that it has not employed a broker or a finder in connection with the execution and delivery of this DDA, and agrees to indemnify the other from the claims of any broker or finder in relation to the Project.

18.3. Lien of Agreement.

(a) Recordation. The Parties agree that this DDA and certain exhibits, when fully executed, will be recorded in the Official Records because the obligations under this DDA and other documents to be recorded are covenants that attach to and run with Developer's interest in the Project Site under the Master Lease and this DDA.

(b) Partial Releases. The Port will cause the lien of this DDA to be released as to Development Parcels through the Close of Escrow for the Parcel Lease between the Port and the applicable Vertical Developer. But no partial release of the lien of this DDA will release Developer Construction Obligations as to any other portion of the Project Site or of Developer Reimbursement Obligations.

(c) Termination of Agreement. If this DDA is terminated, Developer or the Port may record a Termination Notice as provided in **Subsection 11.6(c)** (Recorded Notice). Recordation of a Termination Notice will terminate the lien of this DDA as to all portions of the Project Site affected by the notice except for provisions that expressly survive the expiration or termination.

18.4. Survival.

(a) Generally. Except as provided otherwise, termination or expiration of this DDA will not affect:

(i) rights and obligations in reference to Adequate Security for an obligation arising before termination or expiration;

(ii) any provision of this DDA or any other Transaction Document that expressly survives the expiration or termination of this DDA; or

(iii) rights and obligations under the Financing Plan or the Acquisition Agreement to the extent related to an obligation arising before termination or expiration or that expressly survives the expiration or termination.

[Remainder of page intentionally left blank.]

Developer and the Port have executed this DDA as of the last date written below.

DEVELOPER:

SEAWALL LOT 337 ASSOCIATES, LLC,
a Delaware limited liability company

By: _____
Name: _____
Its: _____

Date: _____

PORT:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, operating by and through the San Francisco Port Commission

By: _____
Port Director

Date: _____

Authorized by Port Resolution No.____
and Board Resolution No._____

APPROVED AS TO FORM:
Dennis J. Herrera, City Attorney

By: _____
Joanne Sakai
Deputy City Attorney

Lodged with Board of Supervisors 2/1/18.

CITY AND COUNTY OF SAN FRANCISCO
MARK FARRELL, MAYOR

APPENDIX TO TRANSACTION DOCUMENTS

FOR THE

MISSION ROCK PROJECT

ELAINE FORBES
EXECUTIVE DIRECTOR

SAN FRANCISCO PORT COMMISSION

KIMBERLY BRANDON, PRESIDENT
WILLIE ADAMS, VICE PRESIDENT
LESLIE KATZ, COMMISSIONER
DOREEN WOO HO, COMMISSIONER

[REFERENCE DATE]

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PART A: STANDARD PROVISIONS AND RULES OF INTERPRETATION

This Appendix is an integral part of all Transaction Documents for the Mission Rock Project and consists of:

- Part A: standard provisions and rules of interpretation.
- Part B: a glossary of defined terms.

1. TRANSACTION DOCUMENTS.

1.1. Entire Agreement. The Transaction Documents collectively (including this Appendix and all preamble paragraphs, recitals, exhibits, schedules, other attachments, and Consents) contain all of the representations and warranties and the entire agreement, and supersede all prior correspondence, memoranda, agreements, warranties, and representations, between the Parties with respect to the matters they address. No prior drafts of any Transaction Document or changes from those drafts to the executed versions may be introduced as evidence in any litigation or other dispute resolution proceeding by any person, and no court or other body may consider those drafts in interpreting any Transaction Document.

1.2. Counterparts. The Transaction Documents may be executed in multiple counterparts, each of which will deemed to be an original and that together will be one instrument. Parties may deliver their counterparts by electronic mail or other electronic means of transmission.

1.3. Exhibits and Schedules. This Appendix and each exhibit are a part of the Transaction Document to which they are attached or into which they are expressly incorporated by reference. Each schedule attached to a Transaction Document is provided for reference when implementing the Project. The Parties agree that this Appendix and all attachments may be revised from time to time by agreement based on changed circumstances and experience in the course of the Project. Each Party (including any applicable affected Transferee) will confirm its agreement by signing the revised document in counterparts, which will be deemed to be attached to each counterpart of the revised document and will supersede the document being revised.

1.4. Advance Writings Required.

(a) Amendments and Waivers. Any amendment or waiver of any provision of any Transaction Document must be in writing and signed on behalf of each Party by a person authorized to do so. Material modifications to Transaction Documents may require the approval of either or both the Port Commission and the Board of Supervisors, each of which may give or withhold approval in its sole discretion unless explicitly stated otherwise.

(b) Approvals and Waivers. Whenever a Party's approval or waiver is required: (i) the approval or waiver must be obtained in advance and in writing; and (ii) except as specified otherwise, the Party whose approval or waiver is sought must not unreasonably withhold, condition, or delay its approval or waiver, as applicable.

(c) Specific Application. A Party's waiver or consent in reference to another Party's performance of or any condition to its obligations under a Transaction Document will not be a waiver of or consent to any other performance or condition.

1.5. Technical Changes. The applicable Parties may correct any inadvertent error in any Transaction Document that is contrary to their mutual intention in the identification or characterization of or any reference to any title exception, legal description, boundaries of any parcel, map or drawing, or the text, or otherwise agree to minor changes that do not affect the delivery of Associated Public Benefits. Any agreed change will be effected by a signed memorandum or initialed replacement pages, neither of which will be deemed an amendment of a Transaction Document as long as any adjustments are relatively minor and do not result in a material change as determined by the Port in consultation with counsel. A change memorandum or replacement pages will become a part of the affected Transaction Document when fully executed or initialed.

1.6. Other Necessary Acts. Each Party will execute, acknowledge, and deliver to the other all other documents and take other actions that are reasonably necessary to implement, and provide each Party with all of its rights under, any Transaction Document.

1.7. Enforceability. Developer and the Port each represents and warrants to the other that its execution and delivery of, and the performance of its obligations under the Transaction Documents have been duly authorized by all necessary action, and will not conflict with, result in any violation of, or be a default under, any provision of any agreement or other instrument binding on or applicable to it, or any present law or court decree. If Developer signs as a corporation, limited liability company, or a partnership, each of the persons executing the Transaction Documents on behalf of Developer represents and warrants that Developer is a duly authorized and existing entity, that Developer has and is qualified to do business in California, that Developer has full right and authority to enter into the Transaction Documents, and that each of the persons signing on Developer's behalf is authorized to do so. At the Port's request, Developer must provide the Port with evidence satisfactory to the Port confirming these representations and warranties.

1.8. No Gift or Dedication. Unless explicitly stated otherwise, no Transaction Document will be deemed to be a gift or dedication of any portion of the Project Site to the general public, for the general public, or for any public use or purpose. Developer has the right to prevent or prohibit the use of any portion of the Project Site it owns or controls, including common areas and buildings and improvements, by any persons for any purpose inimical to the operation of a private, integrated mixed-use project as contemplated by the Transaction Documents.

2. PARTIES AND PERFORMANCE.

2.1. Joint and Several Liability. If Developer consists of more than one person, then the obligations of each under any Transaction Document to which it is a Party will be joint and several, but in no event will any Developer be jointly and severally liable with any other Developer under any Transaction Document

2.2. Performance Generally.

(a) Time.

(i) Time is of the essence in the performance of all of the terms and conditions of each Transaction Document.

(ii) Subject to this Paragraph, all required performance dates including cure deadlines, expire at 5:00 p.m. Pacific Standard or Daylight Savings Time, as applicable, on the stated date, unless extended under the Transaction Document under which performance is due. Any reference to a week, quarter, or month without reference to a specific day will mean the last day in the period.

(iii) If a Party must give notice or take any other action within a specified minimum number of days that would not fall on a business day, then the Party must take the action on the preceding business day. For example, if a Party is required to give at least five days' prior notice of an action and the fifth day before the desired action falls on a Sunday, the Party must give notice by the preceding business day.

(iv) In all other cases, if the last day of any period to take an action occurs on a day that is not a business day, then the last day for undertaking the action is extended to the next business day. For example, if a Party has 30 days to cure an Event of Default, and the 30th day is a Saturday, the Party would have until the next business day to effect the cure.

(b) Extensions of Time.

(i) Each Party to a Transaction Document, acting in its sole discretion, may agree to extend the date for the other Party's performance of any term, covenant, or condition, or the other Party's exercise of any rights under the Transaction Document,

without executing an amendment. A Party may impose reasonable conditions on an extension of the other Party's time to cure a default. No extension of time will release any of the obligations subject to the extension or waive the granting Party's rights in relation to any other term, covenant, or condition of or any other default in the performance or breach of the Transaction Document under which the extension is granted.

(ii) Any extension of time requiring Port Commission approval must be made by a resolution adopted at a noticed public meeting. All other extensions will be made by a countersigned writing.

(c) No Deemed Approval or Consent Without Notice. Unless expressly and unequivocally stated in any Transaction Document or other agreement between the Parties, deemed approval or consent will only occur on the following conditions.

(i) The Party seeking consent must send notice by electronic mail, addressed to one or more line staff responsible for the specific matter for which consent is sought at least five, but no more than seven, business days before the response period has ended, stating in the subject line, "*Immediate Action Required To Avoid Deemed Consent*" or words to the same effect.

(ii) If the electronic mail notice under **clause (i)** is not delivered timely, the responding Party will not be deemed to have consented until the sixth business day after the notice is delivered. The response may be delivered by the addressee or other person authorized to act on the responding Party's behalf.

(d) Waivers. Unless otherwise specified in a Transaction Document, none of the following circumstances will waive an Aggrieved Party's rights or remedies with respect to an Event of Default or Material Breach, including its right to prosecute any actions it deems necessary to enforce its rights or remedies.

(i) Party's failure to give notice or delay in giving notice or asserting any of its rights or remedies as to an Event of Default or Material Breach will not waive or delay the date on which the Event of Default or Material Breach occurs.

(ii) A Party's waiver as to a specific Event of Default, Material Breach, right, or remedy will not be a waiver of any other Event of Default, Material Breach, right, or remedy.

(e) Responsibility for Costs. The Party on which any obligation is imposed in any Transaction Document will be solely responsible for paying all costs incurred in performing the obligation, unless specifically provided otherwise.

2.3. Successors. The Parties are entering into the Transaction Documents only for the protection and benefit of the Parties and their successors, subject to **DDA art. 6** (Transfers), **DDA art. 17** (Lender Rights), **DA art. 11** (Transfers, Conveyances, and Encumbrances), and correlating provisions in any other Transaction Documents.

2.4. Third Party Beneficiaries. Developer is an explicitly recognized third-party beneficiary under the ICA and the Tax Allocation MOU. Transferees and Vertical Developers are third-party beneficiaries to the extent that they acquire development rights under the DDA. Interested Parties have rights as specified in the Applicable Lender Protections. No other persons have third-party rights under any Transaction Document.

2.5. No Limitation on Unrelated Rights. The rights and remedies under the Transaction Documents do not supersede or preclude any Party's exercise of its rights and remedies under other agreements and documents, or of the City, the Port, or any other Regulatory Agency to require compliance with any Regulatory Approval or other entitlement granted for the Project.

2.6. No Joint Venture or Partnership. Nothing in any Transaction Document to which Developer is a Party, or in any document Developer executes in connection with the Transaction Documents, will create a joint venture or partnership between the City and Developer or between the Port and Developer. Developer is not acting as the agent of the City or the Port, nor is the City or the Port acting as the agent of Developer or any Vertical Developer in any respect under any Transaction Document. Developer is not a state or governmental actor with respect to any of its activities under the Transaction Documents.

2.7. Survival. Except as provided otherwise, termination or expiration of the DDA or any other Transaction Document will not affect: (a) any obligation to indemnify under any Transaction Document; (b) any provision of any Transaction Document that expressly survives expiration or termination; (c) rights and obligations as to Adequate Security for an obligation arising before termination or expiration; or (d) rights and obligations under the Financing Plan or the Acquisition Agreement to the extent related to an obligation arising before termination or expiration of the DDA.

3. GOVERNING LAW.

3.1. Construction of Transaction Documents. The Transaction Documents are governed by and must be construed under the laws of the State of California and the Charter. All references in the Transaction Documents to local, regional, state, or federal laws means those laws as amended from time to time, except as limited by the Development Agreement or to the extent explicitly stated otherwise.

3.2. Countervailing Law. If any applicable state or federal law prevents or precludes compliance with any material provision of a Transaction Document, **App ¶ A.4.3** (Severability) will apply. Alternatively, the Parties may agree to modify, amend, or suspend the affected Transaction Document to the extent necessary to comply with law in a manner that preserves to the greatest extent possible the intended benefits to the City, the Port, and Developer.

3.3. Good Faith and Fair Dealing. In all situations arising under the Transaction Documents, each Party must attempt to avoid and minimize the damages resulting from the other's conduct and take all reasonably necessary measures to implement the Transaction Documents. The Transaction Documents are subject to the covenant of good faith and fair dealing applicable to contracts under California law. Accordingly, Developer and the Port each covenants, on behalf of itself and its successors, to take all actions and to execute, with acknowledgment or affidavit if required, all documents necessary to achieve the objectives of the Transaction Documents to the extent consistent with applicable law.

4. ACTIONS.

4.1. Attorneys' Fees.

(a) Prevailing Party.

(i) Should any Party file an action permitted or required under any Transaction Document, the prevailing Party will be entitled to recover its reasonable costs, including attorneys' fees, plus interest at the maximum amount allowed under law, from the losing Party.

(ii) The ICA and the Tax Allocation MOU are specifically excepted from this prevailing party provision.

(b) Fee Schedules. For attorneys in the Office of the City Attorney, attorney fee rates will be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the bar of any state) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. For in-house counsel, attorney fee rates will be based on the same criteria, with amounts based on law firm rates where the office of in-house counsel is located.

4.2. Jurisdiction and Venue. All obligations under each Transaction Agreement are to be performed in the City and County of San Francisco. Each Party, by executing a Transaction Document, agrees that venue is proper in and consents to the jurisdiction of the Superior Court for the City and County of San Francisco.

4.3. Severability. Unless specifically provided otherwise, a final judgment invalidating any provision of any Transaction Document, or its application to any person, will not affect any other provision of the Transaction Document or its application to any other person or circumstance. All other provisions of the Transaction Document will continue in full force and effect, except to the extent that enforcement of the Transaction Document as affected by the final judgment would be unreasonable or grossly inequitable under all the circumstances or would frustrate a fundamental purpose of the Transaction Documents.

4.4. Limitations on Liability of the Parties.

(a) No Personal Liability of City Parties. Under no circumstances will any individual board member, director, commissioner, officer, employee, official, or agent of the City or the Port be personally liable to Developer for any Event of Default by a City Party or for any amount payable to a Developer Party under any Transaction Document.

(b) No Personal Liability of Developer Parties. Under no circumstances will any individual board member, director, officer, employee, official, partner, employee, or agent of Developer or any Affiliate of Developer be personally liable to any City Party for any Event of Default by a Developer Party or for any amount payable to a City Party under any Transaction Document. DA Successors are specifically recognized as Developer Parties for the purpose of this provision.

(c) No Consequential, Punitive, or Special Damages. Developer, the Port, and the City would not have entered into the Transaction Documents to which they are Parties if they could be liable for indirect or consequential, punitive, or special damages. Accordingly, Developer, the Port, and the City each waives any Claims against, and covenants not to sue, the other Party to any Transaction Document for indirect, consequential, punitive, or special damages, including loss of profit, loss of business opportunity, or damage to goodwill.

(d) No Effect on Other Rights. This Paragraph will not affect any Party's right to recover actual damages and attorneys' fees awarded by an Arbiter's decision or a court's final judgment for a Claim arising from a Breaching Party's failure to: (i) pay any sum when due under any Transaction Document; or (ii) satisfy an indemnity under any Transaction Document. The right to enforce a final decision or judgment will not be limited by **subparagraph (e)** of this Paragraph.

(e) Project Payment Sources. Except as otherwise provided in any Transaction Document, Developer agrees that its rights to payment in the implementation of the Project are limited as follows.

(i) All obligations of the Port or the City arising out of or related to each Transaction Document are special and limited obligations of the Port and the City, as applicable. The Port's and the City's respective obligations to make payments to implement any Transaction Document are restricted strictly to Project Payment Sources described in the Financing Plan, and only to the extent those sources are available.

(ii) More specifically, in no event may Developer compel: (1) the City to use funds in or obligate the City's General Fund; or (2) the Port to use funds in or obligate the Port Harbor Fund except as described in the Financing Plan, in either case to reimburse Developer's Horizontal Development Costs, pay any other costs associated with the Project, or satisfy any Developer Claim under any Transaction Document.

(f) Liability of Others. Unless specifically provided otherwise, the Parties agree that no Agents of the Port or of the City or of their successors or assigns will be personally liable to Developer or any Vertical Developer, and no Agents of Developer or any Vertical Developer or of

their successors or assigns will be personally liable to the Port or the City, for any default or breach or for any payment or performance that becomes due under any Transaction Document. This Subsection does not release or waive the obligations of any person with a direct legal obligation under applicable law, such as the general partner of a limited partnership or any Obligor providing Adequate Security for a specified obligation.

5. NOTICES.

5.1. Manner of Delivery. Unless otherwise specified in a Transaction Document, any notices (including notice of approval or disapproval, demands, waivers, and responses to any of them) required or permitted under any Transaction Document must be delivered by: (a) hand delivery; (b) first class United States mail, postage prepaid, return receipt requested; or (c) overnight delivery by a nationally recognized delivery service or the United States Postal Service, delivery charges prepaid.

5.2. Required Information. To be effective, a notice must be in writing or be accompanied by a cover letter that, to the extent applicable:

(a) cites the section of the Transaction Document under which the notice is given;

(b) indicates whether a response or other action is required and, if so, the period of time within which the recipient must respond or otherwise act;

(c) for a Prospective Default or Prospective Breach, is prominently marked "*Notice of Default*" or "*Notice of Material Breach*" and specifies the cure period;

(d) is clearly marked "*Request for Approval*" if approval is being requested;

(e) if denying or objecting to a request for approval, states with particularity the reasons for the disapproval or objection; and

(f) if explicitly permitted under the Transaction Document, states that failure to respond to the notice within the stated time period will be deemed to be the recipient's approval of the subject matter of the notice.

5.3. Effective Date. A notice will be deemed to be delivered and effective:

(a) on the date personal delivery actually occurs;

(b) on the business day after the business day it is deposited for overnight delivery; or

(c) on the date of actual delivery or on which delivery is refused as shown on the return receipt if mailed.

5.4. Interested Persons. Interested Persons may request copies of notices that the Port or the City delivers to Developer by providing notice to the Port or the City. Developer will have the sole responsibility for providing information to any Interested Person desiring notice. Neither the Port nor the City will incur liability for failure to provide notice to any Interested Person.

5.5. Change of Address. Notices must be delivered to the addresses for notice as specified in the Transaction Documents, unless superseded by a notice of a change in address for notices that is delivered in accordance with **App ¶ A.5.1** (Manner of Delivery).

5.6. Convenience Copies. Except as explicitly permitted under specific circumstances, a Party must not give notice by facsimile or electronic mail, but any Party may deliver a copy of a notice by facsimile or electronic mail as a courtesy or for convenience. The effective date of a notice will not be affected by delivery of a convenience copy by facsimile or electronic mail.

6. PAYMENT DEMANDS.

6.1. Application. The following procedures will apply to any demand from one Party to the other Party for payment whenever payment procedures are not specified in the Transaction Document

under which demand is made. These procedures do not apply to Payment Requests made under the Acquisition Agreement.

6.2. Demand. The Party seeking payment must deliver its demand for payment to the other Party together with proof of payment. The Party obligated to pay will have the right to engage a CPA to review the other Party's claimed costs, and the Party seeking payment must cooperate in providing information necessary for the review. The Party conducting the review will bear its own costs unless the review reveals that the other Party's costs are overstated by 5% or more, in which case, the amount of the reimbursement will be reduced by the amount of the review costs.

6.3. Time for Payment. Except when other procedures are specified in a Transaction Document, or during any period of review or dispute resolution, the Party obligated to make payment must satisfy the payment demand within 30 days after receipt of the demand for payment.

7. USAGE GUIDELINES FOR DEFINED TERMS.

7.1. Definitions in Glossary. The glossary in **Appendix Part B** contains the definitions for terms used in the primary Transaction Documents, or specifies the Transaction Document where terms are defined.

7.2. Capitalization. Defined terms that are not capitalized in this Appendix are not capitalized when used in the Transaction Documents.

7.3. Correlating Terms Included. Each defined term must be interpreted to encompass all correlating plural and singular nouns, verb tenses and forms, adjectives, adverbs, and other forms of the term. The following examples of the application of definitions to correlating terms are illustrative only and are not intended to limit the application of the examples used or the meaning of this Paragraph.

- "Assign" applies to "Assignment," "Assignee," "Assignor," and "Assigned."
- "Begin construction" applies to "began to construct," "beginning construction," and "has begun to construct."
- "Indemnify" applies to "indemnity," "indemnification," and "indemnitor."
- "substantial completion" applies to "Substantially Complete."
- "Third party" applies to "third-party" and "third parties."
- "Waive" applies to "waiver," "waivers," "waived," and "waiving."

7.4. Definitional Context. In some instances, defined terms apply only to certain circumstances or may have different meanings in different contexts. In those instances, the definition will be identified as specific to a situation. The following examples are illustrative only and are not intended to limit the application of the examples used or the meaning of this Paragraph.

- "final completion" and "substantial completion" as used in reference to Horizontal Improvements and Vertical Improvements incorporate conditions specific to each type of Improvement.
- The "Parties" to one Transaction Document may be different from the "Parties" to another Transaction Document.

8. INCONSISTENT PROVISIONS.

8.1. General Rule. Developer and the City Parties intend for any Transaction Document addressing specific rights and obligations to prevail over any inconsistent provisions in any other any Transaction Document for the Project. This general rule will apply to the primary Transaction Document as amended from time to time, whether or not the amendment is reflected in the Appendix.

8.2. Examples. The following examples are illustrative only and are not intended to limit the application of the examples used or the meaning of this Paragraph.

- Financing provisions in the Financing Plan will prevail over conflicting provisions regarding Project Payment Sources in any other Transaction Document that is not specific to a Project Payment Source.

- The RMA will prevail over conflicting provisions in any other Transaction Document, including the Financing Plan, with respect to rates and methods of assessing Mello-Roos Taxes.
- An RMA amendment revising the definition of "Tax-Exempt Parcel" will prevail over an inconsistent definition in this Appendix as applied to the levy of Mello-Roos Taxes.
- Review periods for Improvement Plans in the ICA will prevail over conflicting review periods in any other Transaction Document.

9. HEADINGS AND REFERENCES.

9.1. Headings. The headings preceding the articles, sections, and other parts of each Transaction Document and in the applicable table of contents have been inserted for convenience of reference only and must be disregarded in the construction and interpretation of the Transaction Documents.

9.2. References Generally. Any reference to a provision "in the [Transaction Document]," "herein," "hereof," or similar terms will be deemed to refer to any reasonably related provisions of the Transaction Document in which the reference appears in the context of the reference, unless the reference refers solely to a specific provision of the Transaction Document.

9.3. Within Transaction Documents.

(a) Unless otherwise specified, whenever a Transaction Document, including all exhibits, schedules, and attachments, refers to the table of contents or any article, section, exhibit, attachment, or defined term, the reference is deemed to refer to the article, section, exhibit, attachment, or defined term of the Transaction Document or the referenced exhibit or attachment and all of the subsections, subparagraphs, clauses, exhibits, and attachments.

(b) The word "this" when used to refer to any document, article, section, paragraph, clause, or other distinct provision in a document means the referenced document or provision. For example, "this Paragraph" means **App ¶ 9.3**, and "this subparagraph" means **App ¶ 9.3(b)**.

9.4. To Other Documents. Unless otherwise specified, all references to a Transaction Document or a specific exhibit, attachment, schedule, supplement, Consent, addendum, or other document attached or deemed attached to a Transaction Document means the entire document as amended, replaced, supplemented, clarified, corrected, or superseded at any time while any obligations under the Transaction Document are outstanding.

10. ATTRIBUTED AND DELEGATED ACTS AND OBLIGATIONS.

10.1. Delegated Actions. References in any Transaction Document to a Party's acts or omissions mean acts or omissions by the Party and its Agents unless the context requires or specifically stated otherwise.

10.2. Transferred Obligations. References in any Transaction Document to a Party's obligations also mean the Party's obligation to ensure that its successors, Agents, and Transferees comply with all applicable obligations.

10.3. Successor Public Bodies. References to any public body acting in its regulatory or proprietary capacity also mean the named body or any successor public body designated by or under law to act in the same capacity.

10.4. Successor Public Officials. References to elected and appointed officials of public bodies also mean their duly appointed or elected, as applicable, successors to the extent authorized to act in the same capacity, and designees to the extent authorized to take specific actions on behalf of the named officials.

11. TRANSFERRED RIGHTS.

All references to Developer in a Transaction Document pertaining to any right under that Transaction Document also mean a Transferee to the extent set forth in an Assignment and Assumption Agreement in form and content consistent with **DDA art. 6** (Transfers).

12. RECITALS.

Recitals are included to provide context for the Parties' agreement as set forth in the Transaction Document in which they appear and are not binding with respect to the Parties' rights and obligations. If the recitals conflict other provisions of the Transaction Document, the other provisions will prevail.

13. WORDS OF INCLUSION.

The words "including," "such as," or similar terms when following any general term must not be construed to limit the term to the specific terms that follow, whether or not followed by language of non-limitation, such as "without limitation," "including, but not limited to," or similar words, but will be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of the term and to be followed by the phrase "without limitation" or "but not limited to."

14. GENDER AND NUMBER.

Wherever the context requires, gender-specific and gender-neutral references are deemed to include the masculine, feminine, and gender-neutral, and references to the singular are deemed to include the plural and vice versa.

15. NUMERALS.

For purposes of calculations under any Transaction Document, fractions will not be rounded up or down. A numeral will prevail over any conflicting spelled out number.

16. TIME PERIODS.

16.1. Calendar Periods. References to days, months, quarters, and years mean calendar days, months, quarters, and years unless otherwise specified.

16.2. Business Days. References to a business day means a day other than a Saturday, Sunday, or a holiday recognized by the City. A business day begins at 8 a.m. and ends at 5 p.m., Pacific Standard Time or Pacific Daylight Savings Time, whichever is in effect on the date in question.

17. STATUTORY REFERENCES.

References to specific code sections mean San Francisco Municipal Ordinances unless otherwise specified or required by context. References to any law mean the law as in effect on the Reference Date and as amended at the time in question, unless specifically stated otherwise.

18. NO PARTY DRAFTER.

The Transaction Documents have been negotiated at arm's length between persons sophisticated and knowledgeable in the matters addressed. In addition, each Party has been represented by experienced and knowledgeable legal counsel, or has had the opportunity to consult with counsel. Accordingly, the provisions of the Transaction Documents must be construed as a whole according to their common meaning to achieve the Parties' intent and purpose, without any presumption (under Cal. Civ. Code §§ 1649, 1654, or otherwise) against the Party responsible for drafting any part of any Transaction Document.

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PART B: GLOSSARY OF DEFINED TERMS

The following terms have the meanings given to them below. Defined terms that are not capitalized below are not capitalized when used in the Transaction Documents.

"**100-year flood**" means a flood having a 1% chance of occurrence in a given year.

"**AA**" is an acronym for the Acquisition Agreement.

"**AA Allocation**" means the allocation of Horizontal Development Costs paid under a Payment Request to specific Horizontal Improvements or Components.

"**AB 2797**" means Assembly Bill 2797 (stats. 2016, ch. 529), which amended SB 815.

"**Acceptance and Maintenance Memorandum of Agreement**" is defined in **ICA § 4.7(g)** (Standard and Procedures for Acceptance) and means an agreement that City Agencies will enter into to specify the extent of each City Agency's responsibility for maintenance and liability and related matters.

"**Acquiring Agency**" means the City Agency (the Port, SFPUC, or Public Works) that will acquire Horizontal Improvements under the Acquisition Agreement.

"**Acquisition Agreement**" means the Acquisition and Reimbursement Agreement between Developer and the Port in the form of **FP Exh A** that lists Horizontal Improvements that Acquiring Agencies will purchase from Developer, establishes the Acquisition Prices of Horizontal Improvements, and provides forms and procedures for Developer to request inspection of and payment for Horizontal Improvements.

"**Acquisition Price**" means the amount that the Port will pay Developer on behalf of Acquiring Agencies to purchase Horizontal Improvements under the Acquisition Agreement, which will be the sum of the Horizontal Development Costs incurred and accrued Developer Return on the date of payment.

"**Acquisition Price Update**" means one or more updates to the Phase Improvements, Components, and the preliminary Acquisition Prices listed in **AA Exhibit B** that Developer submits to the Port for Phase Improvements.

"**action**" when used in reference to any Claim or Loss means any administrative, judicial, quasi-judicial, or nonjudicial proceeding, including any alternative dispute resolution proceeding, and includes any complaint, cross-complaint, counterclaim, bankruptcy case, adversary proceeding, and appeal.

"**active use**" mean a use that by its nature does not:

(i) require non-transparent walls facing a public street; or

(ii) involve the storage of goods or vehicles.

"**actual damages**" means the exact amount of any sum due and owing, together with interest until paid and all costs of collection.

"**Additional Return**" means the amount by which Developer Return or Return on Port Capital exceeds the Interest Cost Limitation.

"**Adequate Security**" means all Phase Security and Loss Security that Developer provides to the Port under the DDA:

(i) to secure the faithful performance or payment, or both, of Developer Construction Obligations and Developer Reimbursement Obligations under **DDA art. 18** (Security for Project Activities);

(ii) issued by a person that meets the Obligor Net Worth Requirement and is approved by the Port Director;

(iii) that includes the Port's costs of enforcement in the Obligor's liability; and

(iv) that is in form and substance proposed by Developer and approved by the Port Director, such as guaranties, bonds, letters of credit, certificates of deposit.

"**Adequate Security Requirements**" means Developer's obligations under **DDA art. 18** (Security for Project Activities).

*"**Adequate Security Requirements" exclude** security required by the Subdivision Code.*

"**Adjacent Parcel**" means:

(i) Parcel D1 in reference to the Parcel D2 Garage; and

(ii) Mission Rock Square and Parcels B, C, E, F, I, and J in reference to the Mission Rock Square Garage.

"**Adjusted Gross Income**" means Gross Income less Adjustments.

"**Adjustments**" when used in reference to Adjusted Gross Income means:

(i) all Impositions paid by Tenant, allocated on a straight-line basis during the Lease Year in which the Imposition was paid;

(ii) utility charges paid by Tenant, including water, gas, oil, sanitary and storm sewer, and electricity; and

(iii) insurance premiums for insuring the Improvements in compliance with the Master Lease, allocated on a straight-line basis during the Lease Year in which the insurance premium was paid.

"**Administrative Delay**" means an Excusable Delay caused when:

(i) a Regulatory Agency fails to act on a Developer request or application within the time specified in the ICA, the Development Agreement, or the DDA, or, in no such time is specified, within a reasonable time under its standard practices;

(ii) an appeal body or court determines that a Regulatory Agency's act or failure to act on an application was improper following a challenge by Developer or a Vertical Developer Affiliate; or

(iii) for any matter that requires the execution and delivery of a Vertical DDA or Parcel Lease, Developer has shown a good faith willingness to enter into the applicable agreement substantially in the forms attached to this DDA and in accordance with all other terms and conditions, but Port has delayed or failed to proceed with the execution and delivery of the applicable Vertical DDA or Parcel Lease.

*"**Administrative Delay" excludes** any delay caused by Developer's failure to meet any Outside Date or to submit timely all required and requested information supporting a request or application.*

"**Administrative Fee**" means:

(i) a fee imposed citywide (or portwide, for Port fees) in effect and payable when a developer submits an application for any permit or approval, intended to cover only the estimated actual costs to the City or the Port of processing the application, addressing any related hearings or other actions, and inspecting work under the permit or approval; and

(ii) amounts that Developer or a Vertical Developer must pay to the City or the Port under any Transaction Document to reimburse the City or the Port for its administrative costs in processing applications for any permits or approvals required under the Project Requirements.

*"**Administrative Fee**" **excludes** any Impact Fee or Exaction.*

"**ad valorem tax**" means an ad valorem tax levied on a taxable real property interest under article XIIIA of the California Constitution.

"**Advance**" means a loan of a Parcel DRP or Port Capital that the Port makes to the Mission Rock CFD under **FP art. 7** (Port Advances).

"**Affiliate**" means:

(i) in general, any person that directly or indirectly controls, is controlled by, or is under common control with, another person or a partner or managing or other member of the other person; and

(ii) in reference to Developer, a Transferee Affiliate and a Vertical Developer Affiliate.

"**Affordability Covenant**" means the agreement of each Vertical Developer of a Residential Parcel to meet permanent affordable housing requirements applicable to the parcel, which will be documented in a recorded Declaration of Restrictions.

"**affordable housing**" means Residential Units at the Project Site that will be affordable to households with income ranges specified in the Housing Plan.

"**Affordable Housing Cost**" means a monthly rental charge, including the Utility Allowance, for a Residential Unit that does not exceed 30% of the maximum Area Median Income permitted for the applicable type of Residential Unit, based upon Household Size.

"**Affordable Housing Fund**" means the segregated account in the Special Fund Trust Account to hold Jobs/Housing Equivalency Fees that will be used to provide Affordable Housing Subsidies to Residential Developers in compliance with the Housing Plan.

"**Affordable Housing Overage**" means the amount by which Jobs/Housing Equivalency Fees collected exceed the Affordable Housing Subsidy allocated to Residential Developers in a Phase.

"**Affordable Housing Shortfall**" means the amount by which the Affordable Housing Subsidy allocated to Residential Developers exceeds Jobs/Housing Equivalency Fees collected in a Phase.

"**Affordable Housing Subsidy**" means the amount of Jobs/Housing Equivalency Fees allocated to Residential Developers through the Phase Approval process.

"**Affordable Housing Subsidy Plan**" means the methodology for allocating Affordable Housing Subsidies to Residential Developers as approved in the Phase Approval process for Phase 1.

"**AGI**" is an acronym for Adjusted Gross Income.

"**Agent**" means any officer, director, employee, legal or other authorized representative, attorney, or contractor of any person and any of their respective Agents.

"**agree**" an accord, mutual consent, or binding decision reached by two or more persons.

*"**agree**" **excludes** any unilateral decision.*

"**Aggrieved Party**" means the Party alleging that a Breaching Party has committed an Event of Default or is in Material Breach under the DDA, the DA, or other Transaction Document.

"**alcoholic beverage**" is defined in California Business and Professions Code section 23004.

"**all-gender toilet facility**" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures.

"**Allocated Tax Increment**" means the portion of Gross Tax Increment from Project Area I that the City has agreed to allocate to the IFD for use in Project Area I by approving Appendix I.

"**Allocation Period**" means the period ending on October 17 each year, for Prop M purposes.

"**allonge**" means a document that is affixed to and is a part of a negotiable instrument.

"**Allowed Return**" means return on capital up to the Interest Cost Limitation.

"**ALTA**" is an acronym for the American Land Title Association.

"**Alternative Return**" means return on Developer Capital or Port Capital at the lesser of:

(i) LIBOR for the date that an Alternative Return Cost is paid, plus 400 basis points; and

(ii) the annual rate of 9%.

"**Alternative Return Balance**" means the unreimbursed amount of Alternative Return Costs owed to Developer.

"**Alternative Return Cost**" means a cost that is to bear Alternative Return under any Transaction Document.

"**Alternative Return Rent Credits**" mean rent credits provided to the tenant of the Master Lease under **FP § 2.6(c)** (Reimbursement by Rent Credits).

"**Amendment Action**" means a discretionary action to approve a termination by agreement or amendment, supplement, or addition to any of the Transaction Documents or Development Requirements.

"**AMI**" is an acronym for Area Median Income.

"**AMI Percentage**" means the percentage multiple of AMI applicable to an Inclusionary Unit.

"**Annual Allocated Tax Increment**" means the Allocated Tax Increment that the Port receives, as IFD Agent, in a City Fiscal Year.

"**Annual Cost Budget**" means the amount of Port Costs and Other City Costs that the Port and Developer agree will be payable by Project Payment Sources in each City Fiscal Year during the DDA Term.

"**Annual Ground Rent**" means ground rent for an Option Parcel that is payable to the Port in annual installments over the Parcel Lease term.

"**Annual Review**" means the periodic review of whether Developer has complied in good faith with the Development Agreement required under section 65865.1 of the Development Agreement Statute and Administrative Code section 56.17.

"**Annual Review Date**" means the date established by Administrative Code section 56.17 by which the Annual Review must begin, as amended by **DA § 8.1(c)** (Planning Director's Discretion).

"**App**" is a term used in the Transaction Documents to refer to this Appendix.

"**Appendix I**" means the Project-specific infrastructure financing plan for Project Area I that the Board of Supervisors approved by Ordinance No. XXXX, which is attached as Appendix I to the IFD Financing Plan.

"**Applicable Lender Protections**" means provisions under **DDA art. 17** (Lender Rights), **VDDA art. XXXX** (Financing; Rights of Lenders), and Parcel Lease art. **XXXX** (Mortgages) that protect the rights of Lenders making loans to Borrowers to finance Improvements at the Project Site.

"**Applicable New Law**" means, individually or collectively:

(i) a Change in City Law amending the Construction Codes;

(ii) a Change in City Law adding or amending any other Existing City Law to protect the public health and safety; and

(iii) changes in federal or state law that apply to the Project as described in **DA art. 5** (Vesting and City Obligations).

"**Applicable Port Laws**" means the Burton Act, as amended by SB 815, and Charter Appendix B.

"**applicable SFPUC service**" means electric service that SFPUC Power will provide to the Project Site under one or more Electric Service Agreements.

"**Appraisal Instructions**" means directions to Qualified Appraisers substantially in the form of **DDA Exh D4** for Option Parcels to be developed for residential use or **DDA Exh D5** for Option Parcels to be developed for commercial-office.

"**Appraisal Notice**" means a notice from Developer to the Port initiating the appraisal process for an Option Parcel under **DDA § 7.3** (Option Parcel Appraisals).

"**Approved Arbiters Pool**" means **DDA Sch 1**, as revised under **DDA § 9.1** (Arbiters).

"**Approved Phase**" means a Phase of the Project that the Port has approved.

"**Arbiter**" means an arbitrator who will preside over any arbitration proceeding.

"**Arbitration Notice**" means the notice that one Party delivers to the other Party to initiate a proceeding under **DDA art. 9** (Resolution of Certain Disputes).

"**Arbitration Start Date**" means the date on which a selected Arbiter confirms in writing to the Parties that the Arbiter is available and willing to serve.

"**Architect**" means the licensed architect of record for any Improvements.

"**Architect's Certificate**" means a certificate signed by the Architect in the form of **DDA Exh D13** verifying that a Vertical Developer has completed the specified Vertical Improvement under the Improvement Plans.

"**Area Median Income**" means, for the Inclusionary Units, unadjusted median income for the San Francisco area as published from time to time by HUD, adjusted solely for Household Size.

"**Army Corps**" means the Army Corps of Engineers.

"**As-Built Drawings**" means design and Improvement Plans and specifications in their final form and as-built field documents prepared during the course of construction.

"**Assessed Parcel**" means a Taxable Parcel in the Mission Rock CFD that has been placed on the Assessor's tax roll for which property taxes have been paid for at least one year after the date of assessment.

"**Assessed Parcel Credit Report**" means a report that the CFD Administrator will prepare for the Treasurer Tax-Collector that specifies the amount of the Development Special Tax Credit to be applied to Assessed Parcels.

"**Assessment Shortfall**" means the positive difference between:

(i) the amount of property taxes that would have been levied on a Taxable Parcel by application of the ad valorem tax on its Baseline Assessed Value, as subsequently reassessed by the Assessor to a specified City Fiscal Year, not including Value Reduction under **clause (ii)**; and

(ii) the amount of property taxes actually levied on the Taxable Parcel after Value Reduction.

"**Assessor**" means the Assessor-Recorder of the City and County of San Francisco.

"**Associated Public Benefits**" means public benefits that the Project will provide, including:

(i) Horizontal Improvements such as shoreline improvements, Public ROWs, new and expanded Public Spaces, and other public facilities to serve the Project Site;

(ii) Inclusionary Units required under the Housing Plan, and an activated ground-floor environment with space for shops, restaurants, cafes, neighborhood-serving retail, and community activities serving the public trust; and

(iii) benefits associated with development, such construction and permanent jobs, contracting opportunities for local businesses, and public art installations.

"***Associated Public Benefits*" excludes** *public facilities provided by any City Agency.*

"**attorneys' fees**" means reasonable attorneys' fees and related costs incurred in an action or as otherwise indicated in the DDA, including all costs of litigation, such as fees and related costs of attorneys, consultants, testing, and experts, litigation costs of the action, and costs for document copying, exhibit preparation, carriers, postage, and communications.

"**audited financial statements**" means financial statements prepared by an independent CPA that include the CPA's opinion that the financial statements are fairly stated in all material respects.

"**Available Tax Increment**" means the amount of Allocated Tax Increment that the City has allocated to the IFD and is available on the date of calculation.

"**Backbone Infrastructure**" means all Horizontal Improvements except Deferred Infrastructure.

"**Ballpark**" means the stadium and related facilities currently known as AT&T Park, located at 24 Willie Mays Plaza, San Francisco, California.

"**Barrier Removal Funds**" means the portion of the CBO funds that will be used to fund community-based organizations that provide services to reduce barriers to employment for individuals within at-risk populations.

"**base flood**" is a term used to describe a 100-year flood.

"**Baseline Assessed Value**" means:

(i) before the First Tranche Bonds have been defeased, the initial assessed value of a Taxable Parcel in Project Area I in the first City Fiscal Year in which the assessed value reflects the full cash value of the Improvements constructed on the Taxable Parcel for which the Port has issued a Final Certificate of Occupancy, after all rights to appeal have expired or been exhausted; and

(ii) after Second Tranche Bonds have been issued, the assessed value of the Taxable Parcel in the first City Fiscal Year in which the assessed value reflects an acquisition of the Taxable Parcel, after all rights to appeal have expired or been exhausted.

"**Baseline Revenue**" means the average annual revenue that the Port received from Seawall Lot 337 between January 1, 2003, and December 31, 2007, adjusted for inflation.

"**Base Rent**" is defined in the Master Lease.

"**Base Value**" means, on the date of determination, the sum of the following to the extent Transferred directly or indirectly by a Triggering Event:

(i) the Developer Balance;

(ii) any remaining Unrecovered Rent Credits under the Master Lease; and

(iii) if the Participation Threshold has been met on the date of the Triggering Event, the net present value, calculated at a discount rate of 8.5%, of the then-projected Developer Participation from any Parcel Leases under the Participation Agreement.

"**Basis of Design**" means the documents to be included in Developer's First Submittal of Improvement Plans as described in **ICA Exh B** (Mission Rock Basis of Design).

"**BCDC**" is an acronym for the San Francisco Bay Conservation and Development Commission.

"**begin construction**" means to start the physical improvement of a site as part of a sustained and continuous building plan.

"**Board of Supervisors**" means the legislative branch of the City and County of San Francisco with all powers and authority granted under the Charter and state law.

"**Bond**" means any bond or other form of indebtedness secured by Mello-Roos Taxes or Tax Increment or both issued on behalf of the Mission Rock CFD or Project Area I to implement the Financing Documents.

"**Books and Records**" means books and records that Developer and the Port will prepare and maintain under **FP § 9.5** (Books and Records).

"**Borrower**" means:

(i) Developer, a Vertical Developer, or a permitted Transferee with rights and obligations under the DDA directly or through a Parcel Lease or an Assignment and Assumption Agreement when used in reference to a Deed of Trust; and

(ii) a person with a direct or indirect controlling interest in Developer, a Vertical Developer, or a permitted Transferee with rights and obligations under the DDA directly or through a Parcel Lease or an Assignment and Assumption Agreement when used in reference to a Security Interest.

"**Breaching Party**" means a Party alleged to have committed an Event of Default or to be in Material Breach under the DDA, the Development Agreement, or other Transaction Document.

"**Broadcast Services**" means the electronic capture or live transmission on-site of video, digital, or audio content for Commercial Purposes through the use of a remote production or satellite truck on-site by individuals that may include a technical director, video controller, assistant director, and stage manager, as well as individuals engaged in the following functions: audio; camera; capture and playback; graphics; and utility.

"**Budget Guidelines**" means the guidelines applicable to each Phase Budget, which are listed in **DDA § 3.3(a)** (Budget Guidelines).

"**Burton Act**" means Assembly Bill 190 (stats. 1968, ch. 1333), authorizing the State to grant tidelands and submerged lands comprising San Francisco Harbor to San Francisco under the management and control of the Port Commission.

"**Capital Costs**" means Horizontal Development Costs for Phase Improvements funded by Developer Capital or Port Capital, plus accrued Developer Return, Return on Port Capital, Alternative Return, or Reduced Return.

"**cash**" means United States currency delivered in legal tender or other forms of immediately available funds.

"**CBO Funds**" means one-half of the Workforce Job Readiness and Training Funds, which will be used as Barrier Removal Funds and Job Readiness Training Funds.

"**Central Plant**" means a central water treatment plan or a central energy plant, each as described in the Sustainability Strategy.

"**Central Plant Feasibility Studies**" means studies that Developer will submit under **DDA § 3.3(b)** (Additional Requirements for Phase 1 Submittal) examining the feasibility of the construction and operation of Central Plants.

"**CEQA**" is an acronym for the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000-21189.3).

"**CEQA Findings**" means findings adopted by the Planning Commission, the Port Commission, and the Board of Supervisors under CEQA, the CEQA Guidelines, and the CEQA procedures.

"**CEQA Guidelines**" means the California Guidelines for Implementation of CEQA (Cal. Admin. Code §§ 15000-15387).

"**CEQA law**" means CEQA, the CEQA Guidelines, and the CEQA procedures.

"**CEQA procedures**" means Administrative Code chapter 31.

"**CFD**" is an acronym for City and County of San Francisco Special Tax District No. XXXX (Mission Rock), consisting of the Facilities CFD and the Services CFD, that the Port will ask the Board to establish by the CFD Formation Proceedings.

"**CFD Administrative Costs**" means the reasonable costs that the Port, as CFD Agent, actually incurs and pays for:

(i) services of any Indenture Trustee (including its counsel) for any Bonds that the City issues for the Mission Rock CFD;

(ii) marketing or remarketing Bonds; and

(iii) all other administrative services provided by the Port, the CFD Administrator, the City, the Special Fund Trustee, and any other third-party professionals necessary for the Port to perform its duties under the DDA, Tax Allocation MOU, Special Fund Administration Agreement, and the RMA.

"**CFD Administrator**" means the Port's special tax consultant or any other person that the Port Director designates to administer Mello-Roos Taxes from the Mission Rock CFD according to the RMA.

"**CFD Agent**" means the Port, acting on behalf of the Mission Rock CFD, which the Port will ask the Board to authorize in the CFD Formation Proceedings.

"**CFD Formation Proceedings**" means the Board of Supervisors resolution by which the Board of Supervisors will establish the Mission Rock CFD.

"**CFD Goals**" means the *Local Goals and Policies for Community Facilities Districts*, approved by Board of Supervisors Resolution No. 387-09 on October 6, 2009, as amended from time to time solely to the extent required under CFD Law or other controlling state or federal law.

"**CFD Law**" means the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X), which incorporates the Mello-Roos Community Facilities Act of 1982 (Cal. Gov't Code §§ 53311-53368).

"**CFD Report**" means the annual report that the Mission Rock CFD must file with the Treasurer-Tax Collector under CFD Law.

"**Change in City Law**" means a change to an Existing City Law or a new law, plan, or policy adopted by the City or the Port or by voter initiative after the Reference Date that would conflict with the Project Approvals, the Transaction Documents, or Applicable Port Laws as specified in **DA § 5.3** (Change in City Law).

*"**Change in City Law**" **excludes** regulations, plans, and policies that change only procedural requirements of an Existing City Law.*

"**Change in Law**" means a Change in City Law or a new or amended federal or state law that materially and adversely affects the feasibility of the Project or the delivery of the Associated Public Benefits.

"**Change Negotiating Period**" means a period of nine months during which specified Outside Dates will be tolled to allow the Parties to negotiate possible changes to Developer Construction Obligations or other elements of the Project to address changed circumstances under the DDA.

"**Chapter 12T**" means Administrative Code Chapter 12T (Criminal History In Hiring And Employment Decisions).

"**Chapter 56**" means Administrative Code chapter 56, which the Board of Supervisors adopted under the Development Agreement Statute, as amended by the DA Ordinance.

"**Chapter 82**" means the Local Hiring Policy for Construction (Admin. Code ch. 82).

"**Chapter 83**" means the First Source Hiring Program (Admin. Code ch. 83).

"**Charter**" means the Charter of the City and County of San Francisco adopted on November 7, 1995, as amended and in effect on the Reference Date.

"**Chief Harbor Engineer**" means the Port's Deputy Director, Engineering.

"**Child Care Equivalency Fee**" means the Impact Fee payable under **DA 5.4(b)(iv)** in lieu of the Child Care Fee.

"**Child Care Fee**" means the Impact Fee payable under Planning Code sections 414.1-414.15 and sections 414 A.1–414 A.8.

"**City Agency**" means any public body or an individual authorized to act on behalf of the City in its municipal capacity, including the Board of Supervisors or any City commission, department, bureau, division, office, or other subdivision, and officials and staff to whom authority is delegated, on matters within the City Agency's jurisdiction.

"**City Delay Notice**" means a notice given under **DDA Exh A4** (Provisions for Office Development) from Planning to the Port that the City has reasonably determined that delaying office development in the Project Site is necessary to allow the City to balance its planning objectives for Pending Projects elsewhere in the City.

"**City Fiscal Year**" means the period beginning on July 1 of any year and ending on the following June 30.

"**City General Fund**" means San Francisco's general operating fund, into which taxes are deposited, excluding dedicated revenue sources for certain municipal services, capital projects, and debt service.

"**City Indemnified Party**" means the City, including all City Parties, and State Lands Commission and its Agents. [Revisit when language is final]

"**City Law**" means any City ordinance or Port code provision and implementing regulations and policies governing zoning, subdivisions and subdivision design, land use, rate of development, density, building size, public improvements and dedications, construction standards, new construction and use, design standards, permit restrictions, development impacts, terms and conditions of occupancy, and environmental guidelines or review at the Project Site, including, as applicable:

(i) the Waterfront Plan and the Design Controls;

(ii) the Construction Codes, applicable provisions of the Planning Code, including the SUD and the Zoning Maps, the Subdivision Code, the General Plan;

(iii) local Environmental Laws and the Health Code; and

(iv) the Other City Requirements.

"**City Party**" means the Port, the City, City Agencies, and their respective Agents.

"**City Req**" refers to the Other City Requirements (**DDA Exh A11**).

"**citywide**" means all real property within the territorial limits of San Francisco, not including any property owned or controlled by the United States or the State that is exempt from City Laws.

"**Claim**" means a demand made in an action or in anticipation of an action for money, mandamus, or any other relief available at law or in equity for a Loss arising directly or indirectly from acts or omissions occurring in relation to the Project or at the Project Site during the DDA Term.

*"**Claim**" **excludes** any demand made to an insurer under an insurance policy or to an Obligor of Adequate Security.*

"**Close of Escrow**," "**Close Escrow**," and "**Closing**" mean that all conditions to a Port conveyance of a Development Parcel have been satisfied or waived and actions required to effect the conveyance are complete.

"**Closing Date**" means the date on which a Port conveyance of a Development Parcel becomes effective by execution and delivery of a Parcel Lease.

"**Closing Deadline**" means the date by which a Vertical Developer must Close Escrow on a Parcel Lease, subject to **VDDA art. XXXX** (Excusable Delay), or as otherwise specified in a Public Offering document.

"**CLTA**" is an acronym for the California Land Title Association.

"**CMD**" is an acronym for the Contract Monitoring Division of the City's General Services Agency.

"**CM-GC**" is an acronym for construction manager-general contractor in a GMP contract.

"**Commencement of Construction**" is defined in **DA § 4.2(a)** (Obligation to Provide).

"**Commercial Parcel**" means a Development Parcel that is zoned Commercial Mixed-Use or Flex Commercial Mixed-Use.

"**Commercial Purposes**" for purposes of Administrative Code section 21C.9 means an operation of Broadcast Services for profit.

*"**Commercial Purposes**" **excludes** instances where the capture and transmission of video, digital, or audio content is performed by or on behalf of a governmental entity.*

Commercial Tenant" means a tenant under a lease or other occupancy contract for commercial space at a Vertical Improvement in the Project Site.

"**Commercial Vehicle**" means a vehicle that:

(i) is used or maintained primarily for the transportation of materials, goods, or products;

(ii) has six wheels or more; and

(iii) displays or is required to display a California Department of Motor Vehicles weight decal under the Commercial Vehicle Registration Act (Cal. Vehicle Code §§ 9400 et seq.)

*"**Commercial Vehicle" excludes** a vehicle used exclusively for food catering purposes, meaning its exclusive purpose on a particular trip is for the transport of food and beverages to be served at a Show or Special Event, the transport of equipment for the preparation and service of food and beverages at a Show or Special Event, or both.*

"**common control**" means that:

(i) a person directly or indirectly controls another person; or

(ii) one or more persons are controlled by the same third person.

"**Component**" means a discrete portion or phase of a Horizontal Improvement that is eligible for acquisition under Governing Law and Policy.

"**Concept Plan**" means a set of design drawings in the Design Controls, consisting of the Streetscape Plan and the Parks and Public Open Space Plan, that illustrate Horizontal Improvements at a conceptual level.

"**Conditions to Commencement**" means the conditions to beginning construction of Horizontal Improvements specified in **DDA art 14** (Horizontal Development).

"**conflict**" means any circumstance described in **DA § 5.3(b)** (Circumstances Causing Conflict).

"**Consent**" means Developer's or a City Agency's executed approval of its agreement with the Transaction Document to which the Consent is attached.

"**Consistency Determination**" means the Port's finding that Developer's proposed submittal to a City Agency complies and is consistent with prior approvals and Project Requirements.

"**Consolidated Response Date**" means three business days after the Chief Harbor Engineer or Public Works receives review comments on an Improvement Plan Submittal from all Other City Agencies for purposes of **ICA § 4.6(j)** (Delivery of Compiled Comments).

"**Construction Codes**" means the Port Building Code and all Municipal Codes regulating construction of new Improvements and alteration or rehabilitation of existing Improvements, including the International Building Code and the California Building Code to the extent incorporated and as modified by the Port Commission or the Board of Supervisors.

"**construction permit**" means any permit that Developer and each Vertical Developer must obtain from the Port or any Other City Agency before beginning any physical work at the Project Site, including demolition, excavation, grading, site, and building/site permits and addenda.

"**Construction Training Resources**" means any portion of the OEWD Funds that OEWD chooses to use to support programs that train disadvantaged workers and local residents in the field of construction work.

"**contractor**" means a general contractor, including a CM-GC, or subcontractor, as appropriated in the context, licensed by the Contractors State License Board.

"**control**" of an entity means the direct or indirect ownership by one person of more than 50% of the profits or capital of another person.

"**Controller**" means the Controller of the City and County of San Francisco.

"**controlling interest**" means the interest that a controlling person holds in the controlled person.

"**Convention**" means an organized association of persons with a common interest, including a professional, commercial, political, social, cultural, vocational, recreational, or fraternal interest, most of whom are from outside of San Francisco, who meet in a hotel, convention center, or other building to discuss or act on matters affecting their common interest or to participate in activities related to their common interest.

"**convey**" means to transfer an interest in real property by Parcel Lease, deed, or other instrument.

"**Coordination Agreement**" means a contract between Developer and Vertical Developers that addresses matters necessary to coordinate horizontal and vertical construction in an orderly manner.

"**Core Benefits**" is defined in Administrative Code section 12B.1(b).

"**Cost Allocation Proposal**" means Developer's proposed allocation of Horizontal Development Costs under **AA § 4.1(e)** (Cost Allocation).

"**Costa-Hawkins Act**" means the Costa-Hawkins Rental Housing Act (Cal. Civ. Code §§ 1954.50-1954.535).

"**costs**" means actual and reasonable expenses, fees, and other charges directly arising from or relating to the matter giving rise to a right to payment.

"**CPA**" is an acronym for an independent certified public accounting firm approved by the Port and Developer.

"**CPI**" is an acronym for the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose region (base period 1982-1984=100) that the United States Department of Labor, Bureau of Labor Statistics, publishes in February, April, June, August, October, and December of each year. If the index is changed after the Reference Date to use a different base year, CPI will be calculated using the published conversion factor. If publication is discontinued and not replaced, the Parties will confer to reach agreement on a substitute measure.

"**Credit Bid**" means a Vertical Developer Affiliate's deemed payment of Land Proceeds to the Port, subject to the limitations and conditions of **FP § 3.5** (Right to Credit Bid) or the act of paying by the deemed payment when used as a verb.

"**Credit Bid Determination Date**" means the 30th day after a Final Appraisal is issued under **DDA art. 7** (Parcel Leases).

"**Cumulative IRR**" means Developer's cumulative internal rate of return in a Current Phase and any Prior Phase, calculated through the date of determination, excluding Developer Capital spent on any Later Phase.

"**Current Assessed Value**" means, as of any date, a Taxable Parcel's Baseline Assessed Value, as reassessed by the Assessor under applicable law.

"**Current Phase**" means the Phase of the Project during which an event or determination occurs.

"**Current Parcel**" means an Assessed Parcel in the Mission Rock CFD that is identified in the Payment Report as being current on payment of ad valorem taxes.

"**DA**" is an acronym for the Development Agreement between the City and Developer specifying the entitlement rights that the City agreed to vest in Developer for development of the Project Site by adoption of the DA Ordinance.

"**DA Assignment**" is defined in **DA § 2.1** (DA Successors' Rights).

"**DA Default**" is defined in **DA § 9.2(a)** (Specific Events).

"**DA Ordinance**" means Ordinance No. XXXX adopting the Development Agreement, incorporating by reference the General Plan Consistency Findings, authorizing the Planning Director and other City officials to execute the Development Agreement on behalf of the City, and waiving the application of certain Municipal Code provisions to aspects of the Project.

"**DA Requirements**" is defined in **DA § 5.2(a)** (Agreement to Follow Existing Policy).

"**DA Statute**" means California Government Code sections 65864-65869.5.

"**DA Successor**" is defined in **DA § 12.1** (DA Successors' Rights).

"**DA Term**" is defined **DA § 2.2** (DA Term).

"**DA Waivers**" means, collectively, all Municipal Code waivers in the DA Ordinance.

"**DDA**" is an acronym for the Disposition and Development Agreement between the Port and Developer specifying the terms and conditions for Developer's master development of the Project Site.

"**DDA Term**" means the period beginning on the Reference Date and ending when the DDA expires by its own terms or by early termination.

"**debt**" means, when required by the context, financial obligations as defined in section 53395.1 and section 53395.8(c)(4) of the IFD Law.

"**debt service**" means the amount of cash required to pay principal and interest on Bonds under an Indenture, taking into account required funding and replenishment of reserves, and coverage ratios.

"***debt service*" *excludes** capitalized interest and any other amounts that are funded from gross bond proceeds for the payment of debt service before net bond proceeds are available for disbursement under an Indenture when used in reference to payments to be funded with Mello-Roos Taxes or Tax Increment in any year.*

"**Declaration of Restrictions**" means a document in the form attached to the Housing Plan to be recorded against a Development Parcel developed for rental residential use requiring that designated Inclusionary Units remain affordable in accordance with the Housing Plan.

"**Deed of Trust**" means a mortgage, deed of trust, or other security instrument encumbering a Development Parcel or a leasehold interest in a Development Parcel to secure a Borrower's repayment obligation to a Lender.

"**deep dynamic compaction**" is a Site Preparation method used to increase the density of the soil when subsurface constraints make other methods inappropriate by dropping a heavy weight (typically between 8 and 36 tons) repeatedly on the ground at regularly spaced intervals to reach a desired amount of compaction.

"**defend**" when used in reference to a Claim means the defense, compromise, or other resolution of the Claim in or outside of an action.

"**Deferred Infrastructure**" means Improvements that would be Horizontal Improvements if built or installed by Developer, but for the Port's agreement through a Phase Approval to require Vertical Developers to construct the Improvements, which will consist primarily of Utility Infrastructure, Public ROW Improvements, and fixtures installed between right-of-way curbs and the boundaries of a Development Parcel, such as sidewalks and curb cuts, lighting, street furnishings, landscaping, and utility boxes and laterals serving the parcel.

*"**Deferred Infrastructure**" **excludes** utility improvements and fixtures customarily installed as part of a Vertical Improvement.*

"**Deferred Infrastructure Zone**" means one or more of the following, as identified in each Phase Submittal and with Basis of Design:

(i) the area between back-of-curb and the adjacent Development Parcel boundary or the adjacent Public Space, as applicable;

(ii) bands up to 40 feet along the outer boundaries of Public Spaces adjacent to Development Parcels; and

(iii) the area adjacent to Development Parcels for the installation of service infrastructure, including laterals, traps, air vents, clean-outs, meter boxes, irrigation facilities and associated pedestals, pull boxes, and secondary conduits.

"**Delay Event**" means the event causing a claimed Excusable Delay.

"**Delay Event Date**" means the date on which the Delay Event occurred or the date on which the Party claiming Excusable Delay discovered the Delay Event.

"**Demolition and Utility Relocation Plan**" means one of a Permit Set of Improvement Plans for Site Preparation Work.

"**Design Advisory Committee**" means a body of qualified design professionals designated by the Port Director in consultation with the Planning Director to make design recommendations regarding public realm Improvements to the Port Commission.

"**Design Controls**" means the Mission Rock Design Controls that the Port Commission and the Planning Commission approved.

"**Developer**" means Seawall Lot 337 Associates, LLC, and its successors.

"**Developer Audit**" means a financial review performed by a CPA on behalf of Developer under **FP § 9.4(b)** (Developer Audit).

"**Developer Balance**" means, on the date of determination, the sum of:

(i) Developer's unreimbursed Horizontal Development Costs from the Current Phase and related accrued and unpaid Developer Return, Alternative Return, or Reduced Return as appropriate, including any carryover of the Entitlement Sum, Alternative Return Costs, or Horizontal Development Costs incurred in any Prior Phase, as shown on the Developer Capital Schedule; and

(ii) any amounts added under **FP § 2.4(c)(ii)-(iii)** (Developer Return). [Revisit when language is final]

*"**Developer Balance**" **excludes** any part of vertical development costs and sums arising in any Later Phase.*

"**Developer Capital**" means funds available to Developer that are not subject to restrictions or limitations under the Financing Plan.

"**Developer Capital Schedule**" means an accounting schedule that Developer maintains that shows the inflows and outflows for all Phases of the Project individually and in the aggregate for the Developer Balance.

"**Developer Construction Obligations**" means Developer's duty under the DDA to perform or provide, in accordance with applicable Project Requirements, for:

(i) construction of the Horizontal Improvements for each Phase of the Project;

(ii) Developer Mitigation Measures; and

(iii) Associated Public Benefits.

*"**Developer Construction Obligations**" excludes any Deferred Infrastructure that Vertical Developers will construct.*

"**Developer Contingency**" means the separate allowances to cover additional Soft Costs **and** Hard Costs in a Phase Budget.

"**Developer Marketing Costs**" means no more than $920,000 (NPV 2018$), unless otherwise approved by Port in its sole discretion, in costs to market the Project, including:

(i) interim activation, events associated with opening of Public Spaces to the public, and other activities that benefit land and user absorption; and

(ii) overall Project branding and recognition, except to the extent Developer receives reimbursement from Vertical Developers.

"**Developer Mitigation Measure**" means any Mitigation Measure in the MMRP (**DDA Exh B5**) that is to be performed by Developer or that is otherwise identified as the responsibility of the "owner," the "project sponsor," or the "infrastructure developer" in the development of the Project.

"**Developer Participation**" means the amount of Annual Participation Revenue payable to Developer under the Participation Agreement in **FP Exhibit D** or any replacement agreement.

"**Developer Party**" means Developer and its direct and indirect partners, members, shareholders, officers, Affiliates (including Vertical Developer Affiliates), individually or collectively.

"**Developer pass-through**" means a Horizontal Development Cost that is paid directly to a contractor, consultant, or supplier to Developer.

"**Developer Reimbursement Obligations**" means Developer's duty under the DDA to indemnify the City Parties and pay Port Costs and Other City Costs.

*"**Developer Reimbursement Obligations**" **excludes** Developer's use of Developer Capital to finance Horizontal Improvements.*

"**Developer Return**" means the accrued return on Developer Capital spent on Horizontal Development Costs in a Phase at the annual rate of 18% on unreimbursed Horizontal Development Costs paid by Developer Capital and amounts payable to Developer under **FP § 2.4(c)(ii)-(iii)** (Developer Return).

"**Development Account**" means the segregated account within the Special Tax Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Development Special Taxes.

"**Development Agreement**" means the agreement that the City entered into with Developer under Administrative Code chapter 56 and the Development Agreement Statute.

"**Development Agreement Statute**" means California Government Code sections 65864-65869.5.

"**Development Opportunity**" means Developer's development rights under the DDA that the Port terminates under **DDA § 12.8** (Effects of Termination on Development Rights).

"**Development Parcel**" means all buildable parcels in Seawall Lot 337, which are made up of Option Parcels, Lead Parcels, Garage Parcels, Commercial Parcels, and Residential Parcels.

"**Development Rights Payment**" means a lump sum payment to the Port at the Closing of a Parcel Lease in the amount of:

(i) Fair Market Value if the Option Parcel is conveyed by a Prepaid Lease; or

(ii) an agreed portion of Fair Market Value, with the balance of Fair Market Value paid as Annual Ground Rent under a Parcel Lease, calculated by multiplying the difference between Fair Market Value and the Parcel DRP by the Rent Conversion Factor.

"**Development Special Tax Credit**" means the amount by which the Potential Development Special Tax Levy for a Current Parcel in the Mission Rock CFD will be reduced by the application of Allocated Tax Increment under **FP § 6.6** (Tax Increment Credit).

"**Development Special Taxes**" means the portion of Facilities Special Taxes that the City levies in a City Fiscal Year on Taxable Parcels in the Mission Rock CFD to finance Horizontal Improvements and for other eligible purposes, subject to Port Commission and Board of Supervisors approval, an amount per square foot intended to be equivalent to 0.65% of the parcel's Baseline Assessed Value as projected for the CFD Formation Proceedings.

"**Director of Public Finance**" means the director of the Public Finance Division of the Controller's Office.

"**Director of Public Works**" means the Director of San Francisco Public Works.

"**Director of Transportation**" means the Director of San Francisco Municipal Transportation Agency.

"**Disputed Value**" means a challenged Fair Market Value or Rent Conversion Factor in an appraisal that is subject to arbitration under **DDA § 7.5** (Appraisal Disputes).

"**Disputing Party**" means a person affected by a dispute that is subject to **DDA art. 10** (Resolution of Certain Disputes).

"**Down Market**" means a period of economic and other conditions causing a significant decline in the real estate market as determined under **DDA § 4.4** (Down Market Delay Procedures).

"**Down Market Delay**" means an Excusable Delay meeting the criteria in **DDA § 4.4** (Down Market Delay Procedures).

"**Down Market Test**" means the procedures in **DDA § 4.4** (Down Market Delay Procedures) by which the Parties have agreed to determine whether a Down Market exists.

"**Down Market Test Budget**" means a hypothetical Phase Budget that Developer must submit under **DDA § 4.4(a)** (Timing) as part of a Down Market Test.

"**Down Market Test Date**" means the date a Down Market Test is final.

"**DRP**" is an acronym for a Development Rights Payment.

"**DRP Advance**" means a loan of a Parcel DRP that the Port makes to the Mission Rock CFD under **FP art. 7** (Port Advances).

"**DRP Advance Proceeds Account**" means the segregated accounts within the Mello-Roos Fund and the Tax Increment Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Allocated Tax Increment and Development Special Taxes to pay the Mission Rock CFD's obligations under the Promissory Note.

"**DRP Fund**" means the segregated account within the Special Fund Trust Account described in **FP § 2.5** (Trust Account for Special Funds), which will hold Development Rights Payments for future use under the Financing Plan.

"**DTSC**" is an acronym for the California Department of Toxic Substances Control.

"**Early Mello-Roos Bonds**" means Mello-Roos Bonds that the City issues on behalf of the Mission Rock CFD to finance Phase Improvements at the Port's request early in a Phase.

"**Electrical Service Agreement**" means the agreement between SFPUC Power and a customer specifying the terms on which SFPUC Power will provide applicable SFPUC service.

"**eligible**" when used in reference to Horizontal Development Costs or Horizontal Improvements means Hard Costs and Soft Costs for which the use of special tax financing or tax increment financing is authorized under Governing Law and Policy.

"**Eligible Occupant**" means, for any Inclusionary Unit, a household with a Gross Annual Income that does not exceed the result of the following:

(i) identify the applicable AMI, adjusted for Household Size;

(ii) multiply the AMI from (i) by the AMI Percentage applicable to that Inclusionary Unit; and

(iii) add 5% to the product of (ii).

"**ENA**" is an acronym for the Exclusive Negotiation Agreement dated as of May 25, 2010, effective as of September 15, 2010, as amended and restated as of the Reference Date.

"**Encumbered Property**" means, as applicable:

(i) the real property interest in a Development Parcel and any other assets that are the collateral under a permitted Deed of Trust; or

(ii) the personal property interest in Borrower and any other assets that are the collateral under a permitted Security Interest.

"**Encumbrance**" means a Deed of Trust or Security Interest.

"**Engineer**" means the engineer of record for Horizontal Improvements, who must be licensed by the California Board for Professional Engineers, Land Surveyors, and Geologists.

"**Entitlement Cost Statement**" means Developer's report on Entitlement Costs, prepared by a third party or subject to third-party review, under **FP § 2.3(a)** (Entitlement Cost Statement).

"**Entitlement Costs**" are Soft Costs that the Parties incurred between May 25, 2010, and the Reference Date to entitle the Project, including:

(i) preliminary planning and design work;

(ii) environmental review under CEQA;

(iii) negotiating the financial and other terms of the Transaction Documents; and

(iv) obtaining Project Approvals.

"**Entitlement Date**" means the date after the Reference Date on which all of the following are final:

(i) BCDC approval of a major permit for the development of the Project Site (excluding Pier 48);

(ii) State Lands approvals required under Section 4.5 and Section 6 of SB 815; and

(iii) recordation of a variance to its Environmental Covenant.

"**Entitlement Sum**" means the sum of Entitlement Costs plus accrued Developer Return up to the Reference Date.

"**Environmental Covenants**" means recorded deed restrictions imposing conditions under which certain land uses will be permitted at designated portions of the Project Site that DTSC approved in accordance with the *RCRA Closure Certification Report, Former H&H Ship Service Facility* as amended by the Entitlement Date in response to a Port application for a variance to permit anticipated uses at the Project Site.

"**Environmental Delay**" means an Excusable Delay caused when:

(i) the Port or the City is required to conduct additional environmental review or prepare additional environmental documents after the Reference Date;

(ii) a third party files an action challenging the certification or sufficiency of the Final EIR or any other additional environmental review, even if development activities are not stayed, enjoined, or otherwise prohibited;

(iii) the unanticipated need to investigate, remediate, or otherwise correct previously unknown environmental or geotechnical conditions on or affecting any portion of the Project Site, but only if the conditions were not reasonably foreseeable in light of Developer's due diligence before the Reference Date; or

(iv) the unanticipated need to comply with any Mitigation Measures adopted for the Project for conditions on or affecting any portion of the Project Site, but only if the conditions were not reasonably discoverable before the Reference Date and by their nature require a delay or work stoppage for investigation, remediation, or related activities, as long as the Party claiming delay is proceeding in a diligent manner to resolve the unforeseen issues.

"**Environmental Law**" means any law pertaining to handling, release, or remediation of Hazardous Materials, conditions in the environment, including structures, soil, air, bay water, and groundwater, the protection of the environment, natural resources, wildlife, and human health and safety, industrial hygiene and employee safety, and community right-to-know requirements, including CEQA, the Mitigation Measures, and the Environmental Covenants, applicable to the Project Site or related to the work being performed under the DDA or any Parcel Lease.

"**Environmental Regulatory Action**" means any inquiry, investigation, enforcement, remediation, agreement, order, consent decree, compromise, or other action that is threatened, instituted, filed, or completed by an Environmental Regulatory Agency in relation to a release of Hazardous Materials.

"**Environmental Regulatory Agency**" means the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, the United States Department of Labor, any California Environmental Protection Agency board, department, or office, including DTSC and the Water Board, the California Division of Occupational Safety & Health, Department of Industrial Relations, the Bay Area Air Quality Management District, the San Francisco Department of Public Health, SFFD, SFPUC, the Port, and any other Regulatory Agency now or later authorized to regulate Hazardous Materials.

"**Environmental Regulatory Approval**" means any approval, license, registration, permit, or other Regulatory Approval required or issued by any Environmental Regulatory Agency, including any hazardous waste generator identification numbers relating to operations at any portion of the Project Site and any closure permit.

"**ESA**" is an acronym for Electrical Service Agreement.

"**Escrow**" and "**Escrow Account**" mean an account established with an Escrow Agent for the delivery, recordation, and distribution as applicable of title documents, funds, and any other items necessary to Close a conveyance of a real property interest.

"**Escrow Agent**" means a local branch of a title company on the approved list maintained by the Real Estate Division of the San Francisco General Services Agency selected to handle a conveyance under the DDA.

"**Escrow Closing Costs**" means the Escrow costs customarily assigned to the buyer or ground lessee, such as escrow and associated fees, title insurance premiums and endorsement charges, transfer taxes, ad valorem taxes and assessments, if any, prorated as of the applicable Closing Date.

"**Estimated Construction Duration**" means Developer's projected construction periods for Components of Phase Improvements in each Phase Submittal.

"**Estimated Construction Schedule**" means Developer's projected schedule for pre-construction and construction of Phase Improvements in each Phase Submittal, which will be based on the Estimated Construction Duration.

"**Event Day**" means a calendar day during which an event is held in a Public Space, excluding time allowed for setup and breakdown of the event in the event permit.

"**Event Management Plan**" means **TP Schedule 4** to **DDA Exh B7** (Transportation Exhibit), which includes an anticipated approach to managing pedestrian activity, vehicle flows, and bicycle parking in and near the Project before, during, and after events at the Ballpark, event venues in the Project Site, and other nearby event venues, such as Chase Center, where the event promoter has a parking agreement with the Garage operator to provide parking for patrons of the event.

"**Event of Default**" means a Breaching Party's failure to cure a noticed breach within any cure period specified in **DDA § 11.2** (Specific Defaults), **DA § 9.2** (Events of Default), or as otherwise specified in any Transaction Document, including all incorporated implementation plans and documents.

"**exacerbate**" when used in reference to Hazardous Materials means any act or omission that increases the quantity or concentration of Hazardous Materials in the affected area, causes the increased migration of a plume of Hazardous Materials in soil, groundwater, or bay water, causes a release of Hazardous Materials that had been contained until the act or omission, or otherwise requires investigation or remediation that would not have been required but for the act or omission.

"**Exaction**" means any requirement to provide services or Improvements that the City imposes as a condition of approval to mitigate the impacts of increased demand for public services, facilities, or housing caused by a development project, which may or may not be an impact fee governed by the Mitigation Fee Act, including a fee paid in lieu of complying with a City requirement.

*"**Exaction**" **excludes** Mitigation Measures and any federal, state, or regional impositions.*

"**Excluded Transfer**" means any of the following:

(i) any Permitted Lender's exercise of remedies;

(ii) the removal of a general partner or managing member by the exercise of remedies under any form of operating agreement;

(iii) the sale, transfer, or issuance of stock listed on a national or internationally recognized stock exchange; or

(iv) a change resulting from death or legal incapacity of an individual.

"**Excusable Delay**" means an allowed delay in performance, or an extension of an Outside Date, as a result of the occurrence of an event of Force Majeure.

"Excusable Delay" excludes:

(1) Developer's lack of Developer Capital needed for a Phase;

(2) Developer's Insolvency; and

(3) an Administrative Delay or Environmental Delay if the Party claiming delay fails to take required actions or attempt to resolve the issues causing delay in a timely and diligent manner.

"**Exempt Parcel**" means, depending on the context:

(i) any assessor's parcel of a real property interest that is exempt from property taxation under California law; and

(ii) any assessor's parcel of a real property interest that is exempt from Mello-Roos Taxes under an RMA.

"Exempt Parcel" excludes *any parcel that:*

(1) the Port or any other Regulatory Agency acquires by gift, devise, negotiated transaction, or foreclosure;

(2) *the Port acquires under the DDA; or*

(3) *is in private use for taxable purposes.*

"**Exhibit, Display, or Trade Show Work**" means the on-site installation, set-up, assembly, and dismantling of temporary exhibits, displays, booths, modular systems, signage, drapery, specialty furniture, floor coverings, or decorative materials in connection with or related to a Special Event.

"**Existing City Law**" means any City Law in effect on the Reference Date, including Planning Code section 291, which was added by Proposition D.

"**Existing Geotechnical Condition**" means the physical, geotechnical condition of the Project Site, including soils and groundwater conditions, before Developer or its Affiliate first took possession of the Project Site.

"Existing Geotechnical Condition" excludes *the Existing Hazardous Material Condition of the Project Site.*

"**Existing Hazardous Material Condition**" means the presence or release of Hazardous Materials in, on, or about any portion of the Project Site that occurred before Developer or its Affiliate first took possession of the Project Site.

"**Experience Requirement**" means the Port's requirement that a proposed Transferee have substantial experience (in the Port's reasonable judgment), either directly or through any of its Affiliates or its project team, as a developer of mixed-use projects comparable to the Project.

"**Exposition**" means a large-scale public exhibition with a primary though not necessarily exclusive purpose of promoting one or more products, services, or businesses.

"**extensive renovation**" means any renovation where the construction cost exceeds 50% of the cost of providing all-gender toilet facilities.

"**Facilities CFD**" means the part of the Mission Rock CFD to be formed to finance Horizontal Improvements, Shoreline Adaptation Studies, Shoreline Protection Facilities, and other public facilities as approved by the Port Commission and the Board of Supervisors.

"**Facilities CFD Administrative Costs**" means CFD Administrative Costs payable from Facilities Special Taxes.

"**Facilities Special Taxes**" means one or more of Development Special Taxes, Office Special Taxes, and Shoreline Special Taxes.

"**Fair Market Value**" means the value conclusion for a Development Parcel in the Project Site reached according to procedures described in the DDA, expressed as the price that a prospective buyer with reasonable knowledge of the relevant facts would be willing to pay on the open market for the leasehold interest.

"**FAR**" is an acronym for floor area ratio.

"**Federal or State Law Exception**" is defined in **DA § 5.6(a)** (City's Exceptions).

"**FEHA**" is an acronym for the Fair Employment and Housing Act (Cal. Gov't Code §§ 12900-12996).

"**FEMA**" is an acronym for the Federal Emergency Management Agency.

"**final**" when used to refer to any Project Approval or Later Approval means that:

(i) no administrative or judicial appeal has been filed by the applicable deadline;

(i) if an administrative or judicial appeal has been timely filed, the Project Approval or Later Approval has been upheld by a final decision; or

(ii) the Board of Supervisors has certified the results of an election under the Elections Code at which a referendum petition regarding a Project Approval is rejected.

"**Final Appraisal**" means the appraisal report that will be used for the conveyance of any Option Parcel, which can be either the Joint Appraisal as provided in **DDA § 7.4(e)** (Joint Appraisal) or the result of a dispute resolution process under **DDA § 7.5** (Appraisal Disputes).

"**Final Audit**" means Developer's final financial report for the Project as described in **FP § 9.3(b)** (Final Audit).

"**Final Audit Date**" means the due date for the Final Audit under **FP § 9.3(b)** (Final Audit).

"**Final Certificate of Occupancy**" means a certificate of occupancy and completion that the Chief Harbor Engineer issues in the form of **DDA Exh D13** after accepting an Architect's Certificate verifying that a Vertical Developer has finally completed a Vertical Improvement.

"**final completion**" means that Developer has completed all aspects of a Horizontal Improvement for which City Agency approval is required in compliance with the approved Improvement Plans and the Project Requirements by the Outside Date in the applicable Schedule of Performance in accordance with **DDA § 14.6** (SOP Compliance).

"**Final EIR**" means the environmental impact report for the Project that the Planning Department certified by Motion No. 20018 on October 5, 2017.

"**final judgment**" means an order, judgment, award, settlement, consent decree, stipulated judgment, or other partial or complete termination of an action with respect to a Claim or a Loss issued by an administrative, judicial, quasi-judicial, or nonjudicial body that is effective and binding after any appeal is finally adjudicated and all rights to appeal have been exhausted, or the time to appeal has expired.

"**Final Map**" means a final Subdivision Map meeting the requirements of the Subdivision Code and the Map Act, subject to amendments made by the DA Ordinance.

"**Final Phase**" means the last Phase of development of Seawall Lot 337.

"**Final Port Report**" means the Port's final financial report for the Project as described in **FP § 9.2(d)** (Reporting).

"**Final Transfer Map**" means a final Subdivision Map approved under the Subdivision Code and the Map Act for purposes of financing and conveyancing only.

"**Final Value**" means the Fair Market Value or Rent Conversion Factor conclusion that is in a Joint Appraisal or reached by the appraisal dispute resolution procedures in **DDA § 7.5** (Appraisal Disputes).

"**Financing Document**" means one or more of the Financing Plan, the Acquisition Agreement, the Special Fund Administration Agreement, the Participation Agreement, Appendix I, the RMA, the Tax Allocation MOU, the CFD Formation Proceedings, the IFD Formation Proceedings, and all related ordinances and resolutions that the Board of Supervisors adopt in connection with the formation of Project Area I and the Mission Rock CFD.

"**Financing Plan**" means **DDA Exh C1**, the part of the DDA that will govern the application of Project Payment Sources to meet the Project Payment Obligation and other matters relating to financing the Project and revenue-sharing.

"**First Source Hiring Agreement**" means **WDP Att A**.

"**First Submittal**" means the set of Improvement Plans submitted after the Basis of Design and before the Second Submittal under **ICA § 4.6(c)** (Plans Submittals).

"**First Tranche Bonds**" means Bonds that are payable from Allocated Tax Increment, the proceeds of which are used to finance the Project Payment Obligation.

"**Flex Parcel**" means a Development Parcel that may be developed primarily for either residential or commercial-office use under Planning Code § 249.80.

"**Flexible Street Improvements**" means Public ROWs that are not supported by Structured Street Superstructure.

"**Flexible Utility Connections**" means utility connections that are flexible to accommodate differential settlement where structured streets interface with Flexible Street Improvements.

"**Floodplain Management Plan**" means the document described in Port Building Code §§ 104A.2.1.1-104A.2.1.2.

"**Floodplain Ordinance**" means the law (Admin. Code art. XX) managing construction in flood-prone areas of San Francisco and authorizing the City's participation in the National Flood Insurance Program.

"**Force Majeure**" means an Administrative Delay, Environmental Delay or Down Market Delay or any other event that is not caused by and is outside the reasonable control of the Party claiming an Excusable Delay and includes:

(i) domestic or international events disrupting civil activities, such as war, acts of terrorism, insurrection, acts of the public enemy, and riots;

(ii) acts of nature, including floods, earthquakes, unusually severe weather, and resulting fires and casualties;

(iii) epidemics and other public health crises affecting the workforce by actions such as quarantine restrictions;

(iv) inability to secure necessary labor, materials, or tools (but only if the Party claiming delay has taken reasonable action to obtain them on a timely basis) due

to any of the above events, freight embargoes, lack of transportation, or failure or delay in delivery of utilities serving the Project Site;

(v) government action or inaction after the Reference Date that precludes or substantially increases Developer's cost to perform or comply with any provision of the DDA;

(vi) delays in any Closing under a Vertical DDA as a result of the Port's acts or omissions;

(vii) any Vertical Developer's failure to perform an obligation on or before the time specified for performance; and

(viii) litigation or written threat of litigation.

"**Foreclosure Purchaser**" means a person, including a Lender, that acquires a property interest by a Foreclosure Sale or that person's successor.

"**Foreclosure Sale**" means a Lender or its nominee taking title to Encumbered Property under its Deed of Trust or Security Interest through a foreclosure proceeding, a conveyance or other action in lieu of foreclosure, or its exercise of any other power of sale or other remedy.

"**FP**" is an acronym for **DDA Exh C1**, the Financing Plan.

"**Free Public Event**" means an event in a Public Space that:

(i) is open to the general public; and

(ii) does not require the purchase of a ticket for entry to the event, but may require a ticket or registration to manage the number of attendees.

"**Funding Goals**" means the Parties' financial objectives under **FP § 1.2** (Funding Goals).

"**FY**" is an acronym for "fiscal year" in reference to a City Fiscal Year.

"**FYE**" is an acronym for "fiscal year end," which occurs on June 30 of each City Fiscal Year.

"**Garage**" means a parking structure that Developer builds on the Project Site as permitted under the SUD and the DDA.

"**Garage Parcel**" means a Development Parcel designated for construction of a Garage, consisting of Parcel D2, the Mission Rock Square Garage Parcel, or both, as required in the context.

"**Garage Phase**" means an optional Phase between Phase 1 and Phase 2 (or possibly later, under **DDA § 2.5(a)** (Garage Phasing)) during which Developer may construct a Garage and associated Horizontal Improvements.

"**Garage Put Notice**" means a notice that the Port will deliver if it elects to exercise its rights under **DDA § 7.3** (Parcel Put) with respect to Parcel D2.

"**Garage REA**" means the reciprocal easement agreement that the Vertical Developer of any Garage Parcel must enter into with the Vertical Developer of any Adjacent Parcel under **DDA § 2.5(e)** (Garage REA).

"**Garage Recommendations**" means the written recommendations that the Director of Planning or the Director of Transportation, or both, provide to Developer regarding the development and operation of a Garage and possible refinements to the parking management plan under **DDA § 2.5(c)** (Garage Recommendations).

"**Garage Report**" means Developer must prepare and submit for any proposed Garage that Developer delivers under **DDA § 2.5(b)** (Garage Report).

"**Garage Space**" means a parking space in a Garage.

"**General Plan**" means goals, policies, and programs for the future physical development of the City, as adopted by the Planning Commission and approved by the Board of Supervisors, taking into consideration social, economic, and environmental factors.

"**General Plan Consistency Findings**" means findings made by the Planning Commission by Motion No. 20019 that the Project as a whole and in its entirety is consistent with the objectives, policies, general land uses, and programs specified in the General Plan and the planning principles in Planning Code section 101.1.

"**Giants**" means the holder of the San Francisco Giants National League franchise.

"**Giants Affiliate**" means a person controlling, controlled by, or under common control with the Giants on the Reference Date or the effective date of a Transfer.

"**GMP contract**" means a guaranteed maximum price contract or negotiated contract described in **DDA § 13.4(c)** (Guaranteed Maximum Price Contract).

"**Governing Law and Policy**" when referring to Public Financing Sources collectively or individually as applicable, means the CFD Law, the IFD Law, the Tax Code, the CFD Goals, and the Port IFD Guidelines.

"**graffiti**" means any inscription, word, figure, marking, or design that is affixed, marked, etched, scratched, drawn, or painted on any building, structure, fixture, or other improvement, whether permanent or temporary, including signs, banners, billboards, and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and that is visible from the public right-of-way.

"**Gross Annual Income**" means pre-tax money earned annually by a household, including overtime pay, commissions, dividends, and any other source of income.

"**Gross Income**" means the Tenant's revenues under the Master Lease, as defined in greater detail in the Master Lease.

"**Gross Tax Increment**" means 100% of the property and possessory interest taxes that the City actually receives in a City Fiscal Year by application of the 1% ad valorem tax against the increase in assessed value of Taxable Parcels in Project Area I above their values in the base year of Project Area I.

"**Ground Improvement Plan**" means a Permit Set of Improvement Plans for Site Preparation Work.

"**gsf**" is an acronym for gross square feet in any structure, as measured under applicable provisions of the Planning Code.

"**handle**" when used in reference to Hazardous Materials means to use, generate, process, manufacture, produce, package, treat, transport, store, emit, discharge, or dispose of a Hazardous Material.

"**Hard Cost**" means any payment made after the Reference Date for the costs of Horizontal Improvements, including, without duplication:

(i) construction labor and materials for Horizontal Improvements;

(ii) Port permit fees;

(iii) fees for Adequate Security; and

(iv) any other amount specifically identified in a Transaction Document as a Hard Cost or a category of Hard Costs.

*"**Hard Costs**" excludes:*

(1) Soft Costs; and

(2) costs incurred before the Reference Date.

"**Hazardous Material**" means any material, waste, chemical, compound, substance, mixture, or byproduct that is identified, defined, designated, listed, restricted, or otherwise regulated under Environmental Laws as a "hazardous constituent," "Hazardous Material," "hazardous waste constituent," "infectious waste," "medical waste," "biohazardous waste," "extremely hazardous waste," "pollutant," "toxic pollutant," or "contaminant," or any other designation intended to classify substances by properties deleterious to the environment, natural resources, wildlife, or human health or safety, including:

(i) ignitability, infectiousness, corrosiveness, radioactivity, carcinogenicity, toxicity, and reproductive toxicity;

(ii) any form of natural gas, petroleum products, or any fraction;

(iii) asbestos, asbestos-containing materials, and presumed asbestos-containing materials;

(iv) PCBs, PCB-containing materials; and

(v) any other substance that, due to its characteristics or interaction with one or more other materials, wastes, chemicals, compounds, substances, mixtures, or byproducts, damages or threatens to damage the environment, natural resources, wildlife, or human health or safety.

"**Hazardous Material Claim**" means any Environmental Regulatory Action or any actual or threatened third-party Claim against the City Indemnified Parties relating to a Hazardous Material Loss resulting from the release or exacerbation of any Hazardous Materials.

"**Hazardous Material Condition**" means the release or exacerbation, or threatened release or exacerbation, of Hazardous Materials in, on, or under the Master Lease Premises or the surrounding environment during the Master Lease Term or the DDA Term, if:

(i) caused by Developer, Tenant, or their Agents and or Invitees in connection with their actions on the Master Lease Premises; or

(ii) caused by Developer, Tenant, or their Agents in connection with the Project. [Revisit when final]

"**Hazardous Material Loss**" means Losses and other Claims arising under Environmental Law or common law from: [Revisit when final.]

(i) investigation and remediation;

(ii) natural resource damages;

(iii) damages for a decrease in value of the Master Lease Premises or other Port property;

(iv) the loss or restriction of the use or any amenity of the Master Lease Premises or other Port property;

(v) restoration of an affected area to its condition before the Hazardous Material Condition occurred, whether requested by the Port or required by any Environmental Regulatory Agency; and

(vi) sums paid to settle Hazardous Materials Claims or Environmental Regulatory Actions.

"**HCAO**" means the Health Care Accountability Ordinance (Administrative Code chapter 12Q).

"**HDPE**" means high density polyethylene pipe.

"**Historic Tax Credits**" means tax credits available under the Historic Preservation Tax Incentives Program jointly administered by the National Park Service and the State Historic Preservation Offices, codified at Tax Code section 47.

"**horizontal development**" means the preparation of unimproved or predominantly unimproved land for vertical development.

"**Horizontal Development Costs**" means the actual Hard Costs and Soft Costs of Horizontal Improvements, without duplication.

"Horizontal Development Costs" excludes:

(1) any claimed costs that are not verified by proof of payment;

(2) the portion of any cost that is commercially unreasonable as of the date incurred;

(3) costs that are not eligible for reimbursement under Governing Law and Policy; and

(4) *costs of Vertical Improvements built by Vertical Developers.*

"**Horizontal Improvements**" means public capital facilities and infrastructure that Developer builds or installs at or near the Project Site, including Site Preparation, Shoreline Improvements, Public Space, Public ROWs, Utility Infrastructure, and work in Third Street to comply with Developer Mitigation Measure [XXXX].

"Horizontal Improvements" excludes *Deferred Infrastructure (unless funded by Developer under* **FP § 2.5(c)** (Alternative Treatment of Costs)*) and Vertical Improvements.*

"**household**" means one or more related or unrelated individuals who live together in a Residential Unit as their primary dwelling.

"**Household Size**" means the total number of bedrooms in a Residential Unit plus one, used solely for the purpose of establishing rents and not for limiting occupancy.

"**Housing Data Table**" means a table that Developer submits in the report with detailed information about Developer's progress toward meeting inclusionary housing requirements for the Project.

"**Housing Plan**" means **DDA Exh B2**, which sets forth certain requirements for Residential Parcels, including inclusionary housing requirements.

"**HP**" is an acronym for the Housing Plan.

"**HSH**" is an acronym for the Department of Homelessness and Supportive Housing.

"**HUD**" means the United States Department of Housing and Urban Development.

"**ICA**" is an acronym for "interagency cooperation agreement" that is used to refer to the Memorandum of Understanding (Interagency Cooperation).

"**IFD**" is an acronym for Infrastructure Financing District No. 2 (Port of San Francisco), formed by Ordinance No. 27-16.

"**IFD Administrative Costs**" means the reasonable costs that the Port, as IFD Agent, actually incurs and pays for:

(i) services of any Indenture Trustee (including its counsel) for any Bonds that the IFD issues;

(ii) marketing or remarketing Bonds; and

(iii) all other administrative services provided by the Port, the IFD Administrator, the City, the Special Fund Trustee, and third-party professionals necessary for the Port to perform its duties under the DDA, Tax Allocation MOU, Special Fund Administration Agreement, and Appendix I, including the City's costs under section 53369.5 of the IFD Law.

"**IFD Administrator**" means the Port's tax increment consultant or any other person that the Port Director designates to administer Tax Increment from Project Area I in accordance with Appendix I.

"**IFD Agent**" means the Port, acting on behalf of the IFD with respect to Project Area I, as authorized by Ordinance No. XXXX.

"**IFD Financing Plan**" means the infrastructure financing plan for the IFD, including all appendices implementing project-specific infrastructure financing plans for project areas.

"**IFD Formation Proceedings**" means Ordinance No. XXXX [approving Appendix I] and Board of Supervisors Resolution Nos. XXXX [approving the DDA, approving the Tax Allocation MOU, etc.].

"**IFD Law**" means California law governing infrastructure financing districts, beginning at Government Code section 53395.

"**IFD Termination Date** means, for each Sub-Project Area in Project Area I, date on which all allocations to the IFD of Tax Increment from that Sub-Project Area, and the IFD's authority to repay indebtedness with Tax Increment from that Sub-Project Area end under Appendix I in accordance with IFD Law, which is no later than 45 years after the IFD actually receives $100,000 in Tax Increment from that Sub-Project Area.

"**Impact Fee**" means any fee that the City imposes as a condition of approval to mitigate the impacts of increased demand for public services, facilities, or housing caused by the development project that may or may not be an impact fee governed by the Mitigation Fee Act, including a fee paid in lieu of complying with an Exaction.

*"**Impact Fee**" **excludes** any Administrative Fee, school district fee, or federal, state, or regional fee, or tax, special tax, or assessment.*

"**Implementing Manuals**" is defined in the Housing Plan.

"**Improvement Bonds**" means bonds that Developer will be required to provide to Public Works in connection with the subdivision of the Project Site.

"**Improvement Plan Submittal**" means a complete packet of Improvement Plans submitted for review and approval under the DDA or **ICA § 4.6** (Processing Improvement Plans and construction permits).

"**Improvement Plans**" means design and engineering plans for the Infrastructure Plan and MUPs, usually consisting principally of the Basis of Design Report, the First Submittal, the Second Submittal, and the Permit Set, submitted for Horizontal Improvements for purposes of the DDA or **ICA § 4.6** (Processing Improvement Plans and construction permits).

"**Improvements**" means all physical changes required or permitted to be made to the Project Site under the DDA, including Horizontal Improvements and Vertical Improvements.

"**Inclusionary Milestone**" means the Inclusionary Obligation under each approved Phase Application allowing for the development of Residential Units in compliance with **HP § 4.1(c)**.

"**Inclusionary Obligation**" means Developer's obligation to deliver 40% of all Residential Units as Inclusionary Units in compliance with **HP § 4.1(c)**.

"**Inclusionary Unit**" means a Residential Unit, which may be a TAY Unit, that is available to and occupied by households with incomes between 45% and 150% of AMI and rented at an Affordable Housing Cost to the eligible household in accordance with the Housing Plan.

"**Income Certification**" means the form that a potential tenant must submit to determine income eligibility for an Inclusionary Unit under the Housing Plan.

"**Income Recertification**" means the form that an existing tenant must submit to determine continuing income eligibility for an Inclusionary Unit under the Housing Plan.

"**incomplete**" when used in reference to a Phase means that the Phase Improvements are not substantially complete.

"**Indemnified Party**" means, as applicable, a City Party, a Developer Party, or a Vertical Developer Party with the right to indemnification by an Indemnitor under the DDA.

"**indemnify**" means reimburse, indemnify, defend, and hold harmless.

"**Indemnitor**" means, as applicable, a City Party, a Developer Party, or a Vertical Developer Party with an indemnification obligation under the DDA.

"**Indenture**" means one or more indentures, trust agreements, fiscal agent agreements, financing agreements, or other documents containing the terms of any Bonds secured by a pledge of and to be paid by any combination of Mello-Roos Taxes and Project Tax Increment.

"**Indenture Trustee**" means the fiscal agent or trustee under an Indenture.

"**Index**" means the Construction Cost Index, San Francisco, published monthly by *Engineering News-Record* or a replacement index as agreed by the Parties.

"**Indexed**" means the product of a cost estimate or actual cost that Developer or a Vertical Developer established for any Component of Utility Infrastructure or Deferred Utility;; Infrastructure in a Prior Phase, multiplied by the percentage of any increase between the Index published in the month in which the earlier actual cost or cost estimate was established and the Index published in the month in which Developer or Vertical Developer claims a Material Cost Increase.

"**individual**" when referring to a person means a human.

"**Infrastructure, Acceptance and Maintenance MOA**" means a memorandum of agreement that Public Works, SFMTA, SFPUC, and the Port will negotiate to identify the applicable Acquiring Agencies and other entities that will be responsible for maintenance of and liability for completed Horizontal Improvements, maintenance funding sources, anticipated exceptions and design modifications to the Subdivision Code, and any special inspection and training procedures required for City-standard and Non-Standard Infrastructure.

"**Infrastructure Plan**" means **DDA Exh B1**, which contains descriptions and Improvement Plans for Horizontal Improvements proposed to be built or installed at or to serve the Project Site, and each Master Utility Plan when approved by the applicable City Agency.

"**Initial Benchmarks**" means that:

(i) the Port has issued an SOP Compliance Determination for Phase 1 and a Temporary Certificate of Occupancy for the Parcel D2 Garage; and

(ii) the Port, in consultation with the Director of Public Works, has found the Shared Public Way to be substantially complete.

"**Initial Transfer**" means a Transfer meeting the requirements of **DDA § 6.2(b)** (Initial Transfer).

"**Initial Transferee**" means the Transferee in an Initial Transfer under **DDA § 6.2(b)** (Initial Transfer).

"**Initial Transferee Affiliate**" means an Affiliate of the Initial Transferee on the effective date of the Initial Transfer.

"**Insolvency**" means a person's financial condition that results in any of the following:

(i) a receiver is appointed for some or all of the person's assets;

(ii) the person files a petition for bankruptcy or makes a general assignment for the benefit of its creditors;

(iii) a court issues a writ of execution or attachment or any similar process is issued or levied against any of the person's property or assets; or

(iv) any other action is taken by or against the person under any bankruptcy, reorganization, moratorium or other debtor relief law.

"**Inspection Request**" means Developer's written request that the Chief Harbor Engineer arrange for the applicable Acquiring Agency to inspect Horizontal Improvements or Components for compliance with Project Requirements and City Laws.

"**Insurance Requirements**" means the obligations of Developer to obtain and maintain insurance coverage in accordance with **ML art. XXXX** (Insurance), which is incorporated into **DDA art. 15** (Insurance) and Vertical Developers under **VDDA art. XXXX** (Insurance) and **Parcel Lease art. XXXX** (Insurance).

"**Interest Cost Limitation**" means the statutory limit on the amount of interest that an infrastructure financing district is authorized to pay to acquire infrastructure under IFD Law section 53395.2, specifically, "a rate of interest not to exceed the bond buyer index rate on the day that the agreement to repay is entered into." [TBD at Project Approval under IFD Law.]

"**Interest on DRP Advances**" means annual rate of XXXX%, compounded quarterly until paid, the rate at which interest accrues on the principal amount of Promissory Note. [TBD at Project Approval.]

"**Interest Rate**" means an annual interest rate equal to the greater of:

(i) 10%; and

(ii) the Prime Rate in effect on the date payment is due, plus 5%.

"**Interested Person**" means a person that acquires a property interest or security interest in any portion of the Project Site by Parcel Lease, Assignment and Assumption Agreement, or Deed of Trust.

"**Interested Pier 48 User**" means a creditworthy person with a demonstrated interest in a long-term lease of a significant portion of a rehabilitated Pier 48, identified under **DDA § 7.7** (Pier 48).

"**investigate**" when used with reference to Hazardous Materials means:

(iii) any activity undertaken to determine and characterize the nature and extent of Hazardous Materials that have been, are being, or are threatened to be released in, on, under, or about any portion of the Project Site, other Port property, or the environment, including:

(iv) preparation and publication of site history;

(v) sampling, and monitoring reports;

(vi) performing equipment and facility testing such as testing the integrity of secondary containment and above and underground tanks; and

(vii) sampling and analysis of environmental conditions before, during, and after remediation begins and continuing until the appropriate Environmental Regulatory Agency has issued a no further action letter, lifted a clean-up order, or taken similar action.

"**Invitee**" means a person's clients, customers, invitees, patrons, guests, members, licensees, permittees, concessionaires, vendors, suppliers, assignees, tenants and subtenants, any other person whose rights arise through them, and members of the general public present on any property under the person's possession and control.

"**IPM Ordinance**" means Environment Code chapter 3.

"**IPM Plan**" means the Port's integrated pest management plan.

"**IPM Policy**" means the policy described in Environment Code chapter 3.

"**IRS**" is an acronym for the Internal Revenue Service.

"**ISCOTT**" is an acronym for the Interdepartmental Staff Committee on Traffic and Transportation.

"**issue**" when used in reference to any form of indebtedness in the Financing Plan means to complete all actions required to obtain the proceeds for authorized uses under the Financing Plan.

"**Janitorial Services**" means maintenance and cleaning services on property owned or leased by the City.

"**Job Readiness Training Funds**" means the portion of the CBO funds that will be used to fund community-based organizations that provide services to provide job-readiness training for individuals within at-risk populations.

"**Jobs/Housing Equivalency Fee**" mean the Impact Fee payable under **DA § 5.4(b)** (Impact Fees and Exactions) in lieu of the Jobs/Housing Linkage Fee.

"**Jobs/Housing Linkage Fee**" means the Impact Fee due under Planning Code sections 413.1-413.11.

"**Joint Appraisal**" means the appraisal report that a Qualified Appraiser delivers to both Parties under **DDA § 7.4(e)** (Joint Appraisal).

"**Joint Escrow Instructions**" means escrow instructions for the Port's conveyance of an Option Parcel in the form of **DDA Exh D7** that the Port will deliver on the Parties' joint behalf to the Escrow Agent under **DDA § 8.5(b)** (Closing Deliveries).

"**Land Use Plan**" means **DDA Exh A3**, which consists of a map showing Developer's proposed land uses and intensity of vertical development at the Project Site.

"**Land Use Table**" means the chart in **DDA § 1.5** (Land Use Table) with principal land uses for Development Parcels, as anticipated on the Reference Date.

"**Land Value Indicator**" means dollar value per usable square foot within the building envelope assumed in the Final EIR for each Option Parcel for its proposed use, initially based on the Land Use Plan attached to the DDA and the residual land values in the Summary Proforma attached to the Financing Plan on the Reference Date, which will be used solely for a Down Market Test under **DDA art. 4** (Excusable Delay).

"**Large Event**" means an event occupying at least 30%, but no more than 70%, of the footprint of a Public Space.

"**Later Approval**" means any Regulatory Approval required after the Reference Date to implement the Project or to begin Site Preparation or construction of Improvements.

"**Later Phase**" means the Phase following a Current Phase.

"**law**" means any of the following validly in effect as of the Reference Date and as later amended, supplemented, clarified, corrected, or replaced during the DDA Term, whether or not within the present contemplation of the Parties:

(i) federal, state, regional, or local constitution, charter, law, statute, ordinance, code, rule of common law, resolution, rule, regulation, standard, directive, requirement, proclamation, order, decree, and policy (including the Waterfront Plan and Port and City construction requirements);

(ii) judicial order, injunction, writ, or other decision interpreting any law;

(iii) requirement or condition of any Regulatory Approval of a Regulatory Agency affecting any portion of the Project Site; and

(iv) recorded covenants, conditions, or restrictions affecting any portion of the Project Site.

"**LBE**" is an acronym for a local business enterprise as defined in Administrative Code chapter 14B.

"**Lead Parcel**" means any Option Parcel in Phase 1 that will be subject to a Prepaid Lease under **DDA § 7.1(d)** (Lead Parcels).

"**Lease Year**" is defined in the Master Lease.

"**Leasing Costs**" means customary and usual costs incurred by a landlord with respect to leased property, such as costs associated with tenant defaults, costs of collection, vacancies, assignments and subleases, estoppel certificates, nondisturbance agreements, and Insolvency. [Delete if covered by the GL].

"**Legislature**" means the legislative branch of the State.

"**Lender**" means:

(i) a financial institution that makes a loan to a Borrower to finance Project-related costs, secured by a real property interest in the Project Site; and

(ii) an entity that makes a loan to a Borrower to finance Project-related costs, secured by a Security Interest.

"**LIBOR**" means the London Interbank Offered Rate, based on a 365-day year, for interbank loans of U.S. dollars with one-year maturities, published as daily rates for USD ICE LIBOR by the Intercontinental Exchange Administration Limited, or a replacement rate for short-term lending mutually acceptable to the Parties.

"**Local Hiring Agreement**" means **WDP Att B**.

"**Local Hiring Policy for Construction**" means the hiring policies for San Francisco described in Administrative Code chapter 82.

"**LOSP**" means the San Francisco Local Operating Subsidy Program, which is an anticipated source of funding for operating TAY Units.

"**Loss**" when used in reference to a Claim means any personal injury, property damage, or other loss, liability, actual damages, compensation, contribution, cost recovery, lien, obligation, interest, injury, penalty, fine, action, judgment, award, or costs (including reasonable attorneys' fees), or reasonable costs to satisfy a final judgment of any kind, known or unknown, contingent or otherwise, except to the extent specified in the DDA.

"**Loss Security**" means Adequate Security that Developer is required to provide to secure the Developer Reimbursement Obligations for each Phase.

"**Loss Security End Date**" means the date that is the earliest to occur of the following:

(i) issuance of a SOP Compliance Determination for all Phase Improvements within a Phase;

(ii) the expiration or termination of the DDA with respect to Developer; or

(iii) the expiration or termination of all of Developer's rights to develop or submit Phase Submittal applications to develop any portion of the Project Site.

"**Maintained Facilities**" means Horizontal Improvements, Outfall Infrastructure, and Replacement Outfall Infrastructure in or serving the Mission Rock CFD for which Services Special Taxes or Developer Capital will fund Ongoing Maintenance Costs.

"**Maintenance and Repair Security**" means Adequate Security that the Port may require under **DDA § 14.9 (e)** (Maintenance as Soft Costs). [Revisit.]

"**Management Control**" means that a person has major decision rights regarding the Phase Submittal and Phase Budget for a Phase under an operating or similar agreement.

"**Map Act**" means the Subdivision Map Act of California (Calif. Gov't Code §§ 66410-66499.37).

"**Marketing and Operations Plan**" means, for the Inclusionary Units in a Residential Project, the Vertical Developer's MOHCD-approved:

(i) marketing plan, including any preferences under Administrative Code chapter 47;

(ii) rental charges conforming to the Housing Plan; and

(iii) eligibility and income qualifications of renters, together with any supplemental information required under the Implementing Manuals

"**Market-Rate Unit**" means a Residential Unit in a Residential Parcel that is not subject to any affordability requirements under the Housing Plan.

"**Mass Grading Plan**" means a Permit Set of Improvement Plans for Site Preparation Work.

"**Mass Participation Sports Event**" mean a participatory sporting event such as a marathon, running race, or bicycle race or tour with anticipated participation by 150 or more participants.

"**Master CC&Rs**" means conditions, covenants, and restrictions relating to Ongoing Maintenance Obligations to be recorded against all Taxable Parcels in the Project Site.

"**Master Lease**" means an interim lease for a portion of the Project Site in the form of **DDA Exh D1** that allows Developer to take possession of the premises and construct Horizontal Improvements approved under the DDA.

"**Master Lease Premises**" means the area subject to the Master Lease at the time in question.

"**Master Utilities Plan**" means a set of plans and detailed specifications for the following Utility Infrastructure, which will be deemed incorporated into the Infrastructure Plan when approved:

(i) low-pressure water system;

(ii) non-potable water system;

(iii) auxiliary water supply system;

(iv) grading, sanitary sewer, and separate stormwater systems;

(v) dry utilities joint trench; and

(vi) electrical system.

"**Material Breach**" means the occurrence of any of the events described in **DDA art. 12** (Material Breaches and Termination).

"**Material Change**" means any circumstance that would create a conflict between a Change in City Law and the Project Approvals that is described in **DA § 5.3(b)** (Circumstances Causing Conflict).

"**Material Cost Increase**" means a material increase in the hard costs or soft costs of any Horizontal Improvement or Vertical Improvement, as applicable.

"**Material Modification**" means an amendment to a Transaction Document that would materially increase an Acquiring Agency's costs of ownership or impair the operations of Horizontal Improvements, or that would materially decrease the benefits to the Port or the City, as determined by the Port Director under **DDA § 3.8(c)** (Amendments).

"**Maximum Special Tax Rate**" means the highest rate at which any category of Mello-Roos Taxes is authorized to be levied on a Taxable Parcel under the RMA.

"**McEnerney Act**" means the Destroyed Land Records Relief Law (Calif. Code of Civ. Proc. §§ 751.01-751.28).

"**McEnerney action**" means a lawsuit under the McEnerney Act.

"**meal**" means "prepared food" as defined in Environment Code section 1602(l).

"**Medium Event**" means an event occupying more than 10,000 square feet, but less than 30% of the footprint of a Public Space.

"**Mello-Roos Bond Account (Development Special Taxes)**" means the segregated account within the Special Tax Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Development Special Taxes to pay debt service on Mello-Roos Bonds issued to finance Horizontal Improvements.

"**Mello-Roos Bond Account (Office Special Taxes)**" means the segregated account within the Special Tax Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Office Special Taxes to pay debt service on Mello-Roos Bonds issued to finance Horizontal Improvements.

"**Mello-Roos Bond Account (Tax Increment)**" means the segregated account within the Tax Increment Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Pledged Tax Increment to pay debt service on Mello-Roos Bonds issued to finance Horizontal Improvements.

"**Mello-Roos Bond Account (Zone 1 Shoreline Special Taxes)**" means the segregated account within the Special Tax Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Zone 1 Shoreline Special Taxes to pay debt service on Mello-Roos Bonds issued to finance Horizontal Improvements.

"**Mello-Roos Bond Account (Zone 2 Shoreline Special Taxes)**" means the segregated account within the Special Tax Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Zone 2 Shoreline Special Taxes to pay debt service on Mello-Roos Bonds issued to finance Shoreline Adaption Studies, the Shoreline Protection Project, and other authorized costs.

"**Mello-Roos Bond Proceeds**" means proceeds of Mello-Roos Bonds, including Early Mello-Roos Bonds, issued under CFD Law that are available for disbursement after funding the costs of issuance, capitalized interest, reserves, and any other amounts specified in the applicable Indenture.

"**Mello-Roos Bonds**" means one or more series of taxable or tax-exempt bonds, including refunding bonds, or any other debt (as defined in CFD Law) that the City issues for the Facilities CFD, secured by a pledge of Development Special Taxes or Allocated Tax Increment, or both, for any purpose authorized under Governing Law and Policy.

"**Mello-Roos Bonds Debt Service Requirement**" means the debt service due on Mello-Roos Bonds in any City Fiscal Year before the next expected Receipt Date of Mello-Roos Taxes.

"**Mello-Roos Improvement Fund**" means the funds or accounts, however denominated, that an Indenture Trustee establishes to hold, administer, and disburse Mello-Roos Bond Proceeds to be used to finance Horizontal Development Costs, Shoreline Protection Facilities, or for any other purpose authorized under the Indenture.

"**Mello-Roos Taxes**" means special taxes that the City levies in a City Fiscal Year on Taxable Parcels in the Mission Rock CFD in accordance with the RMA, including delinquent special taxes collected at any time by payment or through foreclosure.

"**Memorandum of Understanding (Levy and Allocation of Taxes)**" means an interagency agreement between the City, through the Controller and the Treasurer-Tax Collector, and the Port, establishing procedures for levying Mello-Roos Taxes, allocating Mello-Roos Taxes to the Mission Rock CFD, and allocating Tax Increment to the IFD, and related matters, as authorized by Port Resolution No. XXXX, the MOU Resolution and Board of Supervisors Resolution No. XXXX under Charter section B7.340.

"**Memorandum of Understanding (Interagency Cooperation)**" means an interagency agreement between the City, through the Mayor, the Controller, the City Administrator, and the Director of Public Works, with the Consents of SFMTA and SFPUC, and the Port, establishing procedures for interagency cooperation in City Agency review of Improvement Plans, inspection of Horizontal Improvements, and related matters, as authorized by Port Resolution No. XXXX and the MOU Resolution and Board of Supervisors Resolution No. XXXX under Charter section B7.340.

"**Minimum Affordable Percentage**" is defined in **HP § 2.1** (Development Program).

"**Minimum Phase Return**" means the minimum amount of Developer Return that the Port is obligated to pay to Developer for finally completing Phase Improvements, which will be 1.5 times the Peak Developer Equity in the applicable Phase. [Revisit.]

"**Minimum Price**" means the minimum price that the Port will accept in a Public Offering for an **Option** Parcel under **DDA § 7.6** (Public Offering Procedures).

"**Mission Rock**" means the master-planned portion of the Project and the Project Site that will encompass SWL 337 and the expansion of China Basin Park.

"**Mission Rock CFD**" is a term used to refer to CFD No. XXXX, if and when formed.

"**Mission Rock Parks Plan**" means Port regulations and policies to govern the management, programming, and operations of Public Spaces in the Project Site.

"**Mission Rock Square Garage**" means the underground parking garage that the Parties may agree to include in the Project under **DDA § 2.6** (Mission Rock Square Garage).

"**Mission Rock Square Garage Parcel**" means the underground air parcel that will be created under Parcel XXXX on conditions described in **DDA § 2.6** (Mission Rock Square Garage).

"**Mitigation Fee Act**" means California Government Code sections 66000-66025.

"**Mitigation Measure**" means any measure identified in the MMRP required to minimize or eliminate material adverse environmental impacts of the Project and any additional measures necessary to mitigate adverse environmental impacts that are identified through the CEQA process for any Later Approval.

"**MMRP**" is an acronym for the Mitigation Monitoring and Reporting Program adopted for the Project.

"**MOD**" is an acronym for the Mayor's Office of Disability.

"**MOHCD**" is an acronym for the Mayor's Office of Housing and Community Development.

"**MOU Resolution**" is a term used to refer to Board of Supervisors Resolution No. XXXX, approving under Charter section B7.340 the Tax Allocation MOU and the Port's designation as the City's agent for the term of the Tax Allocation MOU for:

(i) the Mission Rock CFD;

(i) Project Area I;

(ii) the administration of Mello-Roos Taxes and any proceeds of Bonds secured by Mello-Roos Taxes; and

(iii) the administration of Allocated Tax Increment and any proceeds of Bonds secured by Tax Increment.

"**MUNI**" means the municipal public transit systems operated by SFMTA.

"**Municipal Code**" means, collectively, the Charter and ordinances adopted by the Board of Supervisors and by San Francisco voters through initiatives.

"**MUP**" is an acronym for Master Utilities Plan.

"**Net Consideration**" means the consideration that a Selling Member receives for the Transfer of its interests in Developer after deducting the appropriate transaction costs associated with the Transfer, subject to confirmation by the Port.

"**net present value**" means the difference between the present value of the future cash flows from an investment, calculated by discounting the future cash flows at the required rate of return, and the amount of investment.

"**Net Proceeds**" means a Vertical Developer's proceeds from a transfer of any part of its interest in an Option Parcel or from refinancing any indebtedness associated with its acquisition or construction costs after deducting the costs of acquisition, financing, development, and capital improvement for the parcel.

*"**Net Proceeds**" **excludes** any loan proceeds that are designated for additional investment and actually are invested in capital improvement of an Option Parcel.*

"**Net Transfer Proceeds**" means the proceeds of a Vertical Developer's transfer of its rights under a Vertical DDA as described in **VDDA § 19.1** (Before Close of Escrow).

"**Net Worth**" when used in reference to a Transfer means the equity of an entity's owners (e.g., equity interest of shareholders of a corporation or members of a limited liability company) calculated by accounting methods reasonably acceptable to the Port and the Transferee.

"**Net Worth Requirement**" when used in reference to a Transfer means, for each Transferred Phase in which Phase Improvements are not complete, either:

(i) a Net Worth of at least $27.5 million, increased automatically by 10% on each fifth anniversary of the Reference Date for the remainder of the DDA Term, unless otherwise approved by the Port Director; or

(ii) written evidence satisfactory to the Port Director that a person directly or indirectly holding Significant Ownership in Developer after the Transfer would have a legally binding obligation to fund Developer's anticipated Developer Capital requirements in amounts to satisfy the Developer Construction Obligations for the Phase.

"**Neutral Appraisal**" means any appraisal report that the Parties jointly obtain under **DDA § 7.4(f)** (Appraisal Dispute Resolution Procedures).

"**New Hazardous Material**" means a Hazardous Material that is not a Pre-existing Hazardous Material.

"**Non-Standard Infrastructure**" means, collectively, Horizontal Improvements that are not built to City standard specifications, and includes the Structured Street Superstructure, interfaces with existing perimeter streets, Shared Public Ways, and the use of HDPE throughout the Project Site.

"**nontrust revenues**" means the Port's revenues Development Parcels from which the public trust use restrictions have been lifted temporarily under SB 815 and Project-based revenues outside of the Port Harbor Fund that are available for the Project, such as Mello-Roos Taxes, Tax Increment, and proceeds of Bonds secured by either or both, credits that may be applied to offset any portion of Impact Fees or Exactions that would otherwise be due, and proceeds of general obligation bonds.

"**notice**" means a written notification, demand, request for information or consent, or response to a request delivered in accordance with **App ¶ A.5** (Notices) and any other requirements specified in a Transaction Document.

"**Noticed Party**" means the Party receiving a notice.

"**Noticing Party**" means the Party delivering a notice to the Noticed Party.

"**Nutritional Standards Requirements**" means the food and beverage nutritional standards and calorie labeling requirements set forth in Administrative Code section 4.9-1(c).

"**Obligor**" means the person contractually obligated to perform under any form of Adequate Security provided under **DDA art. 18** (Security for Project Activities).

"**Obligor Net Worth**" when used in reference to an issuer of Adequate Security means a person's net worth calculated by accounting methods reasonably satisfactory to the Port and the Obligor, consistently applied, and more specifically for a corporation, shareholder equity.

"**Obligor Net Worth Requirement**" when used in reference to Adequate Security means a person with an Obligor Net Worth greater than the Secured Amount, and in no event less than $27.5 million, subject to an automatic increase of 10% on the fifth anniversary of the Reference Date and every succeeding fifth year during the DDA Term or as otherwise approved by the Port Director.

"**OEWD**" is an acronym for the Office of Economic and Workforce Development.

"**OEWD Funds**" means the portion of the Workforce Job Readiness and Training Funds that will be used to fund OEWD programs that train economically disadvantaged adults, workers, and local residents in the fields of construction, end use operations, and hospitality.

"**Office Account**" means the segregated account within the Special Tax Fund that the Port establishes with the Special Fund Trustee to receive, administer, and disburse Office Special Taxes.

"**Office Development Authorization**" means Planning Commission approval of an application for a large office allocation.

"**Office Special Taxes**" means Facilities Special Taxes that the City levies in a City Fiscal Year, in addition to Development Special Taxes, on Taxable Parcels in Commercial Parcels in the Mission Rock CFD under the RMA, an amount per square foot intended to be equivalent to 0.25% of the parcel's Baseline Assessed Value as projected for the CFD Formation Proceedings.

"**Official Records**" means the documents and maps that the recorder's office function of the Assessor-Recorder's Office records and maintains.

"**OLSE**" is an acronym for the Office of Labor Standards Enforcement of the San Francisco Department of Administrative Services.

"**Ongoing Maintenance Costs**" means maintenance and capital repair costs of Maintained Facilities that will be paid by Services Special Taxes or Developer Capital if Services Special Taxes are not available, including:

(i) landscaping and irrigation systems and other equipment directly related to maintaining and replacing landscaped areas and water features;

(ii) maintenance and replacement as needed of parks, public access areas, and streets, rights-of-way, shared public ways, and sidewalks (including street cleaning and paving);

(iii) lighting, rest rooms, trash receptacles, park benches, planting containers, picnic tables, and other furniture and fixtures;

(iv) insurance;

(v) replacement reserves; and

(vi) Port and City personnel, administrative, and overhead costs related to maintenance or to contracting for and managing third-party maintenance.

"**On-site**" for purposes of Administrative Code chapter 21C means the site of a Special Event, which may occur in enclosed space or open space or both, and includes:

(i) open space within 150 feet of primary site if the primary site is enclosed space; and

(ii) public right-of-ways, including a street or sidewalk, as to which a City permit (ISCOTT or Port) has been issued in connection with the Special Event.

"**Operations Training Resources Funds**" means any portion of the OEWD Funds that OEWD chooses to use to support programs that provide end-use-operations job-training programs for economically disadvantaged adults, including individuals designated as a targeted population by the San Francisco Workforce Development Board, as an individual who is, or is at risk of, relying upon, or returning to, public assistance, including unemployment benefits, formerly incarcerated, homeless, veterans, out-of-school youth, pregnant or parenting teens, youth in the juvenile justice or foster care systems, people with disabilities, limited English populations, dislocated workers, or residents of public housing.

"**Option**" means development rights granted to Developer for Option Parcels under the DDA.

"**Option Notice**" means Developer's notice to the Port, delivered in accordance with **App ¶ A.5** (Notices) and **DDA § 18.1** (Notices), that Developer will exercise its Option for an Option Parcel at its Fair Market Value.

"**Option Parcel**" means a Development Parcel that is subject to the appraisal process for Option Parcels under **DDA art. 7** (Parcel Leases), including Lead Parcels.

"**Optioned Parcel**" means an Option Parcel for which Developer has exercised it Option under **DDA § 7.1** (Developer Option).

"**Other Acquiring Agency**" means an Acquiring Agency other than the Port.

"**Other City Agency**" means a City Agency other than the Port.

"**Other City Costs**" means costs that Other City Agencies incur to perform their obligations under the ICA, the Development Agreement, and the Tax Allocation MOU to implement or defend actions arising from the Project, including staff costs determined on a time and materials basis, third-party consultant fees, attorneys' fees, and costs to administer the Mission Rock CFD and the IFD to the extent not paid by Public Financing Sources.

*"**Other City Costs**" **excludes** Port Costs, Administrative Fees, Impact Fees, and Exactions.*

"**Other City Parties**" means the City, acting by and through the Mayor, the Board of Supervisors, the Controller, the City Administrator, the Director of Public Works, the San Francisco Municipal Transportation Agency, the San Francisco Fire Department and the San Francisco Public Utilities Commission. [Confirm with final ICA]

"**Other City Requirements**" means ordinances and policies described in **DDA Exh A11** and **DA Exh E** and approved plans to implement City and Port ordinances and policies, including those attached to the DDA at **DDA Exh Tab E**.

"**Other Regulatory Approval**" means a Regulatory Approval given by a Regulatory Agency that is not a City Agency.

"**Outfall Infrastructure**" means 30-inch and 12-inch outfalls and related Improvements for stormwater drainage existing on the Project Site on the Reference Date.

"**Outside Date**" means the last date by which Developer must perform identified obligations for the Project, as specified in the Schedule of Performance, or for a Phase, as specified in the Phase Schedule.

"**ownership change**" means any change in the direct or indirect ownership of Developer.

"**paid for in whole or part out of public funds**" is defined in and subject to exclusions and further conditions under California Labor Code sections 1720-1720.6.

"**Parcel D2 Garage**" means the Garage on Parcel D2 Garage that is shown in Developer's Phasing Plan on the Reference Date.

"**Parcel DRP**" means the amount of the Development Rights Payment that is paid for a specific Option Parcel.

"**Parcel Increment Amount**" means the amount of Tax Increment collected in the current City Fiscal Year from an Assessed Parcel in the Mission Rock CFD, as shown in the Payment Report.

"**Parcel Lease**" means a contract in the form of **DDA Exh D2** by which the Port will convey a leasehold interest in an Option Parcel to a Vertical Developer.

"**Parcel Lease Option**" means the Port's right to elect to convey an Option Parcel in a Current Phase by a Prepaid Lease under **FP § 3.7** (Parcel Leases).

"**Parcel Lease Quitclaim Deed**" means a deed in the form attached as an exhibit to each Parcel Lease by which the applicable Vertical Developer disavows any right or interest in an Option Parcel subject to a Parcel lease, which the Port may record in the Official Records after the Parcel Lease expires or is terminated.

"**Parks Plan**" means a plan for managing events at Public Spaces consistent with **DDA § 12.5(a)** (Parks Plan) and **DA § 5.9** (Parks Plan) that the Port Commission will adopt before or in conjunction with its consideration of the Schematic Design Application for Public Spaces in Phase 1 of the Project.

"**Participating Parcel**" means:

(i) any Parcel Lease at the Project Site that has Closed Escrow before any Participation Termination Date; and

(ii) any Taxable Parcel located in a Development Parcel at the Project Site that is subject to a Parcel Lease that has Closed Escrow before any Participation Termination Date.

"**Participation Agreement**" means the agreement in **FP Exh D** under which the Port and Developer will share Participation Revenue.

"**Participation Period**" means the period beginning in the City Fiscal Year after the Participation Threshold has been met for two consecutive years and continuing until the earlier of 75 years or when the last Parcel Lease at the Project Site expires or is earlier terminated.

"**Participation Revenue**" means the portion of Annual Ground Rent equal to the sum of:

(i) Annual Ground Rent and Percentage Rent paid to the Port from all Participating Parcels; and

(ii) Shoreline Taxes collected in a City Fiscal Year from on all Participating Parcels outside of Zone 1.

"**Participation Termination Date**" means the Termination Date as to any part of the DDA as a result of the Port's election to terminate following either:

(i) a Material Breach by Developer under **DDA art. 11** (Material Breaches and Termination); or

(ii) a Material Breach by a Transferee under **DDA art. 11** (Material Breaches and Termination) if Developer has failed to exercise its cure rights under **DDA § 6.8(d)** (Termination of Transferees).

"**Participation Threshold**" means $2.5 million, unescalated.

"**Party**" means the private or public persons named in the preamble to a Transaction Document.

"**Party Appraisal**" means a Developer Appraisal or a Port Appraisal that either Party obtains under **DDA § 7.4(f)** (Appraisal Dispute Resolution Procedures).

"**Payment Report**" means a report prepared by the Treasurer-Tax Collector in each City Fiscal Year that:

(i) specifies the Parcel Increment Amount for each Assessed Parcel; and

(ii) identifies each Current Parcel in the Mission Rock CFD.

"**Payment Request**" means Developer's written request to the Port in the form of **AA Exhibit C** for payment under the Acquisition Agreement.

"**PBC**" is an acronym for the Port Building Code.

"**PCBs**" is an acronym for polychlorinated biphenyls.

"**PCO**" is an acronym for a parking control officer, generally an employee of SFMTA who directs traffic.

"**Peak Developer Equity**" means the highest Developer Balance outstanding over the course of a Phase.

"**Pending Project**" means any of the following:

(i) an office development project for which a large office allocation application (50,000 gsf or more) has been submitted to the Planning Department that has not received an Office Development Authorization by the end of the Allocation Period;

(ii) additional office space located in a structure owned or otherwise under the jurisdiction of the State, the United States, or any state, federal, or regional Regulatory Agency that is exempt from Planning Code section 321 or section 322; and

(iii) a new office development project for 50,000 gsf or more on Port land outside of the Project Site for which the Port has entered into a vertical disposition and development agreement, ground lease, or purchase and sale agreement, but has not issued a building permit by the end of the Allocation Period.

"**Percentage Rent**" means additional rent that will be payable under Option Leases, determined as specified in **DDA § 7.6(b)** (Percentage Rent) or through a Public Offering process.

"**per diem wages**" is defined in California Labor Code section 1773.1.

"**Permit Set**" is a subset of Improvement Plans described in **ICA § 4.6(c)** (Plan Submittals).

"**Permitted Change**" means any of the following:

(i) a Transfer, including an Initial Transfer, that occurs before Developer achieves the Initial Benchmarks, if a Giants Affiliate retains Significant Ownership and Management Control of all Phases of the Project; and

(ii) a Transfer that occurs after Developer achieves the Initial Benchmarks, if a Giants Affiliate or an Initial Transferee Affiliate retains Significant Ownership and Management Control of Later Phases.

"**Permitted Exceptions**" means exceptions to title with respect to any Option Parcel that Developer accepts under **DDA § 8.1(c)** (Permitted Exceptions) or **DDA § 8.3** (New Title Matters).

"**Permitting Agency**" means the Chief Harbor Engineer or the Director of Public Works, as applicable, in relation to either's role in issuing construction permits and determining whether Improvements are complete in compliance with applicable Project Requirements and City Laws.

"**person**" means any individual, corporation (including any business trust), limited liability entity, partnership, trust, joint venture, or any other entity or association, or governmental or other political subdivision or agency.

"**personal injury**" means any physical or emotional trauma or injury to or death of any individual.

"**Phase**" means one of the integrated stages of horizontal and vertical development for the Project Site as shown in the Phasing Plan.

"**Phase 1**" means the first Phase of development under the Phasing Plan.

"**Phase 1 Overage**" means the amount by which the Horizontal Development Costs of Phase 1 Improvements exceeds the Phase Budget.

"**Phase Account**" means a bookkeeping account for any Phase as described in **DDA § 20.1(a)** (Phase Accounts).

"**Phase Approval**" means the Port Director's approval of a Phase Submittal and the Port Commission's approval of a Phase Budget.

"**Phase Approval Date**" means the date of the public hearing at which the Port Commission adopts a resolution approving a Phase Submittal.

"**Phase Area**" means the Development Parcels and other land in the Project Site that are to be developed in a Phase.

"**Phase Audit**" means Developer's final financial report for a Phase as described in **FP § 9.3(a)** (Phase Audit).

"**Phase Audit Date**" means the due date for each Phase Audit under **FP § 9.3(a)** (Phase Audit).

"**Phase Budget**" means the proforma for a Phase, based on the Summary Proforma attached to the Financing Plan and included in each Phase Submittal under **DDA art. 3** (Phase Approval), as approved by the Port Commission. An inserted number will mean the Phase Budget for the Phase given the inserted number (e.g., "Phase 1 Budget").

"**Phase Closing Date**" means the date on which the Port accepts a Phase Audit under **FP § 9.3(a)** (Phase Audit).

"**Phase Construction Schedule**" means Developer's projected schedule for construction of Phase Improvements and related spending in any Phase Budget.

"**Phase Final Map**" means a Final Map for a Phase Area.

"**Phase Improvements**" means Horizontal Improvements that are to be constructed in a Phase and includes Site Preparation and any Deferred Infrastructure that Vertical Developers will build in accordance with the DDA.

"**Phase Proforma**" means the Proforma that was included in a Phase Submittal, as approved and updated under **DDA art. 3** (Phase Approval).

"**Phase Quarterly Report**" means a quarterly financial report on a Current Phase as described in **FP § 9.1(b)** (Phase Quarterly Reports).

"**Phase Quitclaim Deed**" means a deed in the form attached as an exhibit to the Master Lease by which Developer disavows any real property interest in any part of a Phase Area under the Master Lease, which the Port will be entitled to record in the Official Records after issuing an SOP Compliance Determination for the Phase.

"**Phase Schedule**" means the schedule of performance for a Phase established in the Phase Approval process, including the Estimated Construction Duration and Estimated Construction Schedule.

"**Phase Security**" means Adequate Security for any specific Phase that meets the requirements of **DDA art. 18** (Security for Project Activities).

"**Phase Submittal**" means Developer's application for Port Commission approval of a proposed Phase under **DDA art. 3** (Phase Approval).

"**Phase Transferee**" means a person to which Developer Transfers its Developer Construction Obligations and related rights for a Phase in accordance with **DDA § 6.1** (Phase Transferees).

"**Phasing Goals**" means measures and objectives described in **DDA § 2.4** (Phasing Goals) to which the Parties have agreed to achieve their mutual goal of an economically feasible project that balances competing policy interests.

"**Phasing Plan**" means **DDA Exh A4**, which shows the order of development of the Phases and the Development Parcels in each Phase Area, subject to revision under **DDA art. 3** (Phase Approval).

"**PIA**" is an acronym for any public improvement agreement that Developer is required to execute under the Subdivision Code.

"**Pier 48**" means a 212,500 square-foot facility located in the Embarcadero Historic District with two main pier sheds, Shed A and Shed B, connected by a connector shed, Shed C, at the east end of the pier, containing collectively 181,200 square feet of enclosed warehouse space and a 31,300 square-foot valley between the Shed A and Shed B.

"**Pier 48 Development Lease**" means a long-term lease of Pier 48 that would implement a Pier 48 Rehabilitation Plan.

"**Pier 48 Lease**" means the interim ground lease for Pier 48 substantially in the form of **DDA Exh B11**.

"**Pier 48 Negotiation Notice**" means a Party's notice to the other Party that the Noticing Party seeks to enter into exclusive negotiations based on a proposed Pier 48 Rehabilitation Plan.

"**Pier 48 Rehabilitation Plan**" means a plan for the historic rehabilitation of Pier 48 in accordance with the Secretary's Standards under a long-term ground lease, developed under **DDA § 7.8** (Pier 48)

"**Pier 48 Solicitation**" means a request for proposals or similar public solicitation of proposals for the rehabilitation of Pier 48 in accordance with a Pier 48 Rehabilitation Plan under a Pier 48 Development Lease.

"**Pile Driver Training Funds**" means any portion of the OEWD Funds that OEWD chooses to use to support the development and implementation of a pile-driving training program for disadvantaged workers and local residents, including individuals who have formerly been incarcerated or are experiencing homelessness.

"**Planning**" means the San Francisco Planning Commission, acting by motion or resolution or by delegation of its authority to the Planning Department and the Planning Director.

"**Planning Commission**" means the San Francisco Planning Commission.

"**Planning Department**" means staff of the City's Planning Department.

"**Planning Director**" means the City's Director of Planning.

"**Pledge Agreement**" means a pledge of Allocated Tax Increment to Mello-Roos Bonds under a pledge agreement between the Port, as IFD Agent, CFD Agent, or both, and the Indenture Trustee for the Mello-Roos Bonds.

"**Pledged Tax Increment**" means Allocated Tax Increment that is actually pledged as security for an issue of Mello-Roos Bonds.

"**Port**" means the San Francisco Port Commission, acting by resolution or by delegation of its authority to the Port Director and other Port staff.

"**Port Application**" means a Port request for Planning assistance in the Port's review of any submittal under the Design Controls or schematic design application under Planning Code section 240.80.

"**Port Audit**" means a financial review performed by a CPA on behalf of the Port under **FP § 9.4(a)** (Port Audit).

"**Port Balance**" means, on the date of determination, the sum of any unreimbursed Port Capital Advances for Horizontal Development Costs in a Current Phase and related accrued and unpaid Return on Port Capital or Alternative Return if appropriate, including any carryover from a Prior Phase.

*"**Port Balance" excludes** any Port Capital Advance and related Return on Port Capital for Horizontal Development Costs in a Later Phase and DRP Advances and related Interest on DRP Advances.*

"**Port Capital**" means Port funds and other assets that are not subject to restrictions or limitations under the Financing Plan.

"**Port Capital Advance**" means a Port loan of Port Capital to the Mission Rock CFD to pay for Horizontal Development Costs.

"**Port Capital Plan**" means the Port's most recent 10-year capital plan as adopted or amended by the Board of Supervisors under Administrative Code sections 3.20-3.21.

"**Port Capital Schedule**" means an accounting schedule that the Port maintains that shows the inflows and outflows for all Phases of the Project individually and in the aggregate for the Port Balance.

"**Port Consent**" means the Consent to Development Agreement signed by the Port Director as authorized by Port Commission Resolution No. XXXX.

"**Port Costs**" means costs that the Port incurs to perform its obligations to Developer and otherwise implement the DDA and the Master Lease, including:

(i) staff costs on a time and materials basis;

(ii) third-party costs;

(iii) costs, including attorneys' fees, to recover possession of the billboard on the Project Site; and

(iv) costs to administer the Mission Rock CFD and the IFD to the extent not paid by Public Financing Sources.

*"**Port Costs" excludes** Other City Costs, DRP Advances, and Port Capital Advances.*

"**Port Director**" means the Port Director of the Port.

"**Port Facilities**" means Public Spaces and other Horizontal Improvements that the Port will own when accepted.

"**Port Finance Director**" means the Port's Deputy Director, Finance and Administration.

"**Port FY Budget**" means the City Fiscal Year budget that the Port will submit to the Board of Supervisors for approval specifying the amount of Public Financing Sources, DRP Payments, and Port Capital that the Port expects to use to satisfy the Port's payment obligations to Developer under the Financing Plan.

"**Port Harbor Fund**" means the harbor trust fund that the Port must maintain in compliance with section 4 of the Burton Act, SB 815, the Agreement Regarding the Transfer of the Port of San Francisco from the State of California to the City and County of San Francisco, and Charter section B6.406.

"**Port IFD Guidelines**" means the *Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land under the Jurisdiction of the San Francisco*

Port Commission, adopted April 23, 2013, by Board of Supervisors Resolution No. 123-13.

"**Port Master Indenture**" means the Indenture of Trust dated as of February 1, 2010, as supplemented by a First Supplement to Indenture of Trust, dated as of February 1, 2010, a Second Supplement to Indenture of Trust, dated as of May 1, 2014, and as further supplemented from time to time.

"**Port Quarterly Report**" means any of the Port's periodic reports to Developer on Port Costs, Other City Costs, and Project Payment Sources under **FP § 9.2(d)** (Reporting).

"**Port Quitclaim Deed**" means a deed substantially in the form attached to the Purchase Agreement by which the Port will convey fee title to an Option Parcel to a Vertical Developer.

"**Port Revenue Bonds**" means Port Commission of the City and County of San Francisco Revenue Bonds Series 2010A (Non-AMT Tax-Exempt), Series 2010B (Taxable), Series 2014A (Non-AMT Tax-Exempt), and Series 2014B (Taxable).

"**Port Share**" means 10% of the Sale Profit from any Triggering Event.

"**Port Title Covenant**" means the Port's agreement not to create or consent to any new exceptions to title with respect to any Option Parcel other than the Permitted Exceptions.

"**portwide**" means any matter relating to all real property under the jurisdiction of the Port Commission.

"**Potential Development Special Tax Levy**" means the amount of the Development Special Tax levy on each Assessed Parcel:

(i) after applying capitalized interest, delinquency collections, and other sources in the RMA; and

(ii) before applying the Development Special Tax Credit.

"**Pre-existing Hazardous Materials**" means any Hazardous Material existing in, on, or under the Master Lease Premises on the Reference Date and identified in [insert reference to relevant environmental documents] or the Environmental Covenants.

"**pre-filing conference**" means one or more optional meetings under Subdivision Code section 1320 between the County Surveyor and a person proposing to subdivide land in San Francisco to discuss preliminary Subdivision Maps and other subdivision matters before the subdivider formally submits a Subdivision Map application.

"**Preliminary Entitlement Cost Statement**" means Developer's preliminary estimate of Entitlement Costs and accrued Developer Return as of the Reference Date.

"**Premises**" means the area subject to a Parcel Lease.

"**Prepaid Lease**" means a Parcel Lease under which a Vertical Developer makes a Parcel DRP in the amount of an Option Parcel's Fair Market Value to the Port at the Close of Escrow.

"**prepared food**" as defined in Environment Code section 1602(l) means food or beverages prepared within San Francisco for individual customers or consumers in a form commonly understood to be a breakfast, lunch, or dinner.

"**pre-Phase conference**" means one or more meetings between Developer and the Port under **DDA § 3.1** (Pre-Phase Conference) to discuss Phase Improvements before Developer submits a Phase Submittal.

"**preservative-treated wood containing arsenic**" means wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including

chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative.

"**Prevailing Rate of Wages**" and "**Prevailing Wage**" mean:

(i) the highest general prevailing rate of wage plus per diem wages and wages paid for overtime and holiday work paid in private employment in the City for the various crafts and kinds of labor employed in the construction of Improvements; or

(ii) the rate of compensation determined under Administrative Code chapter 21C.7 for the categories of employment specified in Administrative Code chapter 21C.

"**Prime Rate**" means the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks, as published by the *Wall Street Journal*, or if no longer published, a mutually acceptable third-party rate and publication.

"**Principal Payment Date**" means:

(i) before Bonds are issued, September 1 of each year; and

(ii) after Bonds are issued, the date on which principal or sinking fund payments are due in each year until the Bonds are defeased. [Confirm with RMA consultant]

"**Prior Phase**" means the Phase for which Developer obtained Phase Approval before any Current Phase.

"**Priority Facilities CFD Administrative Costs**" means Facilities CFD Administrative Costs permitted to be paid first from Facilities Special Taxes under the Financing Plan.

"**Priority Services CFD Administrative Costs**" means Services CFD Administrative Costs permitted to be paid first from Services CFD Special Taxes under the Financing Plan.

"**Private Event**" means an event in a Public Space that is not open to the general public and may or may not require the purchase of a ticket for entry.

"**Product Type**" when used in reference to a Development Parcel to be developed for residential use means a building with a typical unit count and building typology that allows for general assumptions regarding construction costs, which may differ between Residential Units for rent and for sale. Examples of Product Types are townhomes, low-rise (heights to 70 feet), and mid-rise (71- to 90-foot heights).

"**Proforma**" means the Parties' financial projections for Horizontal Improvements.

"**Project**" means the horizontal and vertical development of the Project Site in accordance with the Project Requirements and the Port's interim lease of Pier 48 to Developer.

"**Project Approval**" means a Regulatory Approval that is necessary to entitle the Project and grant Developer a vested right to begin Site Preparation and construction of Horizontal Improvements, including:

(i) Regulatory Approvals listed in **DA Exh B** granted by City Agencies and any Transaction Documents approved by those Regulatory Approvals;

(ii) Regulatory Approvals by BCDC, State Lands, and DTSC by the Entitlement Date; and

(iii) Later Approvals.

"**Project Area I**" means the area within the IFD covering the Project Site, formed by Ordinance No. XXXX on [date].

"**Project Assignment**" means a contractual assignment of all of Developer's rights under a consulting contract with a Project Consultant, including any rights to use the Project Consultant's work product.

"**Project Consultant**" means any architect, engineer, or other consultant that provided Project Materials for the Project.

"**Project Coordinator**" means a third-party consultant that the City may engage to assist in the implementation of the ICA under **ICA § 6.2** (Project Coordinator).

"**Project Materials**" means all public, final, and material studies, applications, reports, permits, plans, drawings, and similar work product, including Structural Materials, prepared by Developer's Project Consultants.

"**Project Office Allowance**" means the amount of office use allowed in each Phase of the Project under **DDA Exhibit A4**.

"**Project Payment Obligation**" means the Port's contractual obligation on terms described in the Financing Plan to pay: [Revisit]

(i) the Entitlement Sum;

(ii) each Party's Capital Costs;

(i) Developer pass-throughs; and

(ii) additional payment obligations described in **FP § 2.4(c)(ii)-(iii)** (Developer Return).

"**Project Payment Sources**" means separately or collectively, DRP Advances, Public Financing Sources, and Port Capital Advances, each applied as specified in the Financing Plan.

"**Project Requirements**" means all of the following:

(i) Developer's obligations for the Project under the DDA, the Development Agreement, and the other Transaction Documents, including the Developer Construction Obligations and the Developer Reimbursement Obligations;

(ii) Vertical Developers' obligations for the Project under their respective Parcel Leases;

(iii) construction of all Improvements in a competent manner, without material defects, in strict accordance with approved Improvement Plans and all Regulatory Requirements; and

(iv) diligent compliance with the Outside Dates specified in the Schedule of Performance, each Phase Schedule, or each Parcel Lease as applicable.

"**Project Site**" means the area consisting of SWL 337, 3.53 acres of Terry A. Francois Boulevard from Third Street to Mission Rock Street, Pier 48, and ½ acre to the east of Terry A. Francois Boulevard between Pier 48 and Pier 50.

"**Project Tax Revenues**" means Mello-Roos Taxes and Allocated Tax Increment that are deposited in the Special Tax Fund and the Tax Increment Fund of the Special Fund Trust Account in accordance with the Financing Plan.

"**Projected AGI**" means Adjusted Gross Income projected in a proforma for a Vertical Improvement in the year in which building rents are projected to reach stabilization and used to establish Percentage Rent under **DDA § 7.6(b)** (Percentage Rent).

"**Promissory Note**" means a promissory note in the form of **FP Exh B**, under which the Mission Rock CFD promises to repay DRP Advances to the Port with Interest on DRP Advances, as described in **FP § 7.2(b)** (Promissory Note).

"**Promotional Activation**" means an activity in a Public Space that draws attention to one or more particular products that are not being sold onsite as part of the activation.

"**proof of payment**" means a cancelled check, a wire confirmation demonstrating delivery of a direct transfer of funds, an executed and acknowledged unconditional lien release, statements or invoices marked "paid" by the billing person, or other reasonably satisfactory evidence verifying that the person seeking payment actually incurred the claimed costs.

"**property contracts**" is defined in Administrative Code sections 12B.2 and 12C.2.

"**property damage**" means any injury to or impairment or destruction of any property or other pecuniary interest of any person, including goodwill, intellectual property, and business and leasing opportunities.

"**Proposition D**" and "**Prop D**" mean the *Mission Rock Affordable Housing, Parks, Jobs, and Historic Preservation Initiative*, which San Francisco voters approved on November 3, 2015.

"**Proposition M**" and "**Prop M**" mean Planning Code sections 320-325, approved by voters as the Planning Initiative in November 1986.

"**Prop M Constraint**" means that the total square footage available for Pending Projects exceeds the then-current total square footage available for large office allocation projects at the end of an Allocation Period.

"**Prop M Draw Down**" means the amount of office space on the Project Site to be applied against the City's annual maximum limit under Planning Code section 321(a)(1), based on approved building drawings, which the Port will report to Planning when the Port issues a site or building permit for an office development project in the Project Site.

"**proprietary appraisal**" means an appraisal report on a legal parcel's fair market value that is not subject to appraisal procedures in **DDA § 7.4** (Option Parcel Appraisals).

"**proprietary public offering**" means a public solicitation for offers Parcel Lease any Development Parcel that is not subject to the procedures in **DDA § 7.6** (Public Offering Procedures).

"**pro rata**" means the proportion that each part of a sum bears to the sum.

"**Prospective Breach**" means an event that with notice and the passage of time would be a Material Breach if not timely cured.

"**Prospective Default**" means an event that with notice and the passage of time would be an Event of Default if not timely cured.

"**PTR Package**" is a term used to refer to a preliminary title report, together with copies of all documents relating to title exceptions shown in the preliminary title report.

"**Public Art**" means installations at the Project Site under **Design Controls § 2.11**.

"**Public Financing Sources**" means, separately or collectively, any source of financing for the Project under CFD Law and IFD Law, including Mello-Roos Taxes, Allocated Tax Increment, and net proceeds of Bonds.

"**Public Health and Safety Exception**" is defined in **DA § 5.6(a)** (City's Exceptions).

"**public improvement**" when used in reference to the requirement to pay prevailing wages means:

(i) a public work or improvement as defined in Administrative Code section 6.1, including:

(1) construction work performed on real property that the City leases to another person or that the City sells for a project that includes the construction, expansion, or rehabilitation of three or more residential units; and

(2) all projects for "public works" as defined in California Labor Code section 1720 for which prevailing wages must be paid under section 1782, as required under Administrative Code section 6.22(e) and section 23.61(b); and

(ii) all contracts described in Administrative Code chapter 21C.

"**public improvement agreement**" means an agreement between the City and Developer with respect to requirements under the Subdivision Code.

"**Public Offering**" means a public solicitation by the Port for bids for the purchase or Parcel Lease of an Option Parcel following the termination of Developer's Option for that Option Parcel, using procedures described in **DDA § 7.6** (Public Offering Procedures).

"**Public Off-Street Parking Lot, Garage, or Automobile Storage Facility**" means any off-street parking lot, garage, or automobile storage facility that is operated on property owned or leased by the City.

"**Public ROWs**" means Horizontal Improvements consisting of public streets, sidewalks, shared public ways, bicycle lanes, and other paths of travel, associated landscaping and furnishings, and related amenities.

"**Public Space**" means any Horizontal Improvement for public enjoyment, such as a public park, public recreational facility, public access, open space, and other similar public amenities, which may be a rooftop facility.

"**Public Space Parcel**" means any parcel designated in the Land Use Plan and Infrastructure Plan for Public Space.

"**Public Space Plans**" means a Permit Set of Improvement Plans for one or more Public Spaces.

"**public trust**" means, collectively, the common law public trust for commerce, navigation, and fisheries and the statutory trust created by the Burton Act.

"**Public Trust Study**" means the study determining land uses and the location of those uses within Seawall Lot 337 and Piers 48 and 50, analyzing the need to retain public trust uses within Seawall Lot 337, and reserving areas along the northern and eastern sides of Seawall Lot 337 to accommodate needed public trust uses, which the Port Commission approved by Resolution No. and forwarded to State Lands for its approval of the conclusions of the study in compliance with Section 6(b) of SB 815.

"**public work**" is defined in and subject to exclusions and further conditions under California Labor Code sections 1720-1720.6.

"**Public Works**" means the San Francisco Public Works Department.

"**Put Exercise Period**" means the period ending 15 days after the Port delivers a Put Notice to Developer under **DDA § 7.3** (Parcel Put).

"**Put Notice**" means a notice that the Port delivers to Developer under **DDA § 7.2** (Phase 1 Put) or **DDA § 7.3** (Parcel Put) in accordance with **App ¶ A.5** (Notices).

"**Put Option**" means the Port's rights under **DDA § 7.2** (Phase 1 Put) and **DDA § 7.3** (Parcel Put).

"**Put Parcel**" means any Option Parcel that is subject to the Port's Put Notice.

"**Qualified Appraiser**" means an appraiser who meets the qualifications of **DDA § 7.4(b)** (Appraiser Qualifications).

"**Qualified Appraiser Pool**" means the list of Qualified Appraisers attached as **DDA Sch 2** and as revised from time to time under **DDA § 7.4(c)** (Qualified Appraiser Pool).

"**Qualified Bidder**" means a bidder at a Public Offering that meets the qualifications of **DDA § 7.6(c)** (Bidder Prequalification).

"**Qualified Broker**" means a licensed real estate broker with at least five years' experience in the Bay Area market for commercial or multifamily residential sales and leasing, or both.

"**Qualified Broker Pool**" means the list of Qualified Brokers attached as **DDA Sch 3** and as revised from time to time under **DDA § 7.6(a)** (Broker-Managed Offerings).

"**Rate and Method of Apportionment**" means a Financing Document that the Board of Supervisors will adopt by the CFD Formation Proceedings that prescribes how and at what rates the City will levy and collect Mello-Roos Taxes from taxpayers in the Mission Rock CFD.

"**RCRA**" is an acronym for the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.).

"**Reassessment**" means a proceeding under the California Revenue and Taxation Code that results in a reduction in the assessed value of a Taxable Parcel.

"**Receipt Date**" means each date that the Port, as agent of the IFD, the Facilities CFD, or the Services CFD, receives Allocated Tax Increment or Mello-Roos Taxes from the City by the deposit of funds into the Special Fund Trust Account.

"**Reduced Return**" means interest at the annual rate of 12%, accruing daily and compounded quarterly.

"**Reduced Value Parcel**" means a Taxable Parcel that Developer or a Vertical Developer Affiliate holds by Parcel Lease on which the assessed value is lowered through a Value Reduction.

"**Reference Date**" means the date on which Board of Supervisors Ordinance No. XXXX approving the DA became final.

"**Regulatory Action**" means any inquiry, investigation, enforcement, agreement, order, consent decree, compromise, or other administrative or judicial action that is threatened, instituted, filed, or completed by a Regulatory Agency in relation to any alleged failure to comply with or direct violation of any Regulatory Approval or any laws, including those relating to access.

"**Regulatory Agency**" means a City Agency or federal, state, or regional body, administrative agency, commission, court, or other governmental or quasi-governmental organization with jurisdiction over any aspect of the Project or the Project Site.

"**Regulatory Approval**" means any motion, resolution, ordinance, permit, approval, license, registration, permit, utility services agreement, Final Map, or other action, agreement, or entitlement required or issued by any Regulatory Agency with jurisdiction over any portion of the Project Site, as finally approved.

"**Regulatory Requirement**" means an obligation imposed by law or policy on development, occupancy, and use of the Project Site, subject to the Port's authority as trustee under the Burton Act as amended by SB 815, including:

(i) the conditions of Project Approvals and other Regulatory Approvals;

(ii) Existing City Laws applied to the Project by the Development Agreement and Project Approvals;

(iii) Changes in Law to the extent permitted under the DDA and the Development Agreement;

(iv) current Impact Fees and Exactions and any new or changed Impact Fees and Exactions to the extent permitted under the Development Agreement; and

(v) Environmental Laws, the SUD, the Design Controls, the Waterfront Plan, and the Other City Requirements.

"**related**" when used to refer to an event in a Public Space that is subject to the Event Management Plan means a installation that has a relationship to other installations for the event, such as a concert event with a stage and areas for seating, concessions, and merchandise.

"**Related Third Party**" means any Agent of Developer or Tenant.

"**release**" when used in reference to Hazardous Materials means any actual or threatened, accidental or intentional spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the air, soil gas, land, surface water, groundwater, or environment, including abandoning or discarding barrels, containers, and other closed receptacles containing any Hazardous Material.

*"**release**" **excludes** any passive migration of a Hazardous Material through the air, soil gas, land, surface water, or groundwater after a third party has previously spilled, leaked, pumped, poured, emitted, discharged, injected, escaped, leached, dumped, or disposed of the Hazardous Material into the air, soil, gas, land, surface water, or groundwater.*

"**Relocated Outfall Infrastructure**" means the Outfall Infrastructure from the date that Developer begins work to modify any portion of the Outfall Infrastructure until the modified Outfall Infrastructure is accepted by the Acquiring Agency.

"**remediate**" when used in reference to Hazardous Materials means to clean up, abate, contain, treat, stabilize, monitor, remediate, remedy, remove, or otherwise control Hazardous Materials, or to restore the affected area to the standard required by the applicable Environmental Regulatory Agency under applicable Environmental Laws and any additional Port requirements.

"**Rent**" means Annual Ground Rent, Percentage Rent, and other amounts the Tenant must pay to the Port under the Master Lease.

"**Rent Conversion Factor**" means the formula specified in a Final Appraisal that is used to convert Fair Market Value to Annual Ground Rent.

"**Rental Market-Rate Unit**" means a Residential Unit that is not subject to affordability requirements under the Housing Plan.

"**Request for SOP Compliance Determination**" means the packet submitted by Developer containing the materials listed in **DDA Exh B9** requesting that the Chief Harbor Engineer issue an SOP Compliance Determination under **DDA § 3.7** (Phase Completion).

"**Requested Change Notice**" means Developer's notice to the Port requesting changes to the Phasing Plan under **DDA § 3.9** (Changes to Project after Phase 1).

"**Required Element**" means a substantial and material element of any Construction Document requiring Port approval under **DDA art. 13** (Improvement Plans).

"**Reserve Rent**" means a minimum of $3.5 million in Annual Ground Rent.

"**Reserve Rent Allocation**" means the portion of Reserve Rent allocated to each Option Parcel, as determined in the Phase 1 approval process.

"**Residential Developer**" means a Vertical Developer of Residential Parcel identified through the Phase Approval process.

"**Residential Parcel**" means a Development Parcel that is designated for residential use in the Land Use Plan.

"**Residential Project**" means a Development Parcel that is developed for residential use.

"**Residential Unit**" means a dwelling on a developed Residential Parcel that is designed for residential occupancy for 32 consecutive days or more and includes any apartment unit, condominium or cooperative unit, senior unit, assisted living unit, hotel or motel room, or other structure containing toilet facilities that is designed and available under applicable law for use and occupancy as a residence by one household.

"**restaurant**" is defined in Health Code section 451(s) and includes any coffee shop, cocktail lounge, sandwich stand, public school cafeteria, in-plant or employee eating establishment, and any other eating establishment that gives or offers for sale food that requires no further preparation to the public, guests, patrons, or employees for consumption on or off the premises.

"**Retail Program**" means Developer's plans to develop and retain a ground-floor mix that activates the Project Site and includes a full menu of public trust uses for the area, including public parks, walkways, roadways, restaurants, hotels, maritime training, sales and rentals, waterfront visitor serving retail services, and other trust uses.

"**Return on Port Capital**" means the annual rate of 10%, compounded annually, at which interest accrues on each Port Capital Advance

"**RMA**" is an acronym for the Rate and Method of Apportionment.

"**Sale Profit**" means any amount by which the Net Consideration received by the Selling Member exceeds the Selling Member's Share of Base Value.

"**saltwater immersion**" means a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

"**SB 815**" means Senate Bill 815 (stats. 2007, ch. 660), as amended by AB 2797.

"**SB 815 Baseline Revenue**" means the average annual revenues that the Port received from Seawall Lot 337 during the period between January 1, 2003, and December 31, 2007, adjusted for inflation.

"**Schedule of Performance**" means **DDA Exh A8**, which specifies certain performance time frames for the Project, including dates by which Developer is required to submit a Phase Submittal for each Phase and to begin construction of Phase Improvements, as supplemented by dates for completion of Phase Improvements established in the Phase Approval process.

"**Schematic Design Application**" means a complete set of Improvement Plans for a Park Parcel that includes the following information:

(i) a written narrative describing the overall conceptual design, including the park program, design elements, and facilities provided for each Park Parcel;

(ii) an illustrative site plan to scale showing: (1) conceptual circulation systems (vehicular, bicycle and pedestrian) including parking; (2) conceptual grading and drainage; (3) generalized locations of active and passive recreational areas, park elements and facilities; (4) generalized locations and conceptual layout for landscaping and hardscape areas, including tree planting and any stormwater treatment areas; and (5) generalized locations for furnishings, lighting, public art, signage, comfort facilities, stairs, ramps, and railing;

(iii) illustrative sections and perspectives representative of the overall conceptual design, including key relationships between programmatic areas, design elements, and defining park features and facilities;

(iv) image "boards" showing proposed concepts, detailed studies, and precedents for site furnishings, paving materials, site architectural elements, lighting, public art, signage, comfort facilities, stairs, ramps and railings, tree species and alternate species, and species palette concepts for major landscaping areas; and

(v) a proposed signage program if not previously approved.

"**Second Garage Adjustments**" means adjustments to the Transaction Documents and ancillary documents that will be required if the Parties agree that Developer will build both the Parcel D2 Garage and the Mission Rock Square Garage under **DDA § 2.6** (Mission Rock Square Garage).

"**Second Garage Notice**" means Developer's notice of its proposal to include the development of the Mission Rock Square Garage as part of the Project under **DDA § 2.6** (Mission Rock Square Garage).

"**Second Submittal**" means the packet of Improvement Plans submitted for review and approval after the First Submittal and before the Permit Set.

"**Second Tranche Bonds**" means Bonds that are payable from Allocated Tax Increment, the proceeds of which are used to finance the Shoreline Protection Project.

"**Secretary's Standards**" means the *Secretary of the Interior's Standards for the Treatment of Historic Properties*, as supplemented by the *Port of San Francisco Historic Preservation Review Guidelines for Pier and Bulkhead Wharf Substructures*.

"**Section 1.126**" means Campaign and Governmental Conduct Code section 1.126.

"**Section 169**" means Planning Code sections 169-169.6 describing the City's TDM Program.

"**Section 279.80**" means Planning Code section 279.80, which, together with related zoning maps, established the Mission Rock Special Use District and provides zoning and other land use limitations for the Project Site, and procedures for design review of Vertical Improvements.

"**Section 291**" means Planning Code section 291, which establishes height limits and parcel boundaries for the Project Site and procedures for their modification.

"**Section 409**" means Planning Code section 409, which establishes citywide reporting requirements, timing, and mechanisms for annual adjustments to Impact Fees.

"**Section 415**" means Planning Code section 415.

"**Secured Amount**" means, unless specified otherwise in the DDA, the sum of the following amounts for each Phase:

(i) 100% of a secured obligation to pay money; and

(ii) 100% of the estimated cost to complete any secured Horizontal Improvements as evidenced by Developer's construction contracts or estimates, subject to both the

Port Director's and Developer's prior approval, less the face amount of security for the same obligations provided to the City under Subdivision Code section 1370.

"**Security Interest**" means a security instrument encumbering a personal property interest in or held by a Borrower to secure the Borrower's repayment obligation to a Lender.

"**self-perform**" means a contractor's use of its own labor force, instead of subcontractors, to perform certain areas of construction.

"**Selling Member**" means:

(i) any Giants Affiliate that holds a direct or indirect interest in Developer on the Reference Date;

(ii) any Giants Affiliate that holds a direct or indirect interest in Developer before an ownership change that occurs before Developer has achieved the Initial Benchmarks; and

(iii) any of the above in which a Significant Change has occurred.

"**Selling Member's Share**" means the portion of Base Value that is attributable to the interest being Transferred by the Selling Member.

"**Services Account**" means a segregated account that the Port will establish with the Special Fund Trustee to receive, hold, and administer Services Special Taxes.

"**Services CFD**" means the part of the Mission Rock CFD formed to finance Ongoing Maintenance.

"**Services CFD Administrative Costs**" means CFD Administrative Costs payable from Services Special Taxes.

"**Services Special Taxes**" means Mello-Roos Taxes that the City levies in a City Fiscal Year on Taxable Parcels in the Mission Rock CFD to fund Ongoing Maintenance Costs.

"**SFFD**" is an acronym for the San Francisco Fire Department.

"**SFMTA**" is an acronym for the San Francisco Municipal Transportation Agency.

"**SFMTA Consent**" means either:

(i) the Consent of the San Francisco Municipal Transportation Agency that is attached to and incorporated in the DA; or

(ii) the Consent of the San Francisco Municipal Transportation Agency that is attached to and incorporated in the ICA.

"**SFPUC**" is an acronym for the San Francisco Public Utilities Commission.

"**SFPUC Consent**" means either:

(i) the Consent of the Public Utilities Commission of the City and County of San Francisco that is attached to and incorporated in the DA; or

(ii) the Consent of the Public Utilities Commission of the City and County of San Francisco that is attached to and incorporated in the ICA.

"**SFPUC Power**" means the SFPUC operating division that provides electrical service to ratepayers in accordance with the Charter.

"**SFPUC Wastewater Capacity Charge**" means the wastewater capacity charge and connection charge imposed by the SFPUC.

"**SFPUC Water Capacity Charge**" means the water capacity charge and connection charge imposed by the SFPUC.

"**Shared Public Street**" generally means a curbless Public ROW that emphasizes pedestrian traffic over vehicular traffic, as described in the City's Better Streets Plan and, for the Project, in the Infrastructure Plan and Design Controls.

"**Shared Public Way**" means the curbless street described in **Design Controls § 4.2** to be constructed as part of the Project.

"**Shoreline Adaption Studies**" means analysis and planning to characterize the preferred and Shoreline Protection Project and alternatives, including pre-entitlement planning and design work, environmental review, negotiation, and Regulatory Approvals related to the Shoreline Protection Facilities.

"**Shoreline Improvements**" means Horizontal Improvements such as stone columns, pilings, secant walls, and other structures to stabilize the seawall or shoreline; the term also includes all permitted uses of the Waterfront Set-Aside.

"**Shoreline Protection Account**" means the segregated account in the Special Tax Fund that the Port will establish with the Special Fund Trustee to receive, hold, and administer Zone 2 Shoreline Special Taxes under the Special Fund Administration Agreement.

"**Shoreline Protection Facilities**" means future Improvements to protect the San Francisco Bay shoreline from perils associated with seismic events and climate change, including sea level rise and floods, and other public improvements approved by the Port Commission and the Board of Supervisors.

"**Shoreline Protection Project**" means planning, design, and construction of Shoreline Protection Facilities.

"**Shoreline Special Taxes**" means the portion of Facilities Special Taxes that the City levies in a City Fiscal Year to fund Horizontal Development Costs (Zone 1 only), Shoreline Adaption Studies, the Shoreline Protection Project after environmental review is complete, and other authorized costs, an amount per square foot intended to be equivalent to 0.10% of the parcel's Baseline Assessed Value as projected for the CFD Formation Proceedings.

"**Show**" means any live act, play, review, pantomime, scene, music, song, dance act, song and dance act, or poetry recitation provided in front of a live audience or recorded for the purpose of later presentation.

*"**Show**" **excludes** an event where a person solely plays pre-recorded music or pre-recorded performances so long as no other live performance is provided.*

"**Significant Adverse Change**" means that Developer is unable to either satisfy or bond a final adverse judgment of more than $XXXX million.

"**Significant Change**" means any change in the ownership of Developer that is not a Permitted Change.

"***Significant Change*" *excludes** any Excluded Transfer.*

"**Significant Change to Obligor**" means the occurrence of any of the following:

(i) the Obligor's Insolvency;

(ii) a final judgment is entered against the Obligor in an amount greater than 10% of the Obligor Net Worth, which the Obligor does not satisfy or bond; or

(iii) an Obligor no longer meets the Obligor Net Worth Requirement.

"**significant environmental impact**" means a significant effect on the environment as defined in CEQA section 21068 and CEQA Guidelines section 15382.

"**Significant Ownership**" means that a person holds a direct or indirect ownership interest of 10% or more of the membership interests in Developer or 10% or more of its profits or capital.

"**Site Preparation**" means physical work to prepare and secure the Project Site for installation and construction of Horizontal Improvements, such as demolition of existing structures, excavation and removal of contaminated soils, fill, grading, deep dynamic compaction, and construction fencing and other security measures, and temporary Improvements for interim uses before vertical development begins.

"**Small Event**" means a single event or related events occupying less than 10,000 square feet in the footprint of a Public Space.

"**Soft Costs**" means any payment made for the costs of Horizontal Improvements that are not Hard Costs, including, without duplication:

(i) architectural, engineering, attorney, and other consultant and professional fees;

(ii) premiums and deductibles paid to meet the Insurance Requirements or otherwise as reasonably approved by the Port;

(iii) construction management fees, project management costs, and asset management costs paid to or by Developer, a Transferee, or their respective Affiliates, limited in the aggregate to 15% of Hard Costs, subject to Developer's right to request reimbursement above this threshold, which the Port will not unreasonably disapprove if Developer demonstrates that the additional costs are commercially reasonable;

(iv) regulatory fees other than building and site permit fees;

(v) costs to comply with the Developer Construction Obligations;

(vi) Port Costs and Other City Costs;

(vii) Special Taxes and any other taxes and assessments that Developer pays before the Port conveys a Taxable Parcel to a Vertical Developer;

(viii) possessory interest taxes payable for the Master Lease Premises above the amount attributable to the value of the parking use; [manner of calculation TBD]

(ix) security required under the DDA or otherwise in connection with the Horizontal Improvements, including any Adequate Security;

(x) safety, security, and Ongoing Maintenance Costs for the Project Site, including fees associated with any Maintenance and Repair Bond;

(xi) third-party costs to prepare and store Phase Quarterly Reports, Phase Audits, Final Audits, and Developer's Books and Records;

(xii) Developer Marketing Costs;

(xiii) Entitlement Costs; and

(xiv) any other amount specifically identified in a Transaction Document as a Soft Cost or a category of Soft Costs or that the Parties agree is a reasonable cost of horizontal development.

*"**Soft Costs**" **excludes**:*

(1) Hard Costs;

(2) Losses that Developer pays to any third party to the extent recovered from insurance proceeds or other third parties;

(3) Developer's (or any Affiliate's) corporate office, personnel, and overhead costs;

(4) costs incurred to lobby for the Project or for any political campaign, including costs related to any ballot measure affecting the Project;

(5) construction financing costs (loan fees and interest) for Horizontal Improvements;

(6) costs of vertical development, including Deferred Infrastructure if not paid by Developer; and

(7) any other amount specifically excluded from Soft Costs in a Transaction Document.

"**SOP Compliance Determination**" means a recordable certificate that the Chief Harbor Engineer issues when granting Developer's SOP Compliance Request confirming that Developer has completed Phase Improvements by the applicable Outside Date in the Schedule of Performance.

"**Special Event**" means:

(i) any Trade Show, Convention, Exposition, or other Temporary Event with the characteristics of a Trade Show, Convention, or Exposition, that involves Exhibit, Display, or Trade Show Work; and

(ii) any Mass Participation Sports Event.

"**Special Facility**" means the Project Site and any other Port facility designated as such under the Port Master Indenture.

"**Special Facility Revenue**" means revenue that the Port earns from or with respect to any Special Facility designated in the Port Master Indenture.

"**Special Facility Revenue Bonds**" means Bonds issued by or on behalf of the Mission Rock CFD or the IFD that are secured by a pledge of Special Facility Revenue.

"**Special Fund Administration Agreement**" means an agreement between the Port in its proprietary capacity, as CFD Agent, and as IFD Agent, and the Special Fund Trustee authorizing the trustee to receive, administer, and disburse funds in the Special Fund Trust Account to implement the Financing Plan.

"**Special Fund Trust Account**" means, collectively, the Land Proceeds Fund, the Special Tax Fund, and the Tax Increment Fund, including segregated accounts within each fund.

"**Special Fund Trustee**" means a bank, national banking association, or a trust company having a combined capital (exclusive of borrowed capital) and surplus of at least $50 million, and that is subject to supervision or examination by federal or state authority.

"**Special Tax Fund**" means the segregated accounts within the Special Fund Trust Account consisting of the Facilities Account, the Shoreline Reserve Account, the Shoreline Protection Account, and the Services Account that the Port, as CFD Agent, establishes with the Special Fund Trustee to receive, administer, and disburse Mello-Roos Taxes on behalf of the Mission Rock CFD through the Special Fund Administration Agreement.

"**Special Tax Requirement**" means the amount that Facilities Taxes and Services Special Taxes, as applicable, must fund in any City Fiscal Year, as established by approved Phase Budgets.

"**State**" means the State of California.

"**State Lands**" means the California State Lands Commission.

"**Statement of Indebtedness**" means the annual report that the IFD must file with the Treasurer-Tax Collector under IFD Law and the Port IFD Guidelines.

"**Street Excavation Improvement Agreement**" means an agreement entered into between the Developer and the City prior to the recordation of a Final Map that allows for construction of Horizontal Improvements.

"**Street Segment**" means any portion of a street described as such in the Schedule of Performance.

"**Structural Consultant**" means any Project Consultant who prepared Structural Materials.

"**Structural Materials**" means Project Materials relating to structural strengthening, maintenance, and repair of the substructure and superstructure of piers and wharves, Horizontal Improvements for, and subsurface stabilization of, any part of the Project Site.

"**Structured Street**" means a Public ROW that is pile-supported.

"**Structured Street Criteria**" means design criteria for the Structured Street System to be developed by Developer, in coordination and consultation with the Port, the Port's independent third party engineer, and Other City Agencies.

"**Structured Street Drainage**" means the drainage system for Structured Streets, which may include sump pumps.

"**Structured Street Superstructure**" means pile-supported U-shaped corridors and associated subdrains that support the Structured Streets that the Port or the City will acquire.

"**Structured Street System**" means Structured Street Superstructure and associated Structured Street Drainage, Flexible Utility Connections, and Flexible Street Improvements, as more specifically described in the Infrastructure Plan.

"**subcontracts to contracts**" is defined in Administrative Code sections 12B.2 and 12C.2.

"**Subdivision Code**" means the San Francisco Subdivision Code, as amended by the DA Ordinance, and Subdivision Regulations adopted by Public Works.

"**Subdivision Map**" means any map that Developer submits for the Project Site under the Map Act and the Subdivision Code.

"**Sub-Project Area**" means a sub-project area that the Board of Supervisors established in Project Area I.

"**Subsequent Assessed Value**" means the assessed value of a Taxable Parcel in any City Fiscal Year after the most recent Baseline Assessed Value was established.

"**substantial completion**" means:

(i) when used in reference to Horizontal Improvements, that the Chief Harbor Engineer has determined that the Horizontal Improvements meet the conditions in **DDA § 15.4** (Substantial Completion); and

(ii) when used in reference to Vertical Improvements, that the Chief Harbor Engineer has determined that the Vertical Improvements meet the conditions in **DDA § 16.5** (Substantial Completion).

"**SUD**" is an acronym for the area subject to Section 249.80 and related zoning maps, which established the Mission Rock Special Use District and zoning and other land use limitations for the Project Site.

"**Summary Proforma**" means the detailed document that Developer prepared to provide an accurate summary of the Proforma, a copy of which is attached to the Financing Plan as

FP Sch 1, and any superseding or revised summaries prepared from time to time in accordance with the DDA.

"**Supplement**" means any update to **AA Exh A**, which Developer must submit no less frequently than with each Phase Submittal. [Cf Acq Price Update]

"**Sustainability Strategy**" means **DDA Exh B4**, which contains:

(i) strategies to develop the Project Site to balance San Francisco's plans for future growth within the context of the State's requirements to reduce greenhouse gas emissions and the City's goals to reduce water consumption, reduce waste, and enhance community-scale energy resources; and

(ii) targets that Developer will track and report on to Planning regularly throughout the Project's development.

"**SWL 337**" is a term used to refer the Port property located south of Mission Creek/China Basin Channel, bordered by Third Street on the west, Mission Rock Street on the south, and Terry Francois Boulevard on the east, as reconfigured in accordance with AB 2797.

"**Task Force**" means a team of third-party professionals and Public Works staff that Public Works is authorized to assemble to assist the City and the Port in implementing the ICA.

"**Taxable Commercial Parcel**" means a Taxable Parcel that is not residential.

"**Taxable Parcel**" means an assessor's parcel of real property or other real estate interest created by each Phase Final Map that is not an Exempt Parcel, which may include leased space occupied for private use in an Exempt Parcel.

"**Taxable Residential Unit**" means a Taxable Parcel that is a residential condominium unit.

"**Tax Allocation MOU**" is a term used to refer to the Memorandum of Understanding (Assessment, Levy, and Allocation of Taxes).

"**Tax Code**" means the Internal Revenue Code of 1986, as amended, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the United States Internal Revenue Code.

"**Tax Increment**" refers to Allocated Tax Increment or Gross Tax Increment, as appropriate in the context.

"**Tax Allocation Bonds**" means tax allocation bonds and any other indebtedness of the IFD with respect to Project Area I, including obligations incurred under a Pledge Agreement, secured by a pledge of or otherwise payable from Allocated Tax Increment.

*"**Tax Allocation Bonds**" excludes any Mello-Roos Bonds.*

"**Tax Increment Debt Service Requirement**" means the debt service payable on Tax Allocation Bonds in a City Fiscal Year before the next expected Receipt Date of Allocated Tax Increment.

"**Tax Increment Fund**" means the segregated accounts within the Special Fund Trust Account that the Port, as IFD Agent, establishes with the Special Fund Trustee to receive, administer, and disburse Annual Allocated Tax Increment on behalf of the IFD through the Special Fund Administration Agreement.

"**Tax Increment Limit**" means the maximum dollar amount of Tax Increment that the City agreed to allocate to the IFD for each Sub-Project Area in Project Area I under Appendix I.

"**TAY**" is an acronym for Transition Age Youth.

"**TAY Unit**" means an Inclusionary Units set aside to house an individual transitioning out of a public system such as the foster care system.

"**TAY Unit Occupancy Plan**" means an HSH-approved plan for lease-up and occupancy of the TAY Units that the Vertical Developer will submit to the Port at least 120 days before the Vertical Developer expects to begin marketing for Market-Rate Units in a Residential Project that includes TAY Units.

"**TDM**" is an acronym for Transportation Demand Management.

"**TDM Measures**" means the measures to implement the TDM Plan.

"**TDM Plan**" means the Transportation Demand Management Plan that is included in **TP Schedule 2** to **DDA Exh B7** (Transportation Exhibit) and prepared in compliance with EIR Mitigation Measure M-AQ-2.3 (**TP Schedule 3** to **DDA Exh B7** (Transportation Exhibit)), except as specified in the Transportation Exhibit.

"**TDM Program**" means the City's Transportation Demand Management Program, which is described in Section 169.

"**Temporary Certificate of Occupancy**" means a certificate of occupancy that the Chief Harbor Engineer issues under the Port Building Code allowing a discrete portion of a building to be occupied or conditional occupancy of a building, generally for no longer than 90 days.

"**Temporary Event**" means an event lasting no more than six months.

"**Temporary Use**" as defined in Planning Code section 279.80(f)(4) means a single or recurring use at the Project Site that is allowed under any Port lease or license for a period not to exceed 90 days, subject to extension by the Port Director. Examples include booths for charitable, patriotic, or welfare purposes; markets; exhibitions, festivals, circuses, musical and theatrical performances, and other forms of live entertainment including setup/load-in and demobilization/load-out; athletic events; open-air sales of agriculturally-produced seasonal decorations such as Christmas trees and Halloween pumpkins; meetings rooms and event staging; mobile food and temporary retail establishments; and automobile and truck parking and loading associated with any authorized temporary use.

"**Tenant**" means, as appropriate in the context, the person to which the Port leases:

(i) the Master Lease Premises under the Master Lease; or

(ii) the Premises under any Parcel Lease.

"**Tentative Map**" means a Tentative Transfer Map, Vesting Tentative Transfer Map, Tentative Map, or Vesting Tentative Map as defined in the Subdivision Code.

"**Terminated Phase**" means a Phase that is terminated under **DDA art. 12** (Material Breaches and Termination).

"**Termination Date**" means the date on which a termination under **DDA art. 12** (Material Breaches and Termination) becomes effective.

"**Termination Notice**" means a notice given under **DDA § 12.7** (Termination Procedures).

"**Test Parcel**" means an Option Parcel that will be subject to a Down Market Test against the applicable Land Value Indicator under **DDA art. 4** (Excusable Delay).

"**third party**" means a person that is not Developer, the Port, the City, or any of their Agents or Affiliates.

"**Third-Party Challenge**" means an action challenging the validity of any provision of the DDA or the Development Agreement, the Project, any Project Approval or Later Approval, the adoption or certification of the Final EIR, other actions taken under CEQA, or any other Project Approval.

"**Ticketed Public Event**" means an event in a Public Space that is open to the general public and requires the purchase of a ticket for entry.

"**Time-Sensitive Matter**" means a Party's obligations that are due at a specific time under the DDA, in particular under the Schedule of Performance, any Phase Schedule, and the Financing Plan, but excluding obligations to process Payment Requests under the Acquisition Agreement or make payments under approved Payment Requests.

"**tobacco product**" is defined Health Code section 1010(b).

"**Total Fee Amount**" means Transportation Fees paid for each development project on the Project Site.

"**Trade Show**" means a gathering in which:

(i) one or more businesses or association of businesses in one or more industries or professions show their products or services to possible customers or patrons; or

(ii) there are exhibits, displays, or demonstrations of specific products or services or that highlight all or part of an industry or profession.

"**Transaction Document**" means any of the following, individually or collectively:

(i) the DDA, including the Financing Plan, the Participation Agreement, this Appendix, and all attached exhibits, schedules, and implementing agreements and plans;

(ii) the Development Agreement and the ICA;

(iii) each Assignment and Assumption Agreement governing a Transferee's obligations for the Project;

(iv) the Master Lease;

(v) each Vertical DDA and Parcel Lease; and

(vi) any other agreement governing the Parties' respective rights and obligations with respect to the development or operation of any portion of the Project Site.

"**Transfer**" means an assignment of any portion of Developer's horizontal development rights and obligations under the DDA under an Assignment and Assumption Agreement or through a Significant Change.

"Transfer" excludes:

(1) a Deed of Trust or Security Interest given to a Lender;

(2) an agreement under which a Vertical Developer is required to build Deferred Infrastructure; and

(3) an Excluded Transfer.

"**Transferee**" means any person to which Developer's rights and corresponding obligations relating to any portion of a Phase are Transferred under **DDA art. 6** (Transfers).

"Transferee" excludes *the transferee in an Excluded Transfer.*

"**Transferee Affiliate**" means a Transferee that is:

(i) an Affiliate of Developer;

(ii) a Giants Affiliate; or

(iii) an Initial Transferee Affiliate.

"**Transit Mitigation Agreement**" means a future agreement between Developer and SFMTA that will obligate Developer to make a fair share contribution to the cost of providing additional bus service or otherwise improving service in accordance with Mitigation Measure M-TR-4.1 and Mitigation Measure M-TR-4.4.

"**Transition Age Youth**" means young adults, ages 18–24, who are transitioning from public systems like foster care or are at risk of not making a successful transition to adulthood.

"**Transportation Exhibit**" means **DDA Exh B5**, which includes the TDM Plan and the Transportation Exhibit, among other things.

"**Transportation Fee**" means the Impact Fee that each Vertical Developer will pay to SFMTA under the **DA § 5.4(b)** (Impact Fees and Exactions) for uses described in the Transportation Exhibit.

"**Transportation Infrastructure**" means Improvements and technology necessary for transportation and public transit services on or serving the Project Site that will be under SFMTA jurisdiction, including traffic control devices (traffic signs, roadway and curb paint, traffic signals, signal communication conduits or network devices, message signs, traffic video cameras); transit-related infrastructure (shelters, bathrooms, signs and mountings), overhead lines, power, and related conduits and ducts, transit signs and signals), parking infrastructure (public parking garages, lots, and related communications devices), parking and traffic enforcement infrastructure, bicycle parking and sharing facilities, protected bikeways, pedestrian facilities, bus boarding islands and bus bulbs, street striping and curb demarcations, lighting supports, wayside control and communications systems and devices, and electrical substations, junction boxes, underground conduit and duct banks.

"**Transportation Plan**" refers to the Mission Rock Transportation Plan attached as **TP Sched 1** to the Transportation Exhibit, which contains strategies that Developer is required to implement to address movement in and around the Project Site.

"**Transportation-Related Mitigation Measure**" means any Mitigation Measure that SFMTA is responsible for implementing or monitoring.

"**Treasurer-Tax Collector**" means the Treasurer and Tax Collector of the City and County of San Francisco.

"**Triggering Event**" means any Transfer that is not a Permitted Change or an Excluded Transfer.

"**unbundled**" when used in reference to a Garage Space in a Residential Project means that the space is available for rent separately from the applicable Residential Units.

"**Unrecovered Rent Credits**" means Alternative Return Rent Credits against Base Rent under the Master Lease that Tenant has not exhausted as of the effective date of the applicable Triggering Event, documented by Developer to the Port's reasonable satisfaction.

"**Unrelated Transferee**" means a Transferee that is not an Affiliate of Developer, a Giants Affiliate, an Initial Transferee Affiliate, or any of their respective Affiliates.

"**Utility Infrastructure**" means Horizontal Improvements for utilities serving the Project Site, such as electricity, gas, water, sanitary sewer, and storm drainage.

"Utility Infrastructure" excludes *telecommunications infrastructure.*

"**Utility-Related Mitigation Measure**" means any Mitigation Measure that SFPUC is responsible for implementing or monitoring.

"**Value Reduction**" means a reduction in ad valorem taxes assessed against a Taxable Parcel through a proceeding under the California Revenue & Taxation Code.

"**VDDA Notice**" means the Port's notice to Planning that the Port is prepared to enter into a Vertical DDA with a Vertical Developer that will have the right to build an office development project on an Option Parcel in the Project Site.

"**vending machine**" is defined in Administrative Code section 4.2(a) and means an automated machine dispensing products or services, including food, beverages, tobacco products, newspapers, and periodicals.

"**Vertical Application**" means the design documents that are required to begin the entitlement process for vertical improvements under the SUD.

"**Vertical DDA**" means a disposition and development agreement that the Port will enter into with each Vertical Developer in accordance with the DDA.

"**Vertical Developer**" means a party to a Parcel Lease and a Vertical DDA providing for construction of Vertical Improvements on a Development Parcel.

"**Vertical Developer Affiliate**" means a Vertical Developer in which Developer, or any person with a direct or indirect ownership in Developer, directly or indirectly holds any ownership interests or rights to capital or profits.

"**Vertical Developer Party**" means any Vertical Developer, its Affiliates, their Agents, and Invitees to the Project Site, individually or collectively.

"**vertical development**" means planning, design, and construction or rehabilitation of buildings and other structures on legal parcels.

"**Vertical Improvement**" means a new building that is built at the Project Site.

"**Vested Element**" means a specific component of the land use entitlements granted to Developer by the Project Approvals, including the locations and numbers of buildings, permitted land uses, height and bulk limits, and parking, as described in **DA § 5.1(b)** (Vested Elements).

"**Water Board**" means the San Francisco Bay Regional Water Quality Control Board of the California Water Resources Control Board.

"**Waterfront Plan**" means the Port's Waterfront Land Use Plan, including the Waterfront Design and Access Element, as amended by Port Commission Resolution No. XXXX to incorporate the Design Controls, which is the basis for the Port's regulation of land uses on Port property.

"**Waterfront Set-Aside**" means a minimum of 20% of Annual Allocated Tax Increment from Project Area I, which the IFD must spend "solely on shoreline restoration, removal of bay fill, or waterfront public access to or environmental remediation of the San Francisco waterfront" to comply with IFD Law.

"**WDP**" is an acronym for the Workforce Development Plan.

"**Workforce Development Plan**" means **DDA Exh B6**.

"**Workforce Job Readiness and Training Funds**" means $1 million that Vertical Developers at the Project Site will contribute to OEWD to support workforce job readiness and training through OEWD's CityBuild and First Source Hiring programs and qualified local community-based organizations in accordance with the Workforce Development Plan.

"**Zone 1**" means the Taxable Parcels in the Phase 1 Area of the Project Site.

"**Zone 1 Shoreline Special Taxes**" means the Shoreline Special Taxes levied on and actually collected from Zone 1.

"**Zone 2**" means the Taxable Parcels in the Mission Rock CFD outside of the Phase 1 Area.

"**Zone 2 Shoreline Special Taxes**" means the Shoreline Special Taxes levied on and actually collected from Zone 2.

DDA EXHIBIT A1

"Legal Description"

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT A1

S-9229
9-11-17

LEGAL DESCRIPTION

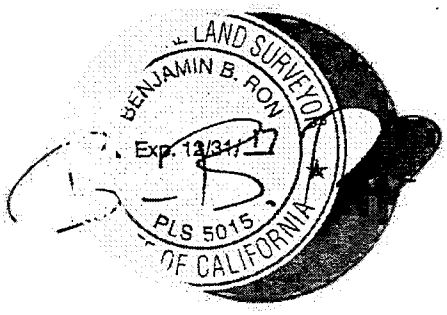
"MASTER LEASE PROPERTY"

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

COMMENCING AT THE POINT OF INTERSECTION OF THE FORMER WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE) WITH THE FORMER SOUTHWESTERLY LINE OF FOURTH STREET (102.50 FEET WIDE), AS SAID STREET LINES ARE SHOWN ON THAT CERTAIN MAP ENTITLED "AMENDED RECORD OF SURVEY MAP OF MISSION BAY" RECORDED JUNE 3, 1999, IN BOOK "Z" OF MAPS AT PAGES 74-94 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO; THENCE ALONG THE PROLONGATION OF SAID LINE OF THIRD STREET N03°10'56"W 88.38 FEET; THENCE N86°49'04"E 88.50 FEET TO AN ANGLE POINT IN THE CURRENT EASTERLY LINE OF THIRD STREET, SAID ANGLE POINT BEING THE TRUE POINT OF BEGINNING; THENCE ALONG SAID EASTERLY LINE OF THIRD STREET N03°10'56"W 1246.87 FEET; THENCE N60°29'05"E 30.88 FEET; THENCE N30°57'35"W 8.34 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST WHOSE RADIUS POINT BEARS S41°05'18"E 69.10 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43°44'43", AN ARC LENGTH OF 52.75 FEET; THENCE N86°53'23"E 559.17 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST WHOSE RADIUS POINT BEARS S18°03'44"E 94.45 FEET; THENCE EASTERLY AND SOUTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 70°31'42", AN ARC LENGTH OF 116.26 FEET; THENCE S08°44'08"E 121.53 FEET; THENCE N88°56'13"E 46.81 FEET; THENCE S02°57'20"E 79.53 FEET; THENCE S82°56'35"W 88.72 FEET; THENCE S03°10'56"E 605.78 FEET; THENCE S86°49'04"W 3.00 FEET; THENCE S03°10'56"E 452.85 FEET TO THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF FUTURE MISSION ROCK STREET (65.25 FEET WIDE); THENCE ALONG SAID EASTERLY PROLONGATION AND ALONG SAID NORTHERLY LINE OF FUTURE MISSION ROCK STREET S86°49'04"W 688.87 FEET TO THE EASTERLY LINE OF THIRD STREET; THENCE ALONG SAID EASTERLY LINE OF THIRD STREET N03°10'56"W 23.36 FEET TO AN ANGLE POINT THEREIN; THENCE ALONG SAID EASTERLY LINE OF THIRD STREET S86°49'04"W 12.50 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 929,084 SQ. FT. OR 21.33 ACRES, MORE OR LESS.

THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS THE THIRD STREET MONUMENT LINE TAKEN TO BE N03°10'56"W AS SHOWN ON THAT CERTAIN "FINAL MAP" FILED FOR RECORD ON MAY 31, 2005, IN BOOK BB OF MAPS, AT PAGES 6-10 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO.



DDA EXHIBIT A1

S-9229
9-11-17

LEGAL DESCRIPTION

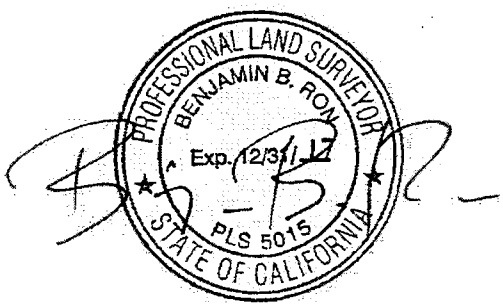
"PIER 48 LEASE PROPERTY"

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

COMMENCING AT THE POINT OF INTERSECTION OF THE FORMER WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE) WITH THE FORMER SOUTHWESTERLY LINE OF FOURTH STREET (102.50 FEET WIDE), AS SAID STREET LINES ARE SHOWN ON THAT CERTAIN MAP ENTITLED "AMENDED RECORD OF SURVEY MAP OF MISSION BAY" RECORDED JUNE 3, 1999, IN BOOK "Z" OF MAPS AT PAGES 74-94 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO; THENCE ALONG THE PROLONGATION OF SAID LINE OF THIRD STREET N03°10'56"W 88.38 FEET; THENCE N86°49'04"E 88.50 FEET TO AN ANGLE POINT IN THE CURRENT EASTERLY LINE OF THIRD STREET; THENCE ALONG SAID EASTERLY LINE OF THIRD STREET N03°10'56"W 1246.87 FEET; THENCE N60°29'05"E 30.88 FEET; THENCE N30°57'35"W 8.34 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST WHOSE RADIUS POINT BEARS S41°05'18"E 69.10 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43°44'43", AN ARC LENGTH OF 52.75 FEET; THENCE N86°53'23"E 559.17 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST WHOSE RADIUS POINT BEARS S18°03'44"E 94.45 FEET; THENCE EASTERLY AND SOUTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 70°31'42", AN ARC LENGTH OF 116.26 FEET; THENCE S08°44'08"E 121.53 FEET; THENCE N88°56'13"E 46.81 FEET; THENCE S02°57'20"E 79.53 FEET TO THE TRUE POINT OF BEGINNING; THENCE S82°56'35"W 88.72 FEET; THENCE S03°10'56"E 370.56 FEET; THENCE N82°56'35"E 723.87 FEET; THENCE N07°00'11"W 351.44 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST WHOSE RADIUS POINT BEARS N88°40'56"W 18.66 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 64°51'25", AN ARC LENGTH OF 21.12 FEET; THENCE S82°56'35"W 602.28 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 263,023 SQ. FT. OR 6.04 ACRES, MORE OR LESS.

THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS THE THIRD STREET MONUMENT LINE TAKEN TO BE N03°10'56"W AS SHOWN ON THAT CERTAIN "FINAL MAP" FILED FOR RECORD ON MAY 31, 2005, IN BOOK BB OF MAPS, AT PAGES 6-10 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO.



DDA EXHIBIT A1

S-9229
9-11-17

LEGAL DESCRIPTION

"CHANNEL WHARF PROPERTY"

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

COMMENCING AT THE POINT OF INTERSECTION OF THE FORMER WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE) WITH THE FORMER SOUTHWESTERLY LINE OF FOURTH STREET (102.50 FEET WIDE), AS SAID STREET LINES ARE SHOWN ON THAT CERTAIN MAP ENTITLED "AMENDED RECORD OF SURVEY MAP OF MISSION BAY" RECORDED JUNE 3, 1999, IN BOOK "Z" OF MAPS AT PAGES 74-94 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO; THENCE ALONG THE PROLONGATION OF SAID LINE OF THIRD STREET N03°10'56"W 88.38 FEET; THENCE N86°49'04"E 88.50 FEET TO AN ANGLE POINT IN THE CURRENT EASTERLY LINE OF THIRD STREET; THENCE ALONG SAID EASTERLY LINE OF THIRD STREET N03°10'56"W 1246.87 FEET; THENCE N60°29'05"E 30.88 FEET; THENCE N30°57'35"W 8.34 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST WHOSE RADIUS POINT BEARS S41°05'18"E 69.10 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43°44'43", AN ARC LENGTH OF 52.75 FEET; THENCE N86°53'23"E 559.17 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST WHOSE RADIUS POINT BEARS S18°03'44"E 94.45 FEET; THENCE EASTERLY AND SOUTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 70°31'42", AN ARC LENGTH OF 116.26 FEET; THENCE S08°44'08"E 121.53 FEET; THENCE N88°56'13"E 46.81 FEET; THENCE S02°57'20"E 79.53 FEET; THENCE S82°56'35"W 88.72 FEET; THENCE S03°10'56"E 370.56 FEET TO THE TRUE POINT OF BEGINNING; THENCE S03°10'56"E 235.22 FEET; THENCE N86°49'04"E 89.91 FEET; THENCE N03°05'29"W 241.14 FEET; THENCE S82°56'35"W 87.50 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 20,746 SQ. FT. OR 0.48 ACRES, MORE OR LESS.

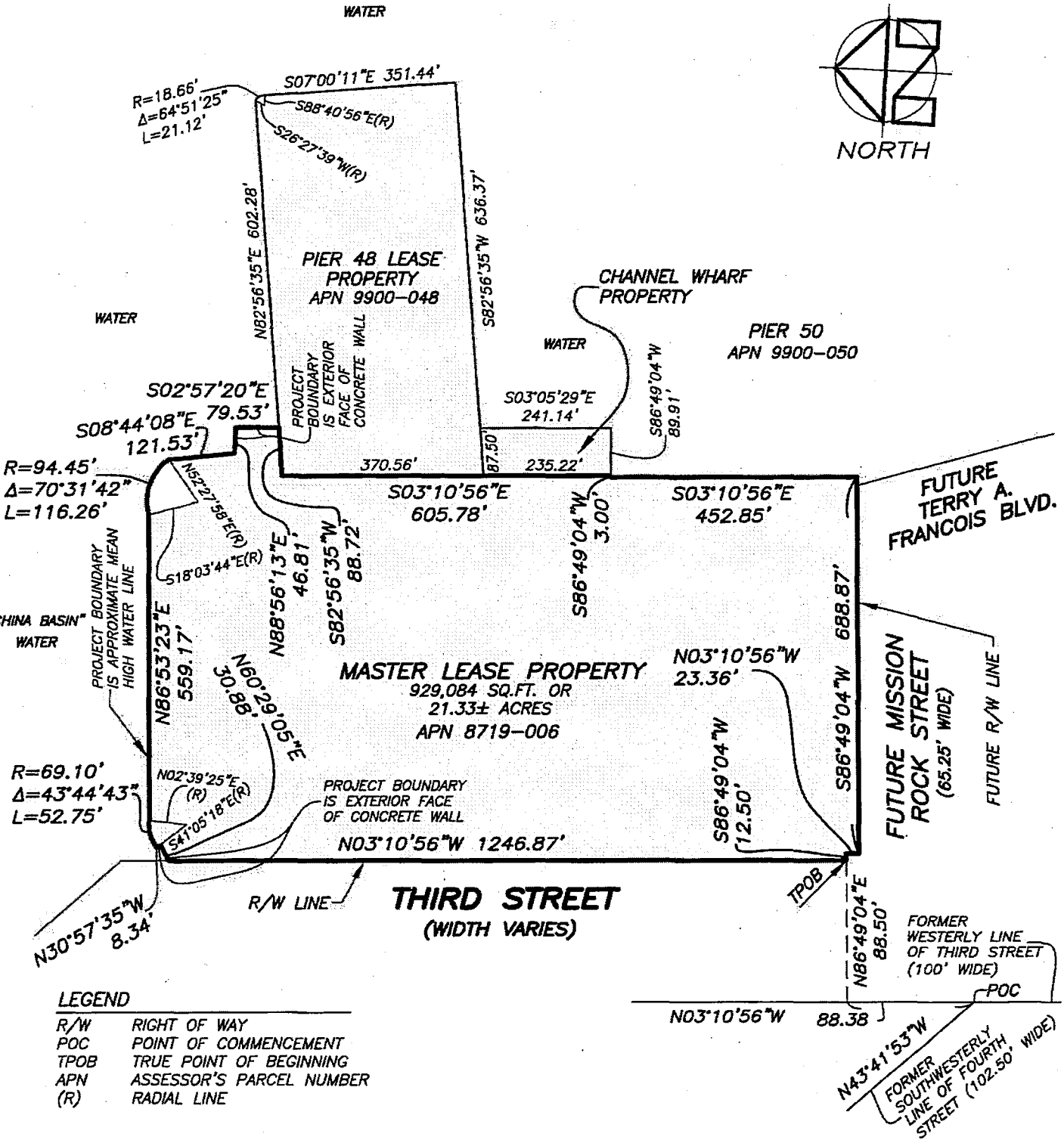
THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS THE THIRD STREET MONUMENT LINE TAKEN TO BE N03°10'56"W AS SHOWN ON THAT CERTAIN "FINAL MAP" FILED FOR RECORD ON MAY 31, 2005, IN BOOK BB OF MAPS, AT PAGES 6-10 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO.

DDA EXHIBIT A2

"SITE PLAN"

PLAT TO ACCOMPANY LEGAL DESCRIPTION

DDA EXHIBIT A2



LEGEND

R/W	RIGHT OF WAY
POC	POINT OF COMMENCEMENT
TPOB	TRUE POINT OF BEGINNING
APN	ASSESSOR'S PARCEL NUMBER
(R)	RADIAL LINE

SUBJECT: **MASTER LEASE PROPERTY**

BY JP	CHKD. BR	DATE 9/11/17	SCALE 1"=250'	SHEET 1 OF 1	JOB NO. S-9229

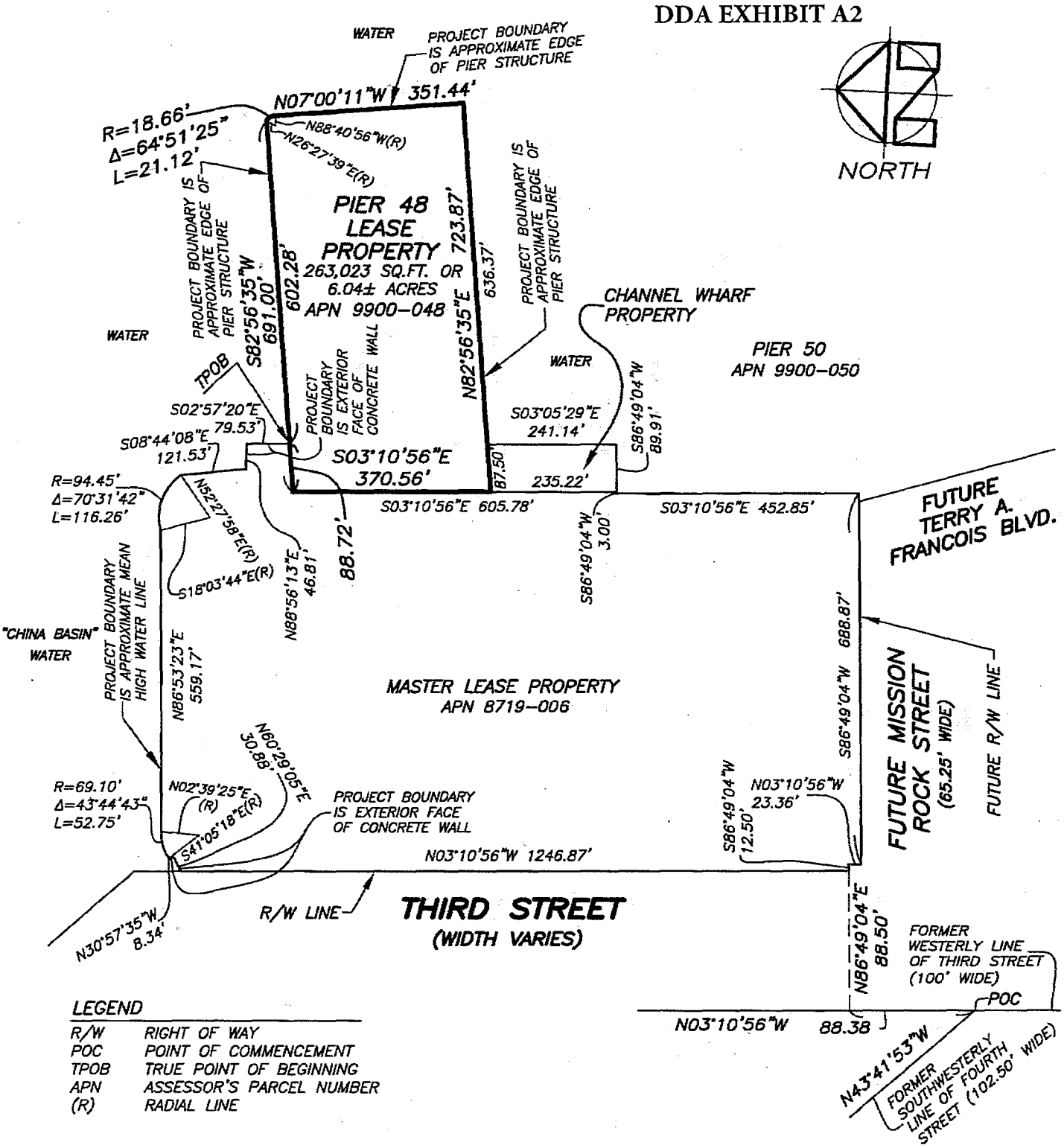
MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

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

S-9229-MASTER LEASE PROPERTY PLATS.dwg

PLAT TO ACCOMPANY LEGAL DESCRIPTION

DDA EXHIBIT A2



LEGEND

R/W	RIGHT OF WAY
POC	POINT OF COMMENCEMENT
TPOB	TRUE POINT OF BEGINNING
APN	ASSESSOR'S PARCEL NUMBER
(R)	RADIAL LINE

SUBJECT: **PIER 48 LEASE PROPERTY**

BY JP	CHKD. BR	DATE 9/11/17	SCALE 1"=250'	SHEET 1 OF 1	JOB NO. S-9229

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

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

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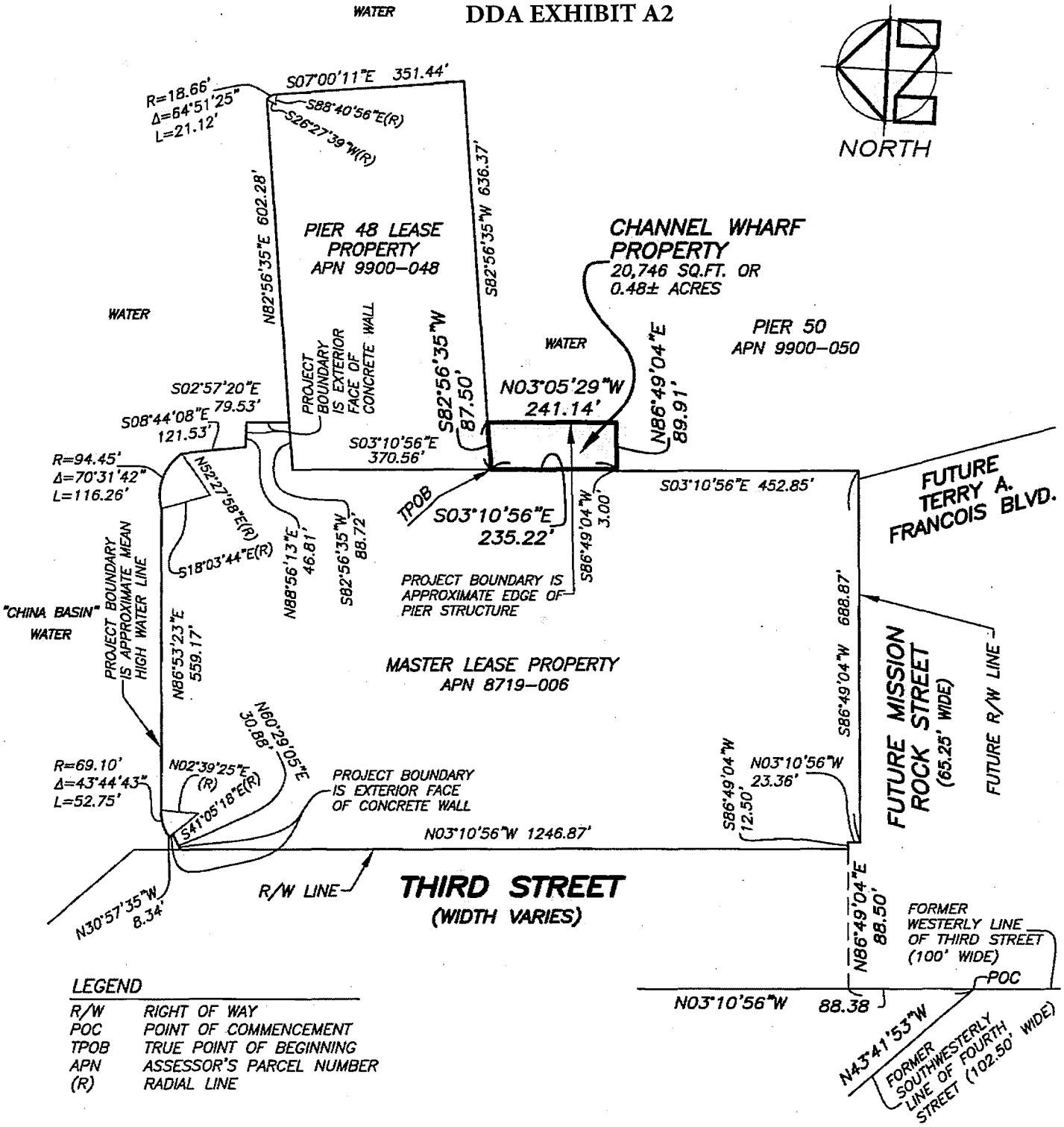
PLAT TO ACCOMPANY LEGAL DESCRIPTION

DDA EXHIBIT A2



LEGEND

R/W	RIGHT OF WAY
POC	POINT OF COMMENCEMENT
TPOB	TRUE POINT OF BEGINNING
APN	ASSESSOR'S PARCEL NUMBER
(R)	RADIAL LINE

SUBJECT: **CHANNEL WHARF PROPERTY**

BY JP	CHKD. BR	DATE 9/11/17	SCALE 1"=250'	SHEET 1 OF 1	JOB NO. S-9229

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

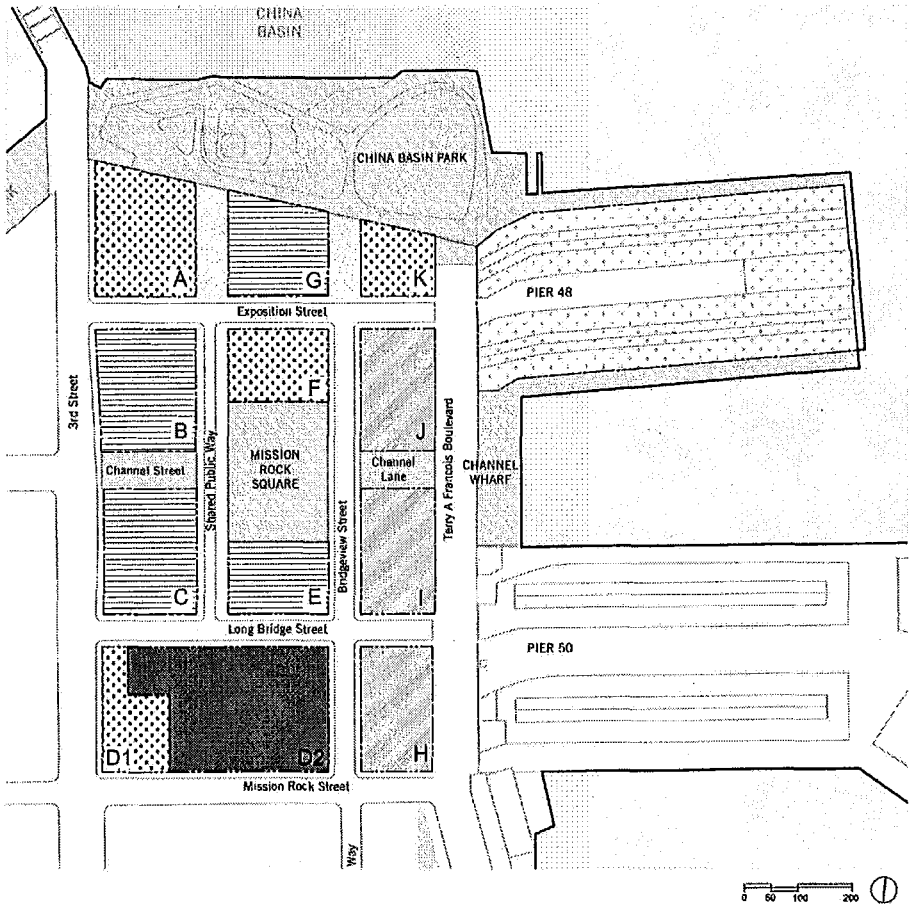
859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500

S-9229-MASTER LEASE PROPERTY PLATS.dwg

DDA EXHIBIT A3

"Land Use Plan"

DDA EXHIBIT A3
Land Use Site Plan



LEGEND

- Residential Mixed Use
- Commercial Mixed Use
- Flex (Residential MU or Commercial MU)
- Structured Parking
- Active, Production and District-Serving Utility
- Open Space

Figure 249.XX-MR1 Land Use

DDA EXHIBIT A4

"Provisions for Office Development"

DDA EXHIBIT A4

Provisions for Office Development

I. Legal Framework. Under Planning Code section 321(a)(2)(A), office space under the jurisdiction of the San Francisco Port Commission shall count against the annual maximum limit. Per Planning Code section 324, the City of San Francisco has "limited legal authority to direct or control physical development, whether for office use or not, on land covered by approved redevelopment plans or under the jurisdiction of the Port Commission." Therefore, [restoring language drafted by Land Use, which is referring to the ZA letter] Planning approval under Planning Code Sections 321 and 322 is not required for new office development under the jurisdiction of the San Francisco Port Commission. The Port will notify the Planning Department promptly after issuing any building permit for office development in the Project Site, and new office development will count against the annual maximum limit. (Zoning Administrator's Letter of Determination, dated June 13, 2017, to Charles Olson, Re: Pier 70 Historic Buildings.)

The Development Agreement for the Project provides that office development located in the Project Site will be counted against the annual maximum in Planning Code section 321(a)(1) on the issuance of the building permit for the office development (in each case, a "**Prop M Draw Down**"), based on the approved building drawings for the described project.

The City, the Port, and Developer have agreed to implement the process in this exhibit to meet Developer's reasonably anticipated schedule for office development in the Project while allowing the City to balance its planning objectives for large office projects elsewhere in the City during the early years of the Project. Developer and Port will proceed in accordance with the requirements of **Section II** (Process for Office Development).

II. Process for Office Development.

A. Definitions. The following definitions are inserted for ease of reference, but are included in the Appendix along with other terms used but not defined in this Exhibit.

"**Allocation Period**" means the period ending on October 17 each year.

"**City Delay Notice**" means a notice from Planning to the Port that the City has reasonably determined that delaying office development in the Project Site is necessary

to allow the City to balance its planning objectives for Pending Projects elsewhere in the City under **Section II.D.2** (City-Initiated Delay).

"**Office Development Authorization**" means a Planning Commission approval of an application for a large office application.

"**Pending Projects**" means: (i) office development projects for which large office allocation applications (50,000 gsf or more) have been submitted to the Planning Department that have not received Planning Commission approval by the end of the Allocation Period; plus (ii) additional office space located in structures owned or otherwise under the jurisdiction of the State of California, the federal government or any state, federal, or regional government agency, that is exempt from Planning Code Sections 321 or 322; plus (iii) any new office development project on Port land outside of the Project Site for 50,000 gsf or more for which the Port has entered into a vertical disposition and development agreement, ground lease, or purchase and sale agreement, but has not issued building permits by the end of the Allocation Period.

"**Prop M**" means Planning Code sections 320-325, approved by voters as the *Planning Initiative* in November 1986.

"**Prop M Constraint**" means that the total square footage available for Pending Projects exceeds the then-current total square footage available for large allocation projects at the end of an Allocation Period. The examples below are for illustrative purposes only.

Example #1

- On November 1, 2018, there were 1,400,000 gsf of current availability of large office allocation and Pending Projects of 750,000 gsf.
- Availability = 650,000 gsf; therefore, no Prop M Constraint exists.

Example #2

- On November 1, 2019, there was 1,300,000 gsf of current availability of large office allocation and Pending Projects of 3,800,000 gsf.
- Availability = (2,500,000), so a Prop M Constraint exists.[1]

"**Prop M Draw Down**" means the amount of office space to be applied against the City's annual maximum limit under Planning Code section 321(a)(1), based on the approved building drawings, which the Port will report to Planning when the Port issues a site or building permit for an office development in the Project Site.

[1] Parentheses denote negative numbers.

"**VDDA Notice**" means the Port's notice to Planning that the Port is prepared to enter into a Vertical DDA with a Vertical Developer that will have the right to develop an office project on its Option Parcel.

B. Notices. Developer and the Port will provide the Planning with notices at certain points during the development process that will allow Planning to assess anticipated large office allocation for the Project, as follows:

1. At Phase Submittal. In each Phase Submittal application, Developer will notify the Port if Developer intends to construct commercial office space that would result in a Prop M Draw Down and the anticipated total gsf of office development anticipated for each Option Parcel. The Port will communicate this information to Planning.

2. At Appraisal. When Developer triggers the appraisal process for an Option Parcel, it must provide the Port with a notice of the location and amount of any office development that would be developed on the parcel that would result in a Prop M Draw Down. The Port will communicate this information to Planning.

3. At Selection of Vertical Developer. The Port will deliver a VDDA Notice to Planning promptly after all Port conditions to entering into a Vertical DDA with the Vertical Developer for each Option Parcel on which large allocation office development is approved have been satisfied. If the City determines that a Prop M Constraint exists, then the City may exercise a City-initiated delay in accordance with **Section II.D.2** (City-Initiated Delay).

C. If No Constraint Exists. If no Prop M Constraint exists when Planning receives the VDDA Notice, then the **Prop M Schedule** will not apply.

D. If a Prop M Constraint Exists. If a Prop M Constraint exists when Planning receives the VDDA Notice, then the **Prop M Schedule** will apply.

1. Prop M Schedule. At any time that a Prop M Constraint exists, the Port and Developer must comply with the following schedule:

Phase	**Max Office GSF Allowed in Phase**	**Earliest Date for Prop M Draw Down**
Phase 1	550,000	December 21, 2018
Phase 2	330,000	December 21, 2021
Phase 3	130,000	December 21, 2021
Phase 4	390,000	December 21, 2023
Total GSF	**1,400,000**	

*applicable only in years when there is a Prop M Constraint

2. City-Initiated Delay. As soon as reasonably practicable, but no later than the 45 days after receiving the VDDA Notice, Planning may provide a City Delay Notice advising the Port that a Prop M Constraint exists and specifying the amount of delay requested, not to exceed 90 days. Promptly after receiving the notice, the Port will incorporate into the applicable Vertical DDA the form provision requiring the Vertical Developer to delay the Prop M Draw Down date in accordance with the Prop M Schedule and the City Delay Notice, which will cause all deadlines in the Vertical Schedule of Performance and the Outside Closing Date for Close of Escrow to be extended automatically by the amount of time specified in the City Delay Notice. If Planning fails to provide the City Delay Notice within the 45-day period under this Subsection, the Vertical Developer and the Port may execute the Vertical DDA without the delay provision. [This entire ¶ exists subject to Prop M constraint]

3. Prop M Advance. Planning may advise the Port to proceed under **Section II.C** (If No Constraint Exists) even if a Prop M Constraint exists, under either of the following circumstances.

(a) If Planning determines in its sole discretion that the office development referenced in the VDDA Notice would not be likely to conflict with other office developments on a similar development schedule.

(b) If both: (i) Developer provides documentation satisfactory to the Port in its reasonable discretion that Developer has identified a commercial office tenant interested in leasing more than 250,000 gsf in the proposed office development; and (ii) Planning, in consultation with OEWD, determines that the identified tenant would be beneficial to the City's then-current economic goals.

4. Effect of Unused Allocation. After the dates in the **Prop M Schedule** applicable to a particular Phase, any unused office allocation for the Phase will be available for future office development in the Project. For example, if the Port has not entered into a Vertical DDA for any office development in Phase 1 by July 31,2019, 550,000 gsf of office allocated to Phase 1 would be available in addition to the 330,000 gsf allocated to Phase 2.

E. Miscellaneous.

1. Changes. Changes to which the Parties agree under **DDA § 3.9** (Changes to Phases) or **DDA § 3.10** (Changes to Project) will not affect the procedures in this Exhibit or the office allocations and dates in **Prop M Schedule** unless the City agrees in its sole discretion.

DDA EXHIBIT A5

"Mitigation Monitoring and Reporting Program"

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
MITIGATION MEASURES FOR THE SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT				
Cultural Resources (Archaeological Resources) Mitigation Measures				
M-CP-2: Archeological Testing. Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of an archeological consultant from the rotational Qualified Archeological Consultants List (QACL) maintained by the Planning Department archeologist. The project sponsor shall contact the Planning Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). All plans and reports prepared by the consultant, as specified herein, shall be submitted first and directly to the ERO for review and comment and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of 4 weeks. At the direction of the ERO, the suspension of construction can be extended beyond 4 weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level of potential effects on a significant archeological resource, as defined in CEQA Guidelines, Sections 15064.5 (a) and (c).	Permittee for horizontal improvements, such as infrastructure, in public right-of-ways, and public spaces (hereinafter "infrastructure developer") or vertical developer(s) for work on vertical development parcels and related improvements (hereinafter "vertical developer(s)"),[1] as applicable, to retain qualified professional archaeologist from the rotational pool of archaeological consultants maintained by the Planning	Prior to issuance of site permits.	Infrastructure developer or vertical developer, as applicable, to retain the qualified archeological consultant for the project who shall report to the ERO. Qualified archeological consultant will scope archeological testing program with ERO.	Considered complete when infrastructure developer or vertical developer(s), as applicable, retains a qualified professional archaeological consultant and archeological consultant has approved scope by the ERO and submits any required reports to ERO for the archeological testing program.

[1] Where applicable, "vertical developer" includes the Pier 48 developer.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
	Department.			
Consultation with Descendant Communities: On discovery of an archeological site[2] associated with descendant Native Americans, the overseas Chinese, or other potentially interested descendant group, an appropriate representative[3] of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and offer recommendations to the ERO regarding appropriate archeological treatment of the site, recovered data from the site, and, if applicable, interpretative treatment of the associated archeological site. A copy of the final archeological resources report shall be provided to the representative of the descendant group.	Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant.	For the duration of soil-disturbing activities and data recovery of potentially significant archeological sites.	Infrastructure developer or vertical developer(s) (as applicable) and/or archaeological consultant shall contact the ERO and descendant group representative upon discovery of an archaeological site associated with descendant Native Americans, Overseas Chinese, or interested descendant group. The representative of the descendant group shall be given the opportunity to monitor archaeological field investigations on the site and consult with the ERO regarding appropriate archaeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archaeological site. Archaeological Consultant shall prepare a Final Archaeological Resources	Considered complete upon submittal of Final Archaeological Resources Report.

[2] The term "archeological site" is intended here to include any archeological deposit, feature, burial, or evidence of burial.

[3] An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American contact list for the City and County of San Francisco maintained by the NAHC or, in the case of overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the department archeologist.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
			Report in consultation with the ERO (per below). A copy of this report shall be provided to the ERO and the representative of the descendant group.	
Archeological Testing Program. The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine, to the extent possible, the presence or absence of archeological resources and identify and evaluate whether any archeological resource encountered on the site constitutes a historical resource under CEQA.	Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant in consultation with the ERO. Development of ATP for a defined geographic area and/or specified construction activities.	Prior to any excavation, site preparation or construction, and prior to testing, submit an ATP for a defined geographic area and/or specified construction activities to and obtain approval by the ERO. A single ATP or multiple ATPs may be produced to address project phasing.	Archaeological consultant to undertake ATP in consultation with ERO.	Prior to any soil disturbing activities. Considered complete upon approval of the ATP by the ERO and finding by the ERO that the ATP is implemented.
At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If, based on the archeological testing program, the archeological consultant finds that significant archeological resources may be present, the ERO, in consultation with the archeological consultant, shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist. If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor:	Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant in consultation with the ERO.	Upon completion of the archeological testing program.	Archaeological consultant to submit results of testing, and, in consultation with ERO, determine whether additional measures are warranted. If significant archaeological resources are present and may be adversely affected., the infrastructure developer or vertical developer(s) (as applicable), at its discretion, may elect to redesign a project, or implement data	Considered complete after ERO review and approval of report(s) on ATP findings.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
			recovery program, unless ERO determines the archaeological resource is of greater interpretive than research significance and that interpretive use is feasible.	
A. The proposed project shall be redesigned so as to avoid any adverse effect on the significant archeological resource, or B. A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.	Written report on ATP findings: Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant in consultation with the ERO.	At the completion of each archaeological testing program.	Archeological consultant shall submit report of the findings of the ATP to the ERO.	After completion of archeological testing program.
Archeological Monitoring Program. If the ERO, in consultation with the archeological consultant, determines that an archeological monitoring program shall be implemented, the archeological monitoring program shall include the following provisions: • The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the archeological monitoring program reasonably prior to any project-related soil-disturbing activities commencing. The ERO, in consultation with the archeological consultant, shall determine what project activities shall be archeologically monitored. In most cases, any soil-disturbing activities, such as demolition, foundation removal, excavation, grading, utility installation, foundation work, pile driving (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archeological resources and their depositional context; • The archeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), know how to identify evidence of the expected resource(s), and know the appropriate protocol in the event of apparent discovery of an archeological	Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant in consultation with the ERO.	The archaeological consultant, infrastructure developer or vertical developer(s) (as applicable), and ERO shall meet prior to the commencement of soil-disturbing activities for a defined geographic area and/or specified construction activities. The ERO in consultation with the archaeological	If required, archaeological consultant to prepare the AMP in consultation with the ERO. Infrastructure developer or vertical developer(s) (as applicable), project archaeological consultant, and infrastructure developer's or vertical developer(s) contractors shall implement the AMP, if required by the ERO.	Considered complete on approval of AMP(s) by ERO; submittal of report regarding findings of AMP(s); and finding by ERO that AMP(s) is implemented.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
resource; • The archeological monitor(s) shall be present on the project site according to the schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits; • The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis; • If an intact archeological deposit is encountered, all soil-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile-driving/construction activities and equipment until the deposit is evaluated. If, in the case of pile-driving activity (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile-driving activity may affect an archeological resource, the pile-driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit and present the findings of this assessment to the ERO. • Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.		consultant shall determine what archaeological monitoring is necessary. A single AMP or multiple AMPs may be produced to address project phasing.		
Archeological Data Recovery Program. The archeological data recovery program shall be conducted in accordance with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would	Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant in consultation with the ERO.	Upon determination by the ERO that an ADRP is required. A single ADRP or multiple ADRPs may be produced to address project phasing.	If required, archaeological consultant to prepare an ADRP(s) in consultation with the ERO.	Considered complete upon review and approval of the ADRP(s) by the ERO.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to any portions of the archeological resources if nondestructive methods are practical. The scope of the ADRP shall include the following elements: • Field Methods and Procedures. Descriptions of proposed field strategies, procedures, and operations. • Cataloging and Laboratory Analysis. Description of selected cataloging system and artifact analysis procedures. • Discard and Deaccession Policy. Description of and rationale for field and post-field discard and deaccession policies. • Interpretive Program. Consideration of an onsite/offsite public interpretive program during the course of the archeological data recovery program. • Security Measures. Recommended security measures to protect the archeological resource from vandalism, looting, and nonintentionally damaging activities. Final Report. Description of proposed report format and distribution of results. • Curation. Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.				
Final Archeological Resources Report. The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. A separate, brief, non-confidential summary of findings that can be made available to the public shall be submitted with each FARR.	Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant in consultation with the ERO.	For infrastructure developer-prior to acceptance of work. Prior to issuance of Certificate of Temporary or Final Occupancy, whichever occurs first.	If applicable, archaeological consultant to submit a Draft FARR to ERO.	Considered complete on submittal of FARR and approval by ERO.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archeological Site Survey Northwest Information Center (NWIC) shall receive one copy, the ERO shall receive a copy of the transmittal of the FARR to the NWIC, and the Environmental Planning division of the Planning Department shall receive one bound, one unbound, and one unlocked, searchable PDF copy on CD of the FARR, along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest in or high interpretive value of the resource, the ERO may require a final report content, format, and distribution different from that presented above.	Archaeological consultant at the direction of the ERO.	Upon approval of the FARR by the ERO.	Archaeological consultant to distribute FARR.	Considered complete when archaeological consultant provides written certification to the ERO that the required FARR distribution has been completed.
M-CP-3: Treatment of Human Remains, Associated or Unassociated Funerary Objects. The treatment of human remains and associated or unassociated funerary objects discovered during any soil-disturbing activity shall comply with applicable state and federal laws. This shall include immediate notification of the coroner of the City and County of San Francisco and, in the event of the coroner's determination that the human remains are Native American remains, notification of the Native American Heritage Commission (NAHC), which shall appoint a Most Likely Descendant (MLD) (PRC Section 5097.98). The ERO will also be immediately notified. The archeological consultant, project sponsor, ERO, and MLD shall have up to but not beyond 6 days after the discovery to make all reasonable efforts to develop an agreement for the treatment of human remains and associated or unassociated funerary objects with appropriate dignity (CEQA Guidelines. Section 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. Nothing in existing state regulations or in this mitigation measure compels the project sponsor and the ERO to accept recommendations of an MLD. The archeological consultant shall retain possession of any Native American human remains and associated or unassociated burial objects until completion of any scientific analyses of the human remains or objects, as specified in the treatment agreement, if such an agreement has been made or, otherwise, as determined by the archeological consultant and the ERO.	Infrastructure developer or vertical developer(s) (as applicable) and archaeological consultant, in consultation with the San Francisco Coroner, NAHC, ERO, and MLD.	In the event human remains and/or funerary objects are encountered, during soils disturbing activity.	Archaeological consultant or archaeological monitor or infrastructure developer or vertical developer(s) or contractor to contact San Francisco County Coroner and ERO Implement regulatory requirements, if applicable, regarding discovery of Native American human remains and associated and/or unassociated funerary objects. Contact archaeological consultant and ERO.	Considered complete on notification of the San Francisco County Coroner, ERO, and NAHC, if necessary, and completion of treatment agreement and/or analysis.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
M-CP-4: Tribal Cultural Resources Interpretive Program. If the ERO determines that a significant archeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the ERO determines that the resource constitutes a tribal cultural resource (TCR) and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible. If the Environmental Review Officer (ERO) determines that preservation-in-place of the tribal cultural resource (TCR) pursuant to Mitigation Measure M-CP-2, Archeological Testing, is both feasible and effective, then the archeological consultant shall prepare an archeological resource preservation plan (ARPP). Implementation of the approved ARPP by the archeological consultant shall be required when feasible. If the Environmental Review Officer (ERO), if in consultation with the affiliated Native American tribal representatives and the Project Sponsor, determines that preservation□in□place of the tribal cultural resources is not a sufficient or feasible option, the project sponsor shall implement an interpretive program of the TCR in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the ERO and affiliated tribal representatives, at a minimum, and approved by the ERO would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long□term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and interpretation, and educational panels or other informational displays.	Infrastructure developer or vertical developer(s) (as applicable), archaeological consultant, and ERO, in consultation with the affiliated Native American tribal representatives.	If significant archeological resources are present, during implementation of the project.	Infrastructure developer, vertical developer(s), or archaeological consultant shall implement the project redesign, completion of archeological resource preservation plan, or interpretive program of the TCR, if required.	Considered complete upon project redesign, completion of ARPP, or interpretive program of the TCR, if required.
Transportation and Circulation Mitigation Measures				
M-TR-3: Parking Garage and Intersection Queue Impacts. The easternmost driveway on Long Bridge Street (i.e., closest to Bridgeview Street) shall be restricted to right-in, right-out access during all times. Restricted access could be accomplished by placing signage (i.e., on Long Bridge Street to direct westbound traffic to the westernmost garage driveway, and within the parking garage for exiting traffic to indicate outbound right	Infrastructure developer, garage operator, or vertical developer(s) of garage.	Prior to issuance of certificate of occupancy of Block D2 parking garage. Note: Mitigation	SFMTA, in consultation with the Planning Department and the Port, to review and sign off on detailed plans regarding driveways to ensure design will	Considered complete upon approval of the final driveway plans by SFMTA,

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
turn movement only allowed) as well as delineators of a sufficient length in the middle of Long Bridge Street to block left-turn access to the driveway.		Measure M-TR-3 is not applicable to Variant 3 (Reconfigured Parking).	sufficiently restrict movements at driveway to right-in, right-out.	Planning Department, and the Port.
M-TR-4.1: Provide Fair-Share Contribution to Improve 10 Townsend Line Capacity. Upon completion and occupancy of Phase 1 of the proposed project and upon completion and occupancy of each subsequent phase as defined in the Development Agreement the project sponsor shall obtain from SFMTA the current ridership on the 10 Townsend and conduct an assessment of the capacity utilization at the screenline's Maximum Load Point (MLP) for weekday AM and PM peak hour conditions. If the capacity utilization exceeds 85 percent, a fair share contribution payment shall be made to SFMTA by the project sponsor, calculated as further provided in a Transit Mitigation Agreement described below, and attached to or incorporated into the Development Agreement. Such payment shall be adjusted, as appropriate, to the extent, if any, that the proposed project reflects either the High Residential Assumption or High Commercial Assumption based upon all phases of the proposed project that have been completed up to such date. Accordingly, the fair share contributions by phase may differ by scenario because the number of transit riders varies due to different mixes of land use. If the capacity utilization based on SFMTA's ridership data is less than 85 percent, then the project sponsor's fair share payment for that phase shall be $0 and the process will repeat at the next subsequent phase. Each subsequent fair share calculation shall take account of amounts paid for prior phases, to ensure that payments are not duplicative for the same transit rider impacts. The project sponsor shall enter into a Transit Mitigation Agreement with the SFMTA pursuant to which the project sponsor will make a fair share contribution to the cost of providing additional bus service or otherwise improving service on the 10 Townsend. The fair share contribution as documented in the Transportation Impact Study for the proposed project shall not exceed the following amounts, in total across all phases: a. $991,230 for High Commercial Assumption	Infrastructure developer and/or vertical developer(s), Transportation Coordinator, and SFMTA.	Prior to issuance of certificate of occupancy of Phase 1 of the proposed project, enter into Transit Mitigation Agreement. Upon issuance of a certificate of occupancy for each phase of development as defined in the Development Agreement, SFMTA to provide ridership data and assess capacity utilization and, if capacity utilization exceeds 85 percent, the infrastructure developer/vertical developer(s) would pay fair share contribution fees as specified in this measure, which would be used by	Infrastructure developer and/or vertical developer(s) and Transportation Coordinator to obtain current ridership on the 10 Townsend from SFMTA and conduct an assessment of the capacity utilization associated with the project, as described in the measure. If the capacity utilization of the 10 Townsend line at its maximum load point exceeds 85 percent as measured at the completion of any individual project phase, and the SFMTA has committed to implement M-TR-4.1, the infrastructure developer shall provide a fair share contribution subject to the limits stated in M-TR-4.1 to capital costs for SFMTA to implement one of the designated capacity enhancement measures.	Considered complete upon execution of Transit Mitigation Agreement and payment of fair share contribution as described in this M-TR-4.1 for any phase of development for which such contribution is determined to be necessary.

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b. $782,706 for High Residential Assumption SFMTA will determine whether adding bus(es) or other measures are more desirable to increase capacity along the route and will use the funds provided by the project sponsor to implement the most desirable measure(s), which may include but is not limited to the following measures: 1. Convert to using higher-capacity vehicles on the 10 Townsend route. In this case, the project sponsors fair share contribution may be utilized to convert the route to articulated buses. Some bus stops along the route may not currently be configured to accommodate the longer articulated buses. Some bus zones could be extended by removing one or more parking spaces at locations where appropriate space is available. 2. Instead of adding more buses to a congested route, increase travel speeds along the route which would allow for buses to move faster thus increasing efficiency and reliability. In this case, the project sponsor's fair share contribution may be used to fund a study to identify appropriate and feasible improvements and/or implement a portion of the improvements that would increase travel speeds enough to increase capacity along the bus route. Such improvements could include transit only lanes, transit signal priority, and transit boarding improvements. 3. Increase capacity along the corridor by adding a new Muni service route in this area. If this option is selected, the project sponsor's fair share contribution may fund the purchase of the new vehicles.		SFMTA to increase capacity.		
M-TR-4.2: Provide Fair-Share Contribution to Improve 30 Stockton Line Capacity Proposed Project. Upon completion and occupancy of Phase 1 of the proposed project and upon completion and occupancy of each subsequent phase as defined in the Development Agreement, the project sponsor shall obtain from SFMTA the current ridership on the 30 Stockton and conduct an assessment of the capacity utilization at the Maximum Load Point (MLP) on the route between the proposed project and Market Street for weekday PM peak hour conditions. If the capacity utilization exceeds 85 percent, a fair share contribution payment shall be made by the project sponsor, calculated as further provided in Transit Mitigation Agreement described below, and attached to or incorporated into the Development Agreement. Such payment shall be	Infrastructure developer and/or vertical developer(s), or Transportation Coordinator, and SFMTA.	Prior to issuance of certificate of occupancy of Phase 1 of the proposed project, enter into Transit Mitigation Agreement. Upon issuance of a certificate of occupancy for each phase of development as	Infrastructure developer or Transportation Coordinator to obtain current ridership on the 30 Stockton from SFMTA and conduct an assessment of the capacity utilization associated with the project, as described in the measure. If the capacity utilization of the 30 Stockton line at its maximum load point exceeds 85 percent as measured at	Considered complete upon execution and implementation of Transit Mitigation Agreements and payment of fair share contribution as described in this M-TR-4.2 for any phase for which

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
adjusted, as appropriate, to the extent, if any, that the proposed project reflects either the High Commercial Assumption or the High Residential Assumption, the latter of which does not require any fair share contribution. The fair share contributions differ by scenario because the number of transit riders varies due to different mixes of land use. If the capacity utilization based on SFMTA's ridership data is less than 85 percent, then the project sponsor's fair share payment for that phase shall be $0 and the process will repeat at the next subsequent phase. Each subsequent fair share calculation shall take account of amounts paid for prior phases, to ensure that payments are not duplicative for the same transit rider impacts. The project applicant shall enter into a Transit Mitigation Agreement with the SFMTA pursuant to which the project applicant will make a fair share contribution to the cost of providing additional bus service or otherwise improving service on the 30 Stockton. The fair share contribution as documented in the Transportation Impact Study for the proposed project shall not exceed the following amounts, in total across all phases: a. $417,691 for High Commercial Assumption b. $0 for High Residential Assumption SFMTA will determine whether adding bus(es) or other measures are more desirable to increase capacity along the route and will use the funds provided by the project sponsor to implement the most desirable measure(s), which may include but is not limited to the following measures: 1. Convert to using higher-capacity vehicles on the 30 Stockton route. In this case, the project sponsors fair share contribution may be utilized to convert the route to articulated buses. Some bus stops along the route may not currently be configured to accommodate the longer articulated buses. Some bus zones could be extended by removing one or more parking spaces at locations where appropriate space is available. 2. Instead of adding more buses to a congested route, increase travel speeds along the route which would allow for buses to move faster thus increasing efficiency and reliability. In this case, the project sponsor's fair share contribution may be used to fund a study to identify appropriate and feasible improvements and/or implement a portion of the improvements that would increase travel speeds enough to increase capacity along the		defined in the Development Agreement, SFMTA to provide ridership data and assess capacity utilization and, if capacity utilization exceeds 85 percent, the infrastructure developer/vertical developer(s) would pay fair share contribution fees as specified in this measure, which would be used by SFMTA to increase capacity.	the completion of any individual project phase, and the SFMTA has committed to implement M-TR-4.2, the infrastructure developer shall provide the fair share contribution subject to the limits stated in M-TR-4.2 to capital costs for SFMTA to implement one of the designated capacity enhancement measures.	such contribution is determined to be necessary.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
bus route. Such improvements could include transit only lanes, transit signal priority, and transit boarding improvements. 3. Increase capacity along the corridor by adding a new Muni service route in this area. If this option is selected, the project sponsor's fair share contribution may fund the purchase of the new vehicles.				
M-TR-6: Parking Garage and Intersection Queue Impacts on Transit Delay A. The westernmost driveway on Mission Rock Street (i.e., closest to Third Street) shall be restricted to right-in, right-out access and closed during large AT&T Park events. Restricted access could be accomplished by placing signage as well as delineators of a sufficient length on the center line on Mission Rock Street t, east of Third Street o block left-turn access to the driveway.	Infrastructure developer and/or garage operator SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage management staff, event staff.	Prior to certificate of occupancy for Block D garage.	SFMTA, in consultation with the Planning Department and the Port, to review and sign off on detailed plans regarding driveways to ensure design will sufficiently restrict movements at driveway to right-in, right-out.	Infrastructure developer's/ garage operator's obligations deemed complete once construction of listed improvements are complete.
B. A "keep clear" zone shall be provided in front of the easternmost driveway on Mission Rock Street (i.e., closest to Bridgeview Street) to prevent westbound queues at the Third Street/Mission Rock traffic signal from blocking inbound access to the driveway. The Keep Clear pavement markings shall be placed in the westbound lane immediately in front of the easternmost driveway for the Block D2 parking garage.	Infrastructure developer and/or garage operator SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage management staff, event staff.	Prior to the opening of the Block D2 garage.	SFMTA, in consultation with the Planning Department and the Port, to review and sign off on detailed plan regarding the easternmost driveway keep clear zone.	Infrastructure developer's/ garage operator's obligations deemed complete once construction of listed improvements are complete.
C. The southbound left-turn lane at the Third Street/Mission Rock Street intersection shall be restriped to extend the length of the left-turn lane to 350 feet. Advance traffic signal detection equipment shall be installed at the end of the newly striped left-turn pocket to detect when queues fill up the left-turn pocket and extend north to the end of the pocket near the Third Street/Channel Street intersection, allowing additional green time to be allocated to the southbound left-turn movement at the Third Street/Mission Rock Street traffic signal.	Infrastructure developer and/or garage operator SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage	Prior to certificate of occupancy for Block D garage; sequencing and selection of interventions outlined within Item C shall be at the direction of the	SFMTA, in consultation with the Planning Department and the Port, to review and sign off on detailed plans regarding extension of the left-turn pocket on Third Street/Mission Rock Street.	Infrastructure developer's/garage operator's obligations deemed complete once construction of listed improvements are complete.

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	management staff, event staff.	SFMTA. In the case that the SFMTA identifies any of these intervention as technically challenging, infeasible, or undesirable because of resultant operational issues, other interventions must be selected.		
D. Wayfinding signs including Static and Variable Message Signs will be installed to provide directions to the parking garages and to provide traffic alerts, messages, and alternate driving routes for drivers traveling to the Block D2 aboveground garage, to destinations in the vicinity, or through the area. Four High Visibility Static Signs will be installed, three on the approaches to the Third Street/Mission Rock Street intersections (for southbound, eastbound and northbound directions) and one for northbound drivers on Terry A. Francois Boulevard, south of Mission Rock Street. One permanent Variable Message Sign shall be installed for southbound drivers on Third Street, between King Street and Berry Street.	Infrastructure developer and/or garage operator SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage management staff, event staff.	Prior to certificate of occupancy for Block D garage.	SFMTA, in consultation with the Planning Department and the Port, to review and sign off on detailed plans regarding wayfinding signs including Static and Variable Message Signs.	Infrastructure developer's/ garage operator's obligations deemed complete once construction of listed improvements is complete.
E. The project sponsor shall enter into an Event Mitigation Agreement with the SFMTA that provides for Parking Control Officers (PCOs) to manage traffic within the project site adjacent to the proposed project's parking garages and on Exposition Street (between Third Street and the Shared Public Way) during all AT&T Park events and on-site events with 15,000 or more attendees.	Infrastructure developer and/or garage operator, SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage management staff,	Enter into Event Mitigation Agreement prior opening of the Block D2 parking garage. Prior to commencement of construction on the site, and on-going	Infrastructure developer and/or garage operator to enter in Event Management Agreement with SFMTA, who should provide for implementation of all of these items, as well as closure of the westernmost driveway during AT&T events per Item A.	Considered complete upon Infrastructure developer and SFMTA entering into Event Mitigation Agreement.

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	event staff.	through the life of project.		
F. The site's transportation coordinator shall be a member of the Mission Bay Ballpark Transportation Coordination Committee and provide notification prior to the start of any on-site event that would overlap with an event at AT&T Park or the Warriors arena.	Infrastructure developer and/or garage operator SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage management staff, event staff.	Enter into Event Mitigation Agreement prior opening of the Block D2 parking garage. With commencement of construction, and on-going through life of the project.	Infrastructure developer and/or garage operator to enter into Event Management Agreement with SFMTA, who should provide for implementation of all of these items, as well as closure of the westernmost driveway during AT&T events per Item A.	Upon infrastructure developer and SFMTA entering into Event Mitigation Agreement and ongoing during project operations.
G. Traffic destined for the proposed project's parking garages will be monitored by the owner/operator during all AT&T Park events and on-site events with 15,000 or more attendees, and periodically during weekday a.m. and p.m. peak hours, to ensure that garage access queues do not affect operations of the T Third transit line. Action will be taken by the Mission Rock Transportation Coordinator, onsite transportation staff, parking garage management staff, event staff, and/or PCOs assigned to event traffic management to implement real-time traffic management strategies (i.e., alternative traffic routing, temporal parking pricing, enhanced garage driveway controls, etc.) to reduce vehicle garage access queues so they do not affect operations of the T Third line.	Infrastructure developer and/or garage operator SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage management staff, event staff.	Enter into Event Mitigation Agreement prior opening of the Block D2 parking garage. With commencement of construction, and on-going through life of the project; the weekday (non-event) AM and PM peak-hour monitoring shall be conducted quarterly on a Tuesday, Wednesday, or Thursday of a	Infrastructure developer and/or garage operator to enter into Event Management Agreement with SFMTA, who should provide for implementation of all of these items, as well as closure of the westernmost driveway during AT&T events per Item A.	Upon Infrastructure developer and SFMTA entering into Event Mitigation Agreement and ongoing during project operations.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
		non-holiday week.		
H. If the SFMTA Director, or his or her designee, receives information that a recurring queue that could affect the operation of the T Third line is imminent or present, SFMTA shall notify the property owner in writing. Upon request, the owner/operator shall hire a qualified transportation consultant to evaluate the conditions at the site for no less than 7 days. The consultant shall prepare a monitoring report to be submitted to SFMTA for review. If SFMTA determines that a recurring queue does exist, the facility owner/operator shall have 45 days from the date of the written determination to abate the excessive recurring queue. Approaches to queue abatement could include but are not limited to: changing parking access and revenue collection system (PARCS) technology to process vehicles more rapidly, adjusting the layout of the garage's ground floor to accommodate more queuing vehicles within the garage, implementing peak-period surge pricing to encourage garage access and egress outside of times with recurrent excessive queues; installing additional variable message signage further upstream from the site to direct drivers to garage access routes away from affected intersections; and/or closing, limiting or controlling Mission Rock Street access from Third Street during times with excessive recurrent queuing and redirecting garage-bound traffic to Terry A. Francois Boulevard.	Infrastructure developer and/or garage operator vertical, SFMTA, Planning Department, Transportation Coordinator, onsite transportation staff, parking garage management staff, event staff.	As may be requested during operations, per written notification by SFMTA With commencement of operation of the Block D2 garage and on-going through the life of the project. If analysis is requested, the analysis shall be conducted during a period that is representative of standard traffic patterns, e.g. on week that does not contain a holiday, is not during winter break, or off-season, etc. The analysis period chosen by the infrastructure developer/garage operator and consultants must be approved by the SFMTA.	SFMTA.	Ongoing during project operations after opening of Block D2 garage.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
M-TR-9: Install Traffic Signals and Related Intersection Improvements at Unsignalized Intersections on Fourth Street at Mission Rock Street and Long Bridge Street. Prior to issuance of approval of the third building site permit, but in no event later than the site permit for the Block D2 parking garage, the project sponsor shall provide funding to SFMTA, for a maximum amount of $1 million for SFMTA to design and construct (1) a traffic signal at the intersection of Fourth Street/Long Bridge Street and (2) a traffic signal at the intersection of Fourth Street/Mission Rock Street. These improvements should be constructed by SFMTA prior to opening of the Block D2 parking garage.	Infrastructure developer, SFMTA.	Payment to SFMTA: Prior to issuance of approval of the third building site permit, but in no event later than the site permit for the Block D2 parking garage. Installation of traffic signals: Prior to opening of the Block D2 parking garage.	SFMTA.	Infrastructure developer's obligations deemed complete once payment is made. SFMTA's obligations deemed complete once traffic signals are constructed.
M-TR-10: Bicycle-Truck Interface at Pier 48. The project shall construct a highly visible crossing treatment across the driveway as well as bollards and detectable warning pavers that satisfy ADA requirements at the Pier 48 driveway's beginning and end locations along the Blue Greenway path to warn cyclists and pedestrians of the upcoming driveway crossing.	Pier 48 developer.	Prior to occupancy of Pier 48.	Planning Department will monitor.	Considered complete when crossing treatment is constructed.
The project shall provide a traffic control staff at the junction of the Blue Greenway and the driveway to the Pier 48 valley during deliveries to manage bicycle and truck traffic. A flagger shall be provided to manage bicycle and pedestrian travel along the Blue Greenway at the Pier 48 valley driveway whenever trucks back into Pier 48.	Pier 48 developer.	During deliveries.	Pier 48 developer to document arrangement for traffic control staff to manage traffic during deliveries. Planning Department to review documentation.	Ongoing during deliveries.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
M-TR-11.1: Commercial Loading Supply – Monitor Loading Activity and Implement Additional Loading Management Strategies as Needed. After completion of the first phase of the proposed project and prior to approval of each subsequent phase, the project sponsor shall conduct a study of utilization of commercial loading spaces. The methodology for the study shall be reviewed and approved by the Planning Department prior to completion. If the result of the study indicates that fewer than 15 percent of the commercial loading spaces are available during the peak loading period, the project sponsor shall implement additional loading management strategies and/or provide additional or expanded off-street loading supply sufficient to meet the loading demand in subsequent phases of the project in either the garages or in off-street parking in individual buildings, consistent with the proposed project's design intent. Additional loading strategies could include (but are not limited to): expanding efforts to coordinate with parcel delivery companies to schedule deliveries to the site during hours outside the peak hour of loading, installing parcel lock boxes that allow parcel delivery personnel unsupervised access to enable off-hour deliveries, coordinating delivery services across buildings to enable the delivery of several buildings' packages to a single location, and/or encouraging deliveries to the retail and restaurant components of the projects to happen during early morning or late evening hours. The project sponsor may also address a shortfall by reserving parking spaces for smaller delivery vehicles such as autos or vans, which comprise approximately two-thirds of the vehicle types for freight delivery service, on the ground floor of the Block D2 garage during peak or appropriate business hours for small-vehicle deliveries and, in connection therewith, providing hand trucks, bicycles, or electric wheeled carts for distribution of packages to buildings throughout the site. If plans for individual buildings include a driveway to off-street loading or parking (maximum 10 off-street spaces) along a frontage that has a designated on-street loading zone, an equivalent amount or level of off-street loading space shall be provided to effectively replace the lost on-street loading area.	Infrastructure developer, vertical developer(s) or garage operators (as applicable).	Study completion: after completion of the first phase of the proposed project and prior to approval of each subsequent phase. If additional loading management strategies ongoing in subsequent phases are needed: after completion of each phase for which additional strategies are applicable.	Planning Department, in consultation with the SFMTA, will review and approve methodology of utilization study. Infrastructure developer, vertical developer(s), and garage operators (as applicable) will provide report to Planning Department on implementation of additional loading management strategies, if required.	Considered complete for each phase after Planning Department staff reviews and approves the study, in consultation with the SFMTA, and, if deemed necessary, the infrastructure developer, vertical developer(s), and garage operators (as applicable) incorporate provides a report of how it incorporated any additional management strategies for loading into each applicable phase.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
M-TR-11.2: Coordinate Deliveries and Tenant Moving Activities. The project's transportation coordinator and in-building concierges shall coordinate with building tenants and delivery services to minimize deliveries and moving activities during peak periods, and endeavor to spread deliveries across the full day and moving activities to time periods after regular working hours, thereby reducing activity during the peak hour for loading. Although many deliveries cannot be limited to specific hours, the transportation coordinator and in-building concierges shall work with tenants to find opportunities to consolidate deliveries and reduce the need for peak-period deliveries, wherever possible.	Project Transportation Coordinator and vertical developer(s).	Ongoing.	Planning Department will monitor.	On-going during project operations.
M-C-TR-4: Provide Fair-Share Contribution to Improve 10 Townsend Line Capacity Proposed Project. Upon completion and occupancy of Phase 1 and upon completion and occupancy of each subsequent phase of the proposed project as defined in the Disposition and Development Agreement, the project sponsor shall fund a transit capacity study to be reviewed and approved by the SFMTA. The project sponsor shall obtain from SFMTA the current ridership on the 10 Townsend and conduct an assessment of the capacity utilization at the screenline's Maximum Load Point (MLP) for weekday AM and PM peak hour conditions. If the capacity utilization exceeds 85 percent, a fair share payment shall be made to SFMTA by the project sponsor, calculated as further provided in a Transit Mitigation Agreement. Such payment shall be calculated in light of the project's progress towards one or the other of the development scenario (i.e. High Commercial or High Residential) as reflected by all phases of the project that have been completed up to such date. The fair share contributions by phase differ by scenario because the number of transit riders varies due to different mixes of land use. If the capacity utilization based on SFMTA's ridership data is less than 85 percent, then the project sponsor's fair share payment for that phase shall be $0 and the process will repeat at the next subsequent phase. Each subsequent fair share calculation shall take account of amounts paid for prior phases, to ensure that payments are not duplicative for the same transit rider impacts.	Infrastructure developer and/or vertical developer(s), Transportation Coordinator, and SFMTA.	Prior to issuance of certificate of occupancy of Phase 1 of the proposed project, enter into Transit Mitigation Agreement. Upon issuance of a certificate of occupancy for each phase of development as defined in the Development Agreement, SFMTA to provide ridership data and assess capacity utilization and, if capacity utilization exceeds 85 percent, the infrastructure developer/vertical developer(s) would pay fair share contribution fees as	Infrastructure developer and/or vertical developer(s) and Transportation Coordinator to obtain current ridership on the 10 Townsend from SFMTA and conduct an assessment of the capacity utilization associated with the project as described in the measure. If the capacity utilization of the 10 Townsend line at its maximum load point exceeds 85 percent as measured at the completion of any individual project phase, and the SFMTA has committed to implement M-C-TR-4, the infrastructure developers shall provide the fair share contribution subject to the limits stated in M-C-TR-3 to capital costs for SFMTA to implement one of the designated capacity enhancement measures.	Considered complete upon execution of Transit Mitigation Agreement for each phase of development, for which this measure is determined to be necessary.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
The project sponsor shall enter into a Transit Mitigation Agreement with the SFMTA under which the agreement shall provide for the project sponsor to make a fair share contribution to the cost of providing additional bus service or improving service on the 10 Townsend by paying a fee. The fair share contribution as documented in the Transportation Impact Study from the proposed project shall not exceed the following amounts, in total across all phases: a. $391,179 for High Commercial b. $324,595 for High Residential SFMTA may determine that other measures to increase capacity along the route would be more desirable than adding buses and may use the funds provided by the project sponsor to implement these other measures, which include but are not limited to the following measures: 1. Convert to using higher-capacity vehicles on the 10 Townsend route. In this case, the project sponsor's fair share contribution may be utilized to convert the route to articulated buses. Some bus stops along the route may not currently be configured to accommodate the longer articulated buses. Some bus zones could be extended by removing one or more parking spaces at locations where appropriate space is available. 2. Instead of adding more buses to a congested route, it would be more desirable to increase travel speeds along the route which would allow for buses to move faster thus increasing efficiency and reliability. In this case, the project sponsor's fair share contribution may be used to fund a study to identify appropriate and feasible improvements and/or implement a portion of the improvements that would increase travel speeds enough to increase capacity along the bus route. Such improvements could include transit only lanes, transit signal priority, and transit boarding improvements. 3. Another option to increase capacity along the corridor is to add a new Muni service route in this area. If this option is selected, the project sponsor's fair share contribution may fund the purchase of the new vehicles.		specified in this measure, which would be used by SFMTA to increase capacity.		

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
Noise and Vibration Mitigation Measures				
M-NOI-1: Prepare and Implement a Construction Noise Control Plan to Reduce Construction Noise at Noise-Sensitive Land Uses. The project sponsor shall develop a noise control plan that requires the following: • Construction contractors shall specify noise-reducing construction practices that will be employed to reduce construction noise from construction activities. The measures specified by the project sponsor shall be reviewed and approved by the City prior to the issuance of building permits. Measures that can be used to limit noise include, but are not limited to, those listed below. o Locate construction equipment as far as feasible from noise-sensitive uses. o Require that all construction equipment powered by gasoline or diesel engines have sound control devices that are at least as effective as those originally provided by the manufacturer and that all equipment be operated and maintained to minimize noise generation. o Idling of inactive construction equipment for prolonged periods shall be prohibited (i.e., more than 5 minutes). o Prohibit gasoline or diesel engines from having unmuffled exhaust systems. o Use noise-reducing enclosures around noise-generating equipment that has the potential to disturb nearby land uses. o Ensure that equipment and trucks used for project construction utilize the best available noise control techniques (e.g., improved mufflers, equipment redesign, intake silencers, ducts, engine enclosures, acoustically attenuating shields or shrouds) wherever feasible. o Monitor the effectiveness of noise attenuation measures by taking noise measurements. A plan for noise monitoring shall be provided to the City for review prior to the commencement of each construction phase.	Infrastructure developer and/or vertical developer(s) (as applicable).	Prior to the issuance of building permits; implementation ongoing during construction.	Infrastructure developer or vertical developer(s) (as applicable) to submit the Construction Noise Control Plan to the Port's Building Permit Group.[4] A single Noise Control Plan or multiple Noise Control Plans may be produced to address project phasing.	Considered complete upon submittal of the Construction Noise Control Plan to the Port's Building Permit Group.

[4] The Port may designate another agency, such as the Planning Department, to carry out monitoring and reporting, and any reference to Port responsibilities includes such designated agencies.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
• Impact tools (e.g., jack hammers, pavement breakers, rock drills) used for project construction shall be "quiet" gasoline-powered compressors or electrically powered compressors, and electric rather than gasoline- or diesel-powered engines shall be used to avoid noise associated with compressed air exhaust from pneumatically powered tools. However, where the use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust shall be used; this muffler can lower noise levels from the exhaust by up to about 10 dBA. External jackets on the tools themselves shall be used; which could achieve a reduction of 5 dBA. Quieter equipment shall be used when feasible, such as drills rather than impact equipment. • Construction contractors shall be required to use "quiet" gasoline-powered compressors or electrically powered compressors and electric rather than gasoline- or diesel-powered forklifts for small lifting. • Stationary noise sources, such as temporary generators, shall be located as far from nearby receptors as possible; they shall be muffled and enclosed within temporary enclosures and shielded by barriers, which could reduce construction noise by as much as 5 dB, or other measures, to the extent feasible.				
• Prior to the issuance of the building permit, along with the submission of construction documents, the project sponsor shall submit to the Planning Department and Department of Building Inspection a list of measures for responding to and tracking complaints pertaining to construction noise. These measures shall include: o Identification of measures that will be implemented to control construction noise. o A procedure and phone numbers for notifying the Department of Building Inspection, the Department of Public Health, or the Police Department of complaints (during regular construction hours and off hours). o A sign posted onsite describing noise complaint procedures and a complaint hotline number that shall be answered at all times during construction. o Designation of an onsite construction complaint and enforcement manager for the project.	Infrastructure developer and/or vertical developer(s) (as applicable).	Prior to the issuance of each building permit for duration of the project.	Infrastructure developer and/or vertical developer(s) (as applicable) to submit a list of measures for handling noise complaints to the Planning Department and Department of Building Inspection.	Considered complete upon review and approval of the complaint tracking measures by the Planning Department and Department of Building Inspection.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
o A plan for notification of neighboring residents and nonresidential building managers within 300 feet of the project construction area at least 30 days in advance of extreme noise-generating activities (defined as activities that generate noise levels of 90 dBA or greater) about the estimated duration of the activity and the associated control measures that will be implemented to reduce noise levels.				
Mitigation Measure M-NOI-2.1: Noise Control Plan for Special Outdoor Amplified Sound. To reduce potential impacts related to noise generated by events in project outdoor use areas, the project sponsor shall develop and implement a Noise Control Plan for operations at the proposed entertainment venues to reduce the potential for noise impacts from public address and/or amplified music. This Noise Control Plan shall contain the following elements: • The project sponsor shall comply with noise controls and restrictions in applicable entertainment permit requirements for outdoor concerts, and shall comply with the Port of San Francisco's "Good Neighbor" standards, unless the Port Commission makes a specific finding that a particular condition is unnecessary or infeasible. • Speaker systems shall be directed away from the nearest sensitive receptors to the degree feasible. • In order to limit or prevent sleep disturbance, events with amplified sound shall, to the extent reasonable and appropriate given the nature and context of the event, end at 10:00 p.m.	Infrastructure developer and/or park manager, the Port, parks management entity and/or parks programming entity.	Prior to the issuance of event permit.	Infrastructure developer and/or park manager, the Port, parks management entity and/or parks programming entity to submit the Noise Control Plan to the Port.	Considered complete upon submission and approval of the Noise Control Plan by the Port, although the Noise Control Plan may be adjusted as needed.
Mitigation Measure M-NOI-2.2: Stationary Equipment Noise Controls. Noise attenuation measures shall be incorporated into all stationary equipment (including HVAC equipment and emergency generators) installed on all buildings that include such stationary equipment as necessary to meet noise limits specified in Section 2909 of the Police Code. Interior noise limits shall be met under both existing and future noise conditions, accounting for foreseeable changes in noise conditions in the future (i.e., changes in on-site building configurations). Noise attenuation measures could include provision of sound enclosures/barriers, addition of roof parapets to block noise, increasing setback distances from sensitive receptors, provision of louvered vent openings, location of vent openings away from adjacent residential uses, and restriction of generator testing to the daytime hours.	Vertical developer(s).	Prior to the issuance of certificate of occupancy for each building located on the site.	The Port's Building Permit Group to review construction plans regarding noise attenuation measures for stationary equipment.	Considered complete after submittal and approval of plans including noise attenuation measures by the Port's Building Permit Group.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
Mitigation Measure M-NOI-2.3: Design of Future Noise-Sensitive Uses. Prior to issuance of a building permit for a residential building on Mission Rock Boulevard between Terry A. Francois Boulevard and Third Street, a noise study shall be conducted by a qualified acoustician to determine the need to incorporate noise attenuation measures into the building design in order to meet Title 24's interior noise limit for residential uses as well as the City's (Article 29, Section 2909(d)) 45-dBA (Ldn) interior noise limit for residential uses. This evaluation shall account for the projected increase in traffic noise as a result of project traffic along Mission Rock Boulevard between Terry A. Francois Boulevard and Third Street and any new shielding benefits provided by surrounding buildings that exist at the time of development, future cumulative traffic noise increases on adjacent roadways, existing and planned stationary sources (i.e., emergency generators, HVAC, etc.), and future noise increases from all known cumulative projects located with direct line-of-sight to the project building.	Vertical developer(s) and qualified acoustician.	Prior to the issuance of the building permit for vertical construction of any residential building on each parcel on Mission Rock Boulevard between Terry A. Francois Boulevard and Third Street.	Port staff to review the noise study. A single noise study or multiple noise studies may be produced to address project phasing.	Considered complete after submittal and approval of the noise study by the Port.
Mitigation Measure M-NOI-2.4: Design of Future Noise-Generating Uses near Residential Uses. Future land uses shall be designed to minimize the potential for sleep disturbance (defined as exceeding 45 dBA at residential interiors during the hours of 10 p.m. to 7 a.m.) at any future adjacent residential uses. Design approaches including, but not limited to, the following shall be incorporated into future development plans to minimize the potential for noise conflicts of future uses on the project site: • Design of Future Noise-Generating Uses. To reduce potential conflicts between sensitive receptors and new noise-generating land uses located adjacent to these receptors, exterior facilities such as loading areas/docks, trash enclosures, and surface parking lots shall be located on the sides of buildings facing away from existing or planned sensitive receptors (e.g., residences). If this is not feasible, these types of facilities shall be enclosed or equipped with appropriate noise shielding. • Design of Future Above-Ground Parking Structure on Block D2. For parking garage on Block D2, the sides of the parking structures facing adjacent or nearby existing or planned residential uses shall be designed to shield residential receptors from noise associated with parking cars.	Garage developer (for Block D2 garage) and vertical developer(s) (for commercial/office buildings),	Prior to the issuance of a building permit for each commercial/office building, and prior to issuance of building permit for Block D2 parking garage.	The Port's Building Permit Group to review construction plans to confirm that future noise-generating land uses meet the requirements of this Measure M-NOI-2.4.	Considered complete after submittal and approval of construction plans by the Port's Building Permit Group.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
M-NOI-3.1: Pile-Driving Control Measures – Annoyance. To reduce impacts associated with pile driving, a set of site-specific vibration attenuation measures shall be implemented under the supervision of a qualified acoustical consultant during the project construction period. These attenuation measures shall include as feasible, in consideration of technical and structural requirements and conditions, the following control strategy, as well as any other effective strategies to the extent necessary to achieve a PPV vibration level at neighboring properties of less than the strongly perceptible level of 0.10 in/sec. The project sponsor shall require the construction contractor to limit pile-driving activity so that the PPV vibration level at neighboring uses is less than 0.10 in/sec to the extent it is practical and necessary, and, to the extent it is practical, implement "quiet" pile-driving technology, such as predrilling piles, using sonic pile drivers, or using more than one pile driver to shorten the total duration of pile driving.	Infrastructure developer and/or vertical developer(s) (as applicable), qualified acoustical consultant.	Prior to issuance of building permit for each proposed building.	Infrastructure developer or vertical developer(s) (as applicable) to submit the Construction Noise Control Plan (detailed in M-NOI-1) to the Port's Building Permit Group documenting site-specific vibration attenuation measures. A single Noise Control Plan or multiple Noise Control Plans may be produced to address project phasing.	Considered complete upon submittal and approval of the Construction Noise Control Plan (including vibration attenuation measures) to the Port's Building Permit Group.
M-NOI-3.2: Pile-Driving Vibration Control Measures – Damage. To reduce the potential for damage to Pier 48, the following measures shall be implemented: • The Port of San Francisco shall be notified in writing prior to construction activity that construction may occur within 100 feet of the Pier 48 buildings. • The project sponsor shall retain a structural engineer, an architectural historian, and a licensed historical architect (hereafter referred to as the building evaluation team) to evaluate potentially affected buildings and determine their susceptibility to damage. The structural engineer shall evaluate the building structure. The architectural historian and licensed historical architect shall evaluate architectural elements. This building evaluation team shall then establish building-specific vibration thresholds that will (a) identify the level of vibration affected historic buildings will tolerate so as to preclude structural damage to the building of a nature that would result in material damage to any historic features of the buildings, and (b) identify the level of vibration at which cosmetic damage may begin to occur to buildings. • The building evaluation team shall inventory and document existing cracks in paint, plaster, concrete, and other building elements.	Infrastructure developer and/or vertical developer(s) (as applicable), building evaluation team.	Prior to construction activities adjacent to Pier 48.	Infrastructure developer or vertical developer(s) (as applicable) to submit proposed building-specific vibration thresholds with input from structural engineer, architectural historian, and historic architect; an inventory of the condition of Pier 48; a vibration monitoring plan; and results of the inspection following construction activities to the Port's Building Permit Group for review and approval.	Considered complete upon submittal and approval of documentation incorporating identified measures by the Port's Building Permit Group.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
• The building evaluation team shall develop a ground-borne vibration monitoring plan that will include monitoring vibration at the buildings of concern to determine if the established thresholds are exceeded. • The project sponsor shall retain a qualified acoustical consultant or engineering firm to implement the vibration monitoring plan at Pier 48. As part of the monitoring plan, the consultant shall conduct regular periodic inspections for cosmetic damage to each building within 160 feet of planned ground-disturbing activity on the project site. • Should vibration levels be observed in excess of the cosmetic damage threshold or cosmetic damage be observed below that level, the driving of piles within 100 feet of the Pier 48 structure (or within the impact distance determined by the study of building-specific vibration thresholds, per second bullet above, whichever distance is shorter) shall be halted until measures are implemented to prevent cosmetic damage to the extent feasible. These measures include use of alternative construction techniques, including, but not limited to, use of pre-drilled piles if soil conditions allow, use of smaller, lighter equipment, using vibratory hammers in place of impact hammers, and using pile cushioning or equipping the impact hammer with wooden cushion blocks to increase the period of time over which the energy from the driver is imparted to the pile. Should cosmetic damage to a building occur as a result of ground-disturbing activity on the site notwithstanding the use of alternative construction techniques, the building(s) shall be remediated to its pre□ construction condition at the conclusion of ground-disturbing activity on the site. • Should vibration levels be observed that reach the threshold designed to protect historic buildings from material damage to historic features, pile-driving within impact distances of the Pier 48 building, as determined by the building evaluation team, shall be halted and a structural bracing program or other appropriate protective measures for the potentially affected buildings shall be designed by the building evaluation team and implemented by the project sponsor. The structural bracing program or other protective measures shall be designed to prevent damage to the potentially affected buildings that could materially impair their historic resource status consistent with CEQA Guidelines Section 15064.5(b)(2).				

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
In addition, the structural bracing program shall be consistent with the proposed rehabilitation of the Pier 48 buildings and meet the Secretary of the Interior's Standards for Rehabilitation. Following completion of construction, the project sponsor shall conduct a second inspection to inventory changes in existing cracks and new cracks or damage, if any, that occurred as a result of pile driving. If new damage is found, then the project sponsor shall promptly arrange to have the damage repaired in accordance with recommendations made by the building evaluation team.				
Air Quality Mitigation Measures				
Mitigation Measure M-AQ-1.1: Off-Road Construction Equipment Emissions Minimization. The project sponsor shall require all construction contractors to implement the following measures to reduce construction emissions. A. Engine Requirements 1. All off-road equipment greater than 25 horsepower and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either USEPA or ARB Tier 4 Interim off-road emissions standards. Tier 4 final equipment, which may be largely available in the Bay Area, may be used to comply with this requirement (since Tier 4 final engines must comply with a stricter standard than Tier 4 interim engines, Tier 4 final engines meet Tier 4 interim standards and thus comply with this requirement). 2. Where access to alternative sources of power are available, portable diesel engines shall be prohibited. 3. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than 2 minutes at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions, safe operating conditions). The contractor shall post legible and visible signs in English, Spanish, and Chinese in designated queuing areas and at the construction site to remind operators of the 2-minute idling limit.	Infrastructure developer and/or vertical developer(s) (as applicable).	Prepare and Implement Construction Emissions Minimization Plan: Prior to issuance of grading, excavation, or demolition permits and ongoing during demolition and construction activities. Quarterly Monitoring Reports: Quarterly after start of construction activities. Final Construction Report: After completion of construction activities but prior to receiving a final certificate of occupancy.	Infrastructure developer and/or vertical developer(s) (as applicable) or contractor to submit a Construction Emissions Minimization Plan to Port staff for review and approval. Quarterly reports to be submitted to Port staff documenting compliance with the plan for review and approval. Final Construction Report to be submitted to Port staff for review and approval.	Considered complete upon Port review and approval of Construction Emissions Minimization Plan, ongoing review and approval of quarterly reports, and review and approval of final construction report.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
4. The contractor shall instruct construction workers and equipment operators regarding the maintenance and tuning of construction equipment and require that such workers and operators properly maintain and tune equipment in accordance with manufacturers' specifications. B. Waivers 1. The Planning Department's Environmental Review Officer (ERO) or designee may waive the requirement for an alternative source of power from Subsection (A)(2) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the contractor must submit documentation that the equipment used for onsite power generation meets the requirements of Subsection (A)(1). 2. The ERO may waive the equipment requirements of Subsection (A)(1) if use of a particular piece of off-road equipment with a Tier 4 interim-compliant engine is not feasible or reasonable, the equipment would not produce the desired emissions reductions because of the expected operating modes, installation of the equipment would create a safety hazard or impair visibility for the operator, or there is a compelling emergency that requires use of off-road equipment that is not Tier 4 interim-compliant. If seeking an exception, the project sponsor shall demonstrate to the ERO's satisfaction that the resulting construction emissions would not exceed the health risk thresholds of significance for cancer risk and PM2.5 concentrations with respect to sensitive receptors, as identified within the EIR under Impact AQ-4. If the ERO grants the waiver, the contractor must use the next-cleanest piece of available off-road equipment, according to the table below. 3. Off-road Equipment Compliance Step-down Schedule				

Compliance Alternative	Engine Emissions Standard	Emissions Control
1	Tier 3	ARB Level 2 VDECS
2	Tier 2	Alternative Fuel*

VDECS = Verified Diesel Emissions Control Strategies
* Alternative fuels are not a VDECS.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
4. How to use the table: If the ERO determines that the equipment requirements cannot be met, then the project sponsor must attempt to meet Compliance Alternative 1. If the ERO determines that the contractor cannot supply off-road equipment that meets Compliance Alternative 1, then the contractor must meet Compliance Alternative 2.				
C. Construction Emissions Minimization Plan				
Before starting onsite construction activities, the contractor shall submit a Construction Emissions Minimization Plan to the ERO for review and approval. The plan shall state, in reasonable detail, how the contractor shall meet the requirements of Section A.				
1. The plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include, as such information is available, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed, the description may include technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used. Renewable diesel shall be considered an alternative fuel if it can be demonstrated to the Planning Department or the City's air quality specialists that it is compatible with tiered engines and that emissions of ROG and NOx from the transport of fuel to the project site will not offset its NOx reduction potential.				
2. The project sponsor shall ensure that all applicable requirements of the plan have been incorporated into the contract specifications. The plan shall include a certification statement, stating that the contractor agrees to comply fully with the plan.				
3. The contractor shall make the plan available to the public for review onsite during working hours. The contractor shall post at the construction site a legible and visible sign summarizing the plan. The sign shall also state that the public may ask to inspect the plan for the project at any time during working hours and explain how to request				

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
to inspect the plan. The contractor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right of way. D. Monitoring After start of construction activities, the contractor shall submit quarterly reports to the ERO, documenting compliance with the plan. After completion of construction activities but prior to receiving a final certificate of occupancy, the project sponsor shall submit to the ERO a final report, summarizing construction activities, including the start and end dates, the duration of each construction phase, and the specific information required in the plan.				
Mitigation Measure M-AQ-1.2: On-Road Material Delivery and Haul Trucks Construction Emissions Minimization. The project sponsor shall require all construction contractors to implement the following measures to reduce construction haul truck emissions. A. Engine Requirements 1. The project sponsor shall also ensure that all on-road heavy-duty diesel trucks with a gross vehicle weight rating of 19,500 pounds or greater used at the project site (such as haul trucks, water trucks, dump trucks, and concrete trucks) be model year 2010 or newer. B. Construction Emissions Minimization Plan As part of the *Construction Emissions Minimization Plan* identified above for Mitigation Measure M-AQ-1.1 Section C, the contractor shall state, in reasonable detail, how the contractor shall meet the requirements of Section A. 1. The plan shall include estimates of the construction timeline by phase, with a description of how the on-road haul truck fleet required for every construction phase will comply with the engine requirements stated above. The plan shall also include expected fuel usage (or miles traveled) and hours of operation for the on-road haul truck fleet. For on-road trucks using alternative fuels, the description shall also specify the type of alternative fuel being used. Renewable diesel shall be considered as an alternative fuel if it can be demonstrated to the Planning Department or the City's air quality specialists that it is compatible with on-road truck engines and that emissions of ROG and NOx from transport of fuel to the project site will not offset its NOx reduction potential.	Infrastructure developer and/or vertical developer(s) (as applicable).	Prepare and Implement Construction Emissions Minimization Plan including engine requirements: Prior to issuance of a grading, excavation, or demolition permits and ongoing during demolition and construction activities. Quarterly Monitoring Reports: Quarterly after start of construction activities. Final Construction Report: After completion of construction	Infrastructure developer and/or vertical developer(s) (as applicable) or contractor to submit a Construction Emissions Minimization Plan including engine requirements to Port staff for review and approval. Quarterly reports to be submitted to Port staff documenting compliance with the plan for review and approval. Final Construction Report to be submitted to Port staff for review and approval.	Considered complete upon Port review and approval of Construction Emissions Minimization Plan, ongoing review and approval of quarterly reports, and review and approval of final construction report.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
a. See Mitigation Measure M-AQ-1.1 Section C, Part 2. b. See Mitigation Measure M-AQ-1.1 Section C, Part 3. C. Monitoring See Mitigation Measure M-AQ-1.1 Section D.		activities but prior to receiving a final certificate of occupancy.		
Mitigation Measure M-AQ-1.3: Low-VOC Architectural Coatings. The project sponsor shall use low-VOC (i.e., ROG) coatings, beyond local requirements (i.e., Regulation 8, Rule 3: Architectural Coatings), for at least 90 percent of all residential and nonresidential interior and exterior paints. This includes all architectural coatings applied during both construction and reapplications throughout the project's operational lifetime. At least 90 percent of coatings applied must meet the "super-compliant" VOC standard of less than 10 grams of VOC per liter of paint. After start of construction activities, the contractor shall submit quarterly reports to the ERO documenting compliance with this measure by providing an inventory listing the VOC content of all coatings purchased and applied during construction activities. For the reapplication of coatings during the project's operational lifetime, the Declaration of Covenants, Conditions, and Restrictions shall also contain a stipulation that low-VOC coatings must be used and a list of potential coatings shall be provided. A list of "super-compliant" coatings can be found on the South Coast Air Quality Management District's website: http://www.aqmd.gov/home/regulations/compliance/architectural-coatings/super-compliant-coatings.	Vertical developer(s).	At the start of construction activities and quarterly during construction and the project's operational lifetime.	Vertical developer(s) to submit initial report and quarterly reports to the Port's Building Permit Group documenting compliance for review and approval.	Ongoing throughout construction and operation.
Mitigation Measure M-AQ-1.4: Best Available Control Technology for In-Water Construction Equipment. The project sponsor shall require all construction contractors to implement the following measures to reduce emissions from in-water equipment. A. Engine Requirements 1. The project sponsor shall ensure that the construction barge shall have engines that meet or exceed USEPA marine engine Tier 3 emissions standards. 2. The project sponsor shall also ensure that the construction work boat engine shall be model year 2005 or newer or meet NOx and PM emissions standards for that model year.	Pier 48 developer.	Prepare and Implement Construction Emissions Minimization Plan including barge and work boat engine requirements: Prior to issuance of a grading, excavation, or demolition permits	Pier 48 developer or contractor to submit a Construction Emissions Minimization Plan including barge and work boat engine requirements to Port staff for review and approval. Quarterly reports to be submitted to Port staff documenting compliance with the plan for review and approval.	Considered complete upon Port review and approval of Construction Emissions Minimization Plan, ongoing review and approval of quarterly reports, and review and

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
B. Construction Emissions Minimization Plan As part of the *Construction Emissions Minimization Plan* identified above for Mitigation Measure M-AQ-1.1 Section C, the contractor shall state, in reasonable detail, how the contractor shall meet the requirements of Section A. 1. The plan shall include estimates of the construction timeline by phase, with a description of how each in-water equipment piece (e.g. barge engines, work boats) required for every construction phase will comply with the engine requirements stated above. The plan shall also include expected fuel usage and hours of operation for in-water equipment. For in-water equipment using alternative fuels, the description shall also specify the type of alternative fuel being used. Renewable diesel shall be considered as an alternative fuel if it can be demonstrated to the Planning Department or the City's air quality specialists that it is compatible with tiered engines and that emissions of ROG and NOx from transport of fuel to the project site will not offset its NOx reduction potential. a. See Mitigation Measure M-AQ-1.1 Section C, Part 2. b. See Mitigation Measure M-AQ-1.1 Section C, Part 3. C. Monitoring See Mitigation Measure M-AQ-1.1 Section D.		and ongoing during demolition and construction activities. Quarterly Monitoring Reports: Quarterly after start of construction activities. Final Construction Report: After completion of construction activities but prior to receiving a final certificate of occupancy.	Final Construction Report to be submitted to Port staff for review and approval.	approval of final construction report.
Mitigation Measure M-AQ-1.5: Emissions Offsets for Construction and Operational Ozone Precursor Emissions. Prior to the estimated first year of exceedance, the project sponsor, with oversight of the Planning Department, shall elect to either: 1. Directly implement a specific offset project or program to achieve emission reductions of up to 9.6 tons of ozone precursors to offset the combined emissions from construction and operations remaining above significance levels after implementation of identified mitigation measures. To qualify under this mitigation measure, the specific emissions reduction project must result in emissions reductions within the SFBAAB that are real, surplus, quantifiable, and enforceable and would not otherwise be achieved through compliance with existing regulatory requirements or any other legal requirement. Prior to implementation of the offset project, the project sponsor must obtain the	Infrastructure developer.	Implement a specific offset project or program: Prior to the estimated first year of exceedance and notify the Port within 6 months of completion of the offset project. Mitigation Fee: Installment for each development block to be paid	Implementation of specific offset project or program: Port approval of proposed offset program. Port verification of successful completion of offset program. Mitigation Fee: Infrastructure developer, BAAQMD, and Port to determine fee. BAAQMD and infrastructure developer to develop and implement MOU.	Implementation of specific offset project or program: Complete upon Port's verification of successful completion of offset program. Mitigation Fee: Complete for each block upon payment of fee

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Planning Department's approval of the proposed offset project by providing documentation of the estimated amount of emissions of ROG and NOx to be reduced (tons per year) within the SFBAAB from the emissions reduction project(s). The project sponsor shall notify the Planning Department within 6 months of completion of the offset project for Planning Department verification. 2. Pay a mitigation offset fee to the BAAQMD Bay Area Clean Air Foundation (Foundation) in installments, as further described below, with each installment amount to be determined prior to the estimated first year of exceedance. This fee is intended to fund emissions reduction projects to achieve reductions totaling up to 10.5 tons of ozone precursors per year, the estimated maximum tonnage of operational and construction-related emissions offsets required to reduce emissions below significance levels after implementation of other identified mitigation measures. This total emissions offset amount was calculated by summing the maximum daily construction and operational emissions of ROG and NO_X (pounds/day), multiplying by 260 work days per year for construction and 365 days per year for operation, and converting to tons. The amount represents the total estimated operational and construction-related ROG and NOx emissions offsets required. The fee shall be paid in up to 12 installments, each installment payable at the time of application for a site permit for each development block, representing the portion of the 10.5 tons of ozone precursors per year attributable to each building, as follows: (a) Blocks A, G, and K: 6.6% or 0.70 tons per each development block; (b) Pier 48: 18.6% or 1.95 tons; (c) Blocks B, C, and D: 9% or 0.95 tons per each development block; (d) Blocks E and F: 10.3% or 1.08 tons per each development block; and (e) Blocks H, I, and J: 4.6% or 0.49 tons per each development block. The mitigation offset fee, currently estimated at approximately $18,262 per weighted ton, shall not exceed $35,000 per weighted ton of ozone precursors plus an administrative fee of no more than 5 percent of the total offset to fund one or more emissions reduction projects within the SFBAAB. The not to exceed amount of $35,000 will be adjusted to reflect annual California Consumer Price Index adjustments between 2017 and the estimated first year of exceedance. Documentation of payment shall be provided to the Planning Department.		with site permit application for each block, if no specific project or program is identified. Enter into MOU with BAAQMD Foundation and pay offset fee in installments for each development block.		installment outlined in the MOU.

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Unless directly implementing a specific offset project (or program) as described above, the project sponsor would enter into a Memorandum of Understanding (MOU) with the BAAQMD Foundation in connection with each installment payment described above. The MOU will include details regarding the funds to be paid, the administrative fee, and the timing of the emissions reductions project. Acceptance of this fee by the BAAQMD shall serve as acknowledgment and a commitment to (1) implement an emissions reduction project(s) within a time frame to be determined, based on the type of project(s) selected, after receipt of the mitigation fee to achieve the emissions reduction objectives specified above and (2) provide documentation to the Planning Department and the project sponsor describing the project(s) funded by the mitigation fee, including the amount of emissions of ROG and NOx reduced (tons per year) within the SFBAAB from the emissions reduction project(s). To qualify under this mitigation measure, the specific emissions reduction project must result in emission reductions within the SFBAAB that are real, surplus, quantifiable, and enforceable and would not otherwise be achieved through compliance with existing regulatory requirements or any other legal requirement.				
Mitigation Measure M-AQ-2.1: Best Available Control Technology for Operational Diesel Generators. The project sponsor shall ensure that the operational backup diesel generators comply with the following: (1) ARB Airborne Toxic Control Measure (ATCM) emissions standards for model year 2008 or newer engines; and (2) meet or exceed one of the following emission standards for particulate matter: (A) Tier 4 interim certified engine or (B) Tier 2 or Tier 3 certified engine that is equipped with an ARB Level 3 VDECS. A nonverified diesel emissions control strategy may be used if the filter has the same particulate matter reduction as the identical ARB-verified model and BAAQMD approves of its use. The project sponsor shall submit documentation of compliance with the BAAQMD NSR permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emissions standard requirement of this measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.	Vertical developer(s).	Prior to issuance of permit for each backup diesel generator from BAAQMD.	Vertical developer(s) shall submit documentation of compliance to the Port for review and approval.	Considered complete upon review and approval of documentation by Port staff.

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Mitigation Measure M-AQ-2.2: Reactive Organic Gases Emissions Reduction Measures. To reduce ROG emissions associated with the project, the project sponsor shall provide education for residential and commercial tenants to help reduce area source (e.g., architectural coatings, consumer products, and landscaping) emissions associated with residential and building operations. Prior to receipt of any building permit and every 5 years thereafter, the project sponsor shall work with the San Francisco Department of Environment to develop electronic correspondence, which will be distributed by email annually to tenants of the project that encourages the purchase of consumer products that are better for the environment and generate fewer VOC emissions. The correspondence shall encourage environmentally preferable purchasing and include contact information and links to SF APPROVED. While microbreweries do not typically implement emission control devices, to further reduce ROG (primarily ethanol) emissions associated with Pier 48 industrial operations, the project sponsor shall implement technologies to reduce ethanol emissions if available and practicable. Such measures could include wet scrubbers, ethanol recovery and capture (e.g., carbon absorption) or incineration. At the time when specific designs for the Pier 48 use are submitted to the City for approval, the project sponsor shall provide an analysis that quantifies the emissions, based on the specific design proposal, and evaluates ROG emission control technologies.	Vertical developer(s).	Prior to issuance of any building permit and every 5 years thereafter.	Vertical developer(s) to work with the San Francisco Department of Environment to develop materials. San Francisco Department of the Environment to review and approve materials.	Considered complete after documentation provided to the Department of Environment of distribution of educational materials to residential and commercial tenants.
Mitigation Measure M-AQ-2.3: Transportation Demand Management. The project sponsors shall prepare and implement a Transportation Demand Management (TDM) Plan. The TDM Plan shall have a goal of reducing estimated aggregate daily one□way vehicle trips by 20 percent compared to the aggregate daily one-way vehicle trips identified in the project's travel demand memo, prepared by Adavant Consulting, dated June 30, 2015 ("Travel Demand Memo"), and attached as Appendix 4-4 to the Draft EIR. The project sponsors shall be responsible for monitoring implementation of the TDM Plan and proposing adjustments to the TDM Plan if its goal is not being achieved, in accordance with the following provisions. The TDM Plan may include, but is not limited to, the types of measures summarized below by way of example. TDM Plan measures shall generally be consistent with the City's adopted TDM Program Standards and the draft	Transportation Coordinator and/ or infrastructure developer to prepare the TDM Plan, which will be implemented by the Transportation Coordinator and will be binding on all development parcels.	Transportation Coordinator and/or Infrastructure developer to prepare TDM Plan and submit to Planning Department staff prior to approval of the project.	Transportation Coordinator to submit the TDM Plan to Planning Department staff for review and approval. Transportation Coordinator to submit monitoring report annually to Planning Department staff and implement TDM Plan Adjustments (if required).	The TDM Plan is considered complete upon approval by the Planning Department staff, in consultation with the SFMTA. Annual monitoring reports would be on-going during project buildout,

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proposed TDM Plan prepared by Nelson Nygaard, dated September 2016, and attached as Appendix 4-5 to the Draft EIR. The TDM Plan describes the scope and applicability of candidate measures in detail, and may include, for example: • Active Transportation: Provision of streetscape improvements to encourage walking, secure bicycle parking, shower and locker facilities for cyclists, subsidized bike share memberships for project occupants, bicycle repair and maintenance services, and other bicycle-related services; • Car-Share: Provision of car-share parking spaces and subsidized memberships for project occupants; • Delivery: Provision of amenities and services to support delivery of goods to project occupants; • Family-Oriented Measures: Provision of on-site childcare and other amenities to support the use of sustainable transportation modes by families; • High-Occupancy Vehicles: Provision of carpooling/vanpooling incentives and shuttle bus service; • Information and Communications: Provision of multimodal wayfinding signage, transportation information displays, and tailored transportation marketing services; • Land Use: Provision of on-site affordable housing and healthy food retail services in underserved areas; • Parking: Provision of unbundled parking, short-term daily parking provision, parking cash out offers, and reduced off-street parking supply. The TDM Plan shall describe each measure, including the degree of implementation (e.g., how long will it be in place, how many tenants or visitors it will benefit, on which locations within the site it will be placed, etc.) and the population that each measure is intended to serve (e.g., residential tenants, retail visitors, employees of tenants, visitors). The TDM Plan shall commit to monitoring vehicle trips to and from the project site to determine the TDM Plan's effectiveness, as required by TDM Plan Monitoring and Reporting outlined below. The TDM Plan shall have been approved by the Planning Department prior to site permit application for the first building and the TDM Plan shall be implemented as to each new building upon the issuance of the certificate of occupancy for that building.				or until five consecutive reporting periods show that the fully-built project has met its reduction goals, at which point reports would be submitted every three years.

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The TDM Plan shall remain a component of the proposed project to be implemented for the duration of the project. *TDM Plan Monitoring and Reporting*: the Transportation Coordinator shall collect data, prepare monitoring reports and submit them to the Planning Department. To ensure the goal of reducing by 20 percent the aggregate daily one-way vehicle trips is reasonably achievable, the project sponsor shall monitor daily one-way vehicles trips for all buildings that have received a Certificate of Occupancy, and compare these vehicle trips to the aggregate daily one-way vehicle trips anticipated for the those buildings based on the trip generation rates contained within the proposed project Travel Demand Memo. • **Timing:** The Transportation Coordinator shall collect monitoring data and shall begin submitting monitoring reports to the Planning Department beginning 18 months after the completion and commencement of operation of the proposed garage on Block D. Thereafter, annual monitoring reports shall be submitted (referred to as "reporting periods") until five consecutive reporting periods show that the project has met the reduction goal, at which point monitoring data shall be submitted to the Planning Department once every 3 years. The project sponsor shall complete each trip count and survey (see below for description) within 30 days following the end of the applicable reporting period. Each monitoring report shall be completed within 90 days following the applicable reporting period. The project sponsor shall modify the timing of monitoring reports such that a new monitoring report is submitted 12 months after adjustments are made to the TDM Plan in order to meet the reduction goal, as may be required under the "TDM Plan Adjustments" heading, below. In addition, the Planning Department may modify the timing of monitoring reports as needed to consolidate this requirement with other monitoring and/or reporting requirements for the project, such as annual reporting under the proposed project Development Agreement. • **Term:** The Project Sponsor shall monitor, submit monitoring reports, and make plan adjustments as provided below until the earlier of: (i) the expiration of the Development Agreement, or (ii) the reduction goal has been met for up to eight consecutive reporting periods as determined by the Planning Department. Notwithstanding the foregoing or any other provision of this mitigation measure, all obligations for monitoring,				

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reporting and for making adjustments to the TDM Plan shall terminate if the project sponsor has paid and/or made a commitment to pay the offset fee for any shortfall in the TDM Plan's meeting the reduction goal as provided below. • **Components:** The monitoring and reporting, including trip counts, surveys and travel demand information, shall include the following components or comparable alternative methodology and components, as approved, accepted or provided by Planning Department staff: o Trip Count and Intercept Survey: Provide a site-wide trip count and intercept survey of persons and vehicles arriving and leaving the project site, other than on AT&T Park ballgame or other major event (e.g., concert or other event substantially occupying the capacity of AT&T Park) days or hours, for no less than two days during the reporting period between 6:00 a.m. and 8:00 p.m. One day shall be a Tuesday, Wednesday, or Thursday during one week without federally recognized holidays, and another day shall be a Tuesday, Wednesday, or Thursday during another week without federally recognized holidays. The trip count and intercept survey shall be prepared by a qualified transportation or survey consultant, and the Planning Department shall approve the methodology prior to the Project Sponsors conducting the components of the trip count and intercept survey. The Planning Department anticipates it will have a standard trip count and intercept survey methodology developed and available to project sponsors at the time of data collection. o Travel Demand Information: The above trip count and survey information shall be able to provide the travel demand analysis characteristics (work and non-work trip counts, origins and destinations of trips to/from the project site, and modal split information), as outlined in the Planning Department's *Transportation Impact Analysis Guidelines for Environmental Review*, October 2002, or subsequent updates in effect at the time of the survey. o Documentation of Plan Implementation: The transportation coordinator shall work in conjunction with the Planning Department to develop a survey (online or paper) that can be reasonably completed by the transportation coordinator and/or Transportation				

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Management Association (TMA) staff members to document implementation of TDM program elements and other basic information during the reporting period. The project sponsors shall include this survey in the monitoring report submitted to the Planning Department. o Assistance and Confidentiality: The Planning Department will assist the transportation coordinator with questions regarding the components of the monitoring report and will assist the transportation coordinator in determining ways to protect the identity of individual survey responders. *TDM Plan Adjustments*. The project sponsors shall adjust the TDM Plan according to the monitoring results if three consecutive reporting periods demonstrate that measures within the TDM Plan are not achieving the reduction goal. The TDM Plan adjustments shall be made in consultation with the Planning Department and may require refinements to existing measures (e.g., changes to subsidies, increased bicycle parking), inclusion of new measures (e.g., a new technology or project operational changes not inconsistent with any agreements with the Port), or removal of existing measures (e.g., measures that are ineffective or induce vehicle trips).[5] If three consecutive reporting periods' monitoring results demonstrate that measures within the TDM Plan are not achieving the reduction goal, the project sponsors shall propose TDM Plan adjustments to be incorporated in the TDM Plan within 270 days following the last reporting period. The project sponsors shall implement the TDM Plan adjustments until the results of three consecutive reporting periods demonstrate that the reduction goal is being achieved. If after implementing TDM Plan adjustments as described above, and the project sponsors have not met the reduction goal for up to eight consecutive reporting periods as determined by the Planning Department, the project sponsors may, at any time thereafter, elect to address the shortfall in meeting the TDM Plan reduction target by, in addition to paying the emission offset fees set forth in Mitigation Measure M-AQ-1.5, also paying an additional				

[5] No parking-related restrictive measures on the project site shall by design or effect, restrict parking on the project site for patrons of AT&T ballpark games or events.

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offset fee in accordance with Mitigation Measure M-AQ-1.5, in the amount required to address, both the shortfall in reduction during the previously monitored years and the anticipated shortfall in the remaining expected years of project operations, the latter of which shall be based on the shortfall that occurred in the most recently monitored year. Calculations of emissions to be offset shall be based on the total amount of emissions anticipated to be reduced by achieving the 20 percent TDM goal adjusted for the actual percentage of aggregate daily one□way vehicle trip reduction achieved in the most recently monitored year.				
Wind and Shadow Mitigation Measures				
M-WS-1: Assessment and Mitigation of Wind Hazards on a Building-by-Building Basis. 1. Prior to or as part of the submittal package for the schematic design of a new building (Proposed Building), the Proposed Building developer shall submit to the Planning Department, for its review and approval, a scope of work and, following approval of the scope, a report from a Qualified Wind Consultant (QWC) that reviews the Proposed Building schematic design, absent landscaping.[6] "QWC" means a wind consultant retained by the Proposed Building(s) developer and approved by the Planning Department for preparation of the report. The EIR wind consultant for the proposed project and any other wind consultant on the City's then approved list or otherwise approved by the City will be considered a QWC. 2. The QWC report shall evaluate whether the Proposed Building(s) would create a Significant Wind Impact. "Significant Wind Impact" means a substantial increase on a site-wide basis in the number of hours per year that the 26 mph wind hazard criterion is exceeded or, if baseline wind conditions are greater than 26 mph, a substantial increase in the area subjected to winds greater than 26 mph. This analysis shall focus on the entire project area that was studied in wind tunnel tests conducted for the EIR and not just the area immediately surrounding the Proposed Building(s).	Vertical developer(s) and qualified wind consultant. Vertical developer(s) to implement architectural or landscaping features, or a combination of such features, that have been demonstrated in wind tunnel to reduce the Proposed Building's wind hazards to a level no greater than those of either	Prior to or as part of the submittal package for the schematic design of a new building.	Vertical developer(s) to submit to the Planning Department and the Port, for their review and approval, a scope of work and, following the approval of the scope of work by Planning Department and Port staff, a report from a qualified wind consultant that determines building-specific wind conditions.	Considered complete upon approval of wind report by the Planning Department and Port.

[6] The scope of work for this report shall use the same methodology and wind test point locations as the Wind Study prepared for this EIR.

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3. The QWC shall consider the Proposed Building(s) in the context of the "Current Project," which, at any given time during construction of the Project, shall be defined as the building masses used in the Original Model (Wind Study Configuration B),[7] except as updated to reflect schematic design submittals for any previously approved building that has not yet commenced construction, and construction permit designs for on-site buildings that are under construction or have completed construction. This model shall be referred to as the "Current Project" and shall be updated over time as architectural design for each proposed project block/building is completed.	Wind Study Configuration A or Wind Study Configuration B.			
4. The Proposed Building shall be tested in the wind tunnel as proposed, including any architectural features that can be shown on plans to mitigate wind effects.[8] Testing may not include any existing or proposed onsite landscaping. A separate test shall be conducted with existing and proposed onsite landscaping included, if required per Section 5, below. The accompanying report shall compare the wind tunnel results analyzing the Proposed Building in the context of the Current Project to the following two baselines: (1) the EIR baseline conditions for the project site (Wind Study Configuration A), and (2) Existing Plus Project (i.e., with Mission Rock proposed project) conditions used in the EIR (Wind Study Configuration B).				
5. No further analysis shall be required if the QWC concludes, and the Planning Department concurs, that the Proposed Building's schematic design, absent proposed onsite landscaping, would not create a Significant Wind Impact. If the QWC concludes that the Proposed Building's schematic design, absent proposed onsite and existing offsite landscaping, would create a Significant Wind Impact, as defined above, then a second wind tunnel test shall be conducted, taking into account proposed onsite landscaping and existing offsite landscaping. The intent of landscaping is				

[7] All references to the Wind Study refer to the Mission Rock EIR Pedestrian Wind Study Wind Tunnel Tests Report prepared by RWDI, final report, January 25, 2017, which can be found in Appendix 7-1 to this EIR.

[8] These could include features such as setbacks, wind baffles, randomized balconies, overhands, canopies, awnings and the like, provided they are consistent with the project's Design Controls and shown on schematic architectural plans for the Proposed Building.

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to emulate the function and effect of a manmade wind screen. The following parameters have been determined to be the minimum requirements for landscaping features to be effective in controlling wind:[9] • It is the combined effect of a cluster or group of landscaping features that is most effective, rather than the maturity of one tree. • Since a general rule is that vertical wind control features should be taller than the average height of a person, foliage from the ground up is most effective at a height of approximately 6 to 8 feet. • Since winds can easily flow under tree crowns, underplantings (e.g., shrub plantings at the base of a tree) should be included where trunks are bare for the first 5 to 6 feet of a tree measured from the ground. • Tree crowns with at least 60 percent cover (density of leafage) and even spread of branches are most effective.				
Biological Resources Mitigation Measures				
M-BI-3.1: Conduct Impact Hammer Pile Driving during Periods that Avoid Special-Status Fish Species' Spawning and Migration Seasons. In-water pile installation using impact hammers shall occur within the work window of June 1 to November 30, which has been established for dredging in San Francisco Bay to reduce potential effects on special-status fish species.	Pier 48 developer.	During the construction work window of June 1 to November 30.	Pier 48 developer to submit detailed construction schedule to Port staff for review and approval.	Considered complete upon approval of construction schedule by Port staff.
M-BI-3.2: Pile-Driving Noise Reduction for the Protection of Fish. Prior to the start of pile driving in the Bay, the project sponsor shall develop an underwater noise monitoring and attenuation plan and obtain approval from NMFS. The NMFS-approved plan or any modifications shall be provided to the City Planning Department for determination of consistency with the requirements in this measure. The plan shall provide details regarding the estimated underwater sound levels expected, sound attenuation methods, methods used to monitor and verify sound levels during pile-driving activities, and management practices	Pier 48 developer.	Prior to the start of pile driving in the Bay.	Pier 48 developer to prepare an underwater noise monitoring and attenuation plan and obtain approval from NMFS. The NMFS-approved plan or any modifications to be provided to the Port staff for determination of consistency with the requirements in this	Considered complete upon review and approval of the sound attenuation and monitoring plan by NMFS and consistency determination by

[9] RWDI, Landscaping, December 8, 2016.

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to be taken to reduce pile-driving sound in the marine environment to below NMFS thresholds for injury to fish. The plan shall incorporate, but not be limited to, the following BMPs: • All steel pilings shall be installed with a vibratory pile driver to the deepest depth practicable. An impact pile driver may be used only where necessary, as determined by the contractor and/or project engineer, to complete installation of the steel pilings, in accordance with seismic safety or other engineering criteria. • The smallest pile driver and minimum force shall be used to complete the work necessary to meet NMFS requirements, as determined by the contractor and/or project engineer. • The hammer shall be cushioned using a 12-inch-thick wood block during all impact hammer pile-driving operations. • To reduce impacts to levels below injury thresholds, based on hydroacoustic monitoring and the amount of impact pile driving occurring on a particular day, a bubble curtain, wood block cushion, air barrier, or similar technology shall be employed during impact pile-driving activities. • A "soft start"[10] technique shall be employed upon initial pile-driving activities every day to allow fish an opportunity to vacate the area. • During impact pile driving, the contractor shall limit the number of strikes per day to the minimum necessary to complete the work, as determined by the contractor and/or project engineer. • No pile driving shall occur at night. • During impact pile driving, a qualified fish biologist shall monitor the project site for fish that exhibit signs of distress. If fish are observed exhibiting signs of injury or distress, work shall be halted by the biologist, and the cumulative SEL up to that point shall be examined. If the cumulative SEL is close to the threshold or exceeds the threshold, then pile-driving activities will cease until the next day.			measure.	Port staff.

[10] Soft starts require an initial set of three strikes from the impact hammer at 40 percent energy, followed by a 1-minute waiting period between subsequent three-strike sets. Soft starts for vibratory hammers will initiate noise at 15 seconds at reduced energy, followed by a 1-minute waiting period between subsequent starts. This process should continue for a period of no less than 20 minutes.

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• All pile-driving and pile-removal activity shall be monitored by a NMFS-approved biological monitor before and during all pile driving. The biological monitor shall maintain a monitoring log of daily pile-driving activities, any field sound measurements, fish sightings, and implementation of soft-start and shut-down requirements. A monitoring report shall be prepared for submission to NMFS and the City (submitted monthly and at the completion of all pile-driving/pile-removal activities).				
M-BI-3.3: Pile-Driving Noise Reduction for Protection of Marine Mammals. Prior to the start of pile driving in the Bay, as part of the underwater noise monitoring and attenuation plan required by Mitigation Measure M-BI-3.2, the project sponsor shall provide details regarding the estimated underwater sound levels expected, not just from impact hammer pile driving that may affect fish but also from vibratory pile driving and removal because these sound levels may affect marine mammals. The plan shall also address sound attenuation methods, methods used to monitor and verify sound levels during pile-driving activities, and management practices to be taken to reduce pile-driving sound in the marine environment to below NMFS thresholds for injury to marine mammals. As part of implementation of the sound attenuation monitoring plan, the project sponsor shall take actions to reduce the effect of underwater noise transmission on marine mammals. These actions shall include, at a minimum: • The establishment of initial safety zones, based on the estimated NMFS injury threshold contours for the different marine mammals (as shown in Table 4.L-8 and Table 4.L-9). The initial size of the safety zones may be modified, based on subsequent analysis of the anticipated noise levels and the actually proposed piles, equipment, and activity prior to construction but only with the approval of NMFS. • Hydroacoustic monitoring, according to the NMFS-approved sound attenuation and monitoring plan, shall be completed during initial pile driving to verify projected isopleths for pile driving and removal. The plan shall require real-time hydroacoustic monitoring for a sufficient number of piles to determine and verify modeled noise isopleths. The safety zones established prior to construction may be modified, based on field measurements of noise levels from different pile-driving activities, if the field measurements indicate that different noise threshold contours than those estimated prior to construction are appropriate but only with approval of NMFS.	Pier 48 developer.	Prior to the start of pile driving in the Bay.	Pier 48 developer to prepare an underwater noise monitoring and attenuation plan (including estimated underwater sound levels expected) and obtain approval from NMFS. The NMFS-approved plan or any modifications to be provided to Port staff for determination of consistency with the requirements in this measure.	Considered complete upon review and approval of the sound attenuation and monitoring plan by NMFS and consistency determination by Port staff.

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• Halting of work activities when a marine mammal enters a safety zone (specific to that species) and resumed only after the animal has not been observed within the safety zone for a minimum of 15 minutes. • Use of a "soft start"[11] technique each day upon commencement of pile-driving activity, any time after ceasing pile-driving activity for more than 1 hour, and any time after shutdown due to marine mammal entry into a safety zone. • Monitoring by an NMFS□approved biological monitor of all pile-driving and pile-removal activity before and during all pile driving/removal to inspect the work zone and adjacent Bay waters for marine mammals and implement the safety zone requirements described above. The biological monitor shall maintain a monitoring log of daily pile-driving/removal activities, any field sound measurements, marine mammal sightings, and implementation of soft-start, shut-down, and safety-zone requirements. A monitoring report shall be prepared for submission to the City and NMFS (submitted monthly and at the completion of all pile-driving/pile-removal activities).				
M-BI-5: Conduct Pre-Construction Surveys for Nesting Migratory Birds. To facilitate compliance with state and federal laws (California Fish and Game Code and the MBTA) and prevent impacts on nesting migratory birds, the project sponsor shall avoid vegetation/structure removal, ground-disturbing activities, and elevated noise levels near suitable nesting habitat during the nesting season (February 1 through August 31) or conduct pre-construction surveys, as described below. Alternatively, the project sponsor may remove vegetation or structures that may support nesting birds outside of the breeding season such that no breeding habitat would be present should construction start in the normal breeding season.	Infrastructure or vertical developer(s) (as applicable), qualified wildlife biologist (if necessary).	Infrastructure or vertical developer(s) (as applicable) to avoid vegetation and/or structure removal, ground-disturbing activities, and elevated noise levels near suitable nesting habitat	Avoid Removal during Nesting Season: contractor to provide detailed construction schedule to Port to confirm affected activities fall outside nesting season or removal of trees and/or structures occurs outside breeding season. Nesting Surveys: If necessary, wildlife biologist to complete a memorandum	Avoid Removal during Nesting Season: complete upon review and approval of construction schedule by Port staff. Nesting Surveys: Considered complete upon review and

[11] Soft starts require an initial set of three strikes from the impact hammer at 40 percent energy, followed by a 1-minute waiting period between subsequent three-strike sets. Soft starts for vibratory hammers will initiate noise at 15 seconds at reduced energy, followed by a 1-minute waiting period between subsequent starts. This process should continue for a period of no less than 15 minutes.

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MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
If it is not feasible to avoid the nesting season and suitable nesting areas remain on the project site, the project sponsor shall hire a qualified wildlife biologist with demonstrated nest-searching experience to conduct surveys for nesting birds, including raptors. The following list details the nesting bird survey requirements for this project. • One nesting bird assessment is required at the beginning of each year, at the start of the nesting bird season (February), to determine if suitable nesting habitat remains or has been reinstated (e.g., the project site is revegetated). • If suitable nesting habitat is present, one nesting survey shall be conducted between February and April, and one nesting survey shall be conducted between April and June. • Additional nesting surveys are required when construction work stops at a portion of the site where suitable nesting habitat remains for more than 15 days or if construction is phased in such a way that no disturbance has occurred in a portion of the project site. • If active nests are observed during construction when the wildlife biologist is not present, all work within 250 feet of the nest shall stop, and wildlife biologist shall be contacted immediately. All personnel shall move at least 250 feet away from the nest. To the extent feasible, after consulting with the wildlife biologist, construction equipment shall be shut down or moved 250 feet away from the nest. Nesting bird surveys shall be performed no earlier than 7 days prior to the commencement of ground-disturbing activities and vegetation removal (including clearing, grubbing, and staging). The area surveyed shall include all construction areas as well as areas within 250 feet outside the boundaries of the areas to be cleared or as otherwise determined by the biologist. If the wildlife biologist finds any active nests (e.g., a nest with eggs, chicks, or young) during the survey, the biologist shall establish no-disturbance species-specific buffer zones for each nest, marked with high-visibility fencing, flagging, or pin flags. No construction activities shall be allowed within the buffer zones. The size of the buffer shall be based on the species' sensitivity to disturbance and planned work activities in the vicinity; typical buffer sizes are 250 feet for raptors and 50 feet for other birds. The buffer shall remain in effect until the chicks have fledged from the nest or the nest is no longer active, which will be verified by the biologist.		during the nesting season (February 1 through August 31), conduct pre-construction surveys (February through June), or remove vegetation and/or structures outside breeding season.	detailing the survey effort and results and submit the memorandum to the infrastructure developer or vertical developer (s) (as applicable) and Port staff within 7 days of survey completion. Port staff to review and approve report.	approval of nesting surveys by Port staff.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
If inactive nests are identified, the project sponsor or its contractor shall remove those nests from the structure/vegetation and install nest exclusion measures on structures (i.e., fine mesh netting, panels, or metal projectors) outside of the nesting season, if deemed necessary and suitable by the qualified wildlife biologist. All exclusionary devices shall be monitored and maintained throughout the breeding season to ensure that they are successful in preventing the birds from accessing the cavities or nest sites. After each survey and/or after nest-deterrence activities are completed, the wildlife biologist shall complete a memorandum detailing the survey effort and results and submit the memorandum to the project sponsor within 7 days of survey completion.				
Geology and Soils Mitigation Measures				
M-GE-5: Accidental discovery of paleontological resource. Given the potential for paleontological resources to be present at the project site at excavation depths within the Colma Formation, the following measures shall be undertaken to avoid any significant adverse effect from the proposed project on paleontological resources. Before the start of any drilling or pile-driving activities, the project sponsor shall retain a qualified paleontologist, as defined by the SVP, who is experienced in teaching nonspecialists. The qualified paleontologist shall train all construction personnel who are involved with earthmoving activities, including the site superintendent, regarding the possibility of encountering fossils, the appearance and types of fossils that are likely to be seen during construction, and proper notification procedures should fossils be encountered. Procedures to be conveyed to workers include halting construction within 50 feet of any potential fossil find and notifying a qualified paleontologist, who shall evaluate the significance. If paleontological resources are discovered during earthmoving activities, the construction crew shall immediately cease work near the find and notify the project sponsor and the San Francisco Planning Department. Construction work in the affected areas shall remain stopped or be diverted to allow recovery of fossil remains in a timely manner. The project sponsor shall retain a qualified paleontologist to evaluate the resource and prepare a recovery plan in accordance with SVP guidelines. The recovery plan may include a field survey, construction monitoring, sampling and data recovery	Infrastructure developer and/or vertical developer(s) (as applicable), and qualified paleontologist.	Before the start of any drilling or pile-driving activities.	Infrastructure developer or vertical developer(s) (as applicable) to retain qualified paleontologist and notify Port staff. Port staff to approve selection of paleontologist. If necessary, paleontologist to prepare and submit a recovery plan for Port review and approval.	Considered complete once training is complete, once construction is complete, or once the Planning Department approves the recovery plan and the infrastructure developer or vertical developer(s) and qualified paleontologist implements the plan.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
procedures, museum storage coordination for any specimen recovered, and a report of findings. Recommendations in the recovery plan that are determined by the San Francisco Planning Department to be necessary and feasible shall be implemented before construction activities can resume at the site where the paleontological resources were discovered. The San Francisco Planning Department shall be responsible for ensuring that the monitor's recommendations regarding treatment and reporting are implemented.				
IMPROVEMENT MEASURES FOR THE SEAWALL LOT 337 AND PIER 48 MIXED-USED PROJECT				
I-TR-1: Construction Management Plan. Traffic Control Plan for Construction – To reduce potential conflicts between construction activities and pedestrians, bicyclists, transit and autos during construction activities, the project sponsor should require construction contractor(s) to prepare a traffic control plan for major phases of construction (e.g. demolition and grading, construction, or renovation of individual buildings). The project sponsor and their construction contractor(s) should meet with relevant City agencies to coordinate feasible measures to reduce traffic congestion, including temporary transit stop relocations and other measures to reduce potential traffic and transit disruption and pedestrian circulation effects during major phases of construction. This includes coordinating project construction activities with nearby City construction projects, such as the Third Street Rehabilitation Project. For any work within the public right-of-way, the contractor would be required to comply with the San Francisco's Regulations for Working in San Francisco Streets, which establishes rules and permit requirements so that construction activities can be conducted safely and with the least possible interference with pedestrians, bicyclists, transit, and vehicular traffic. Additionally, restrict truck movements and deliveries to the maximum feasible extent during peak hours (generally 7:00 to 9:00 a.m. and 4:00 to 6:00 p.m., or other times, as determined by SFMTA and the TASC). In the event that the construction timeframes of the major phases and other development projects adjacent to the project site overlap, the project sponsor should coordinate with City agencies through the TASC and the adjacent developers to minimize the severity of any disruption to adjacent land uses and transportation facilities from overlapping construction transportation	Infrastructure developer and/or developer(s) (as applicable) (s).	Construction Management Plan for Construction: Prior to the issuance of a grading, excavation, or building permit. Project Construction Updates: ongoing throughout construction activities.	Infrastructure developer and/or vertical developer(s) (as applicable) and construction contractor(s) to submit Traffic Control Plan for Construction to the Port and SFMTA for review and approval. Project construction update materials would be provided in the annual mitigation and monitoring plan.	Ongoing during project construction.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
impacts. The project sponsor, in conjunction with the adjacent developer(s), should propose a construction traffic control plan that includes measures to reduce potential construction traffic conflicts, such as coordinated material drop-offs, collective worker parking and transit to job site and other measures. Reduce Single-Occupant Vehicle Mode Share for Construction Workers – To minimize parking demand and vehicle trips associated with construction workers, the project sponsor should require the construction contractor to include in the Traffic Control Plan for Construction methods to encourage walking, bicycling, carpooling, and transit access to the project construction sites by construction workers in the coordinated plan. Project Construction Updates for Adjacent Residents and Businesses – To minimize construction impacts on access for nearby residences, institutions, and businesses, the project sponsor should provide nearby residences and adjacent businesses with regularly updated information regarding construction, including construction activities, peak construction vehicle activities (e.g., concrete pours), travel lane closures, and lane closures via a newsletter and/or website.				
I-TR-7: Garage Access – Pedestrian Design Features. During the final design process for the parking facilities and the pedestrian realm of adjacent streets, improvements should be designed for the safe interface of vehicles and pedestrians at parking facility driveways. This design shall include adequate sight distance, signing, striping, warning devices, and lighting.	Garage developer.	During the final design process for the parking facilities and the pedestrian realm of adjacent streets.	Garage developer to design parking facilities and pedestrian realm for the safe interface of vehicles and pedestrians. SFMTA, in consultation with the Planning Department to review and approve plans.	Considered complete once SFMTA and Planning Department signs off on final plans.
I-TR-10: Garage Access – Bicycle-Vehicle Design Features. During the final design process for Long Bridge Street, adequate sight distance should be provided through a combination of signing, striping, and lighting improvements, which should be designed for the safe interface of vehicles and cyclists at the two Block D2 parking facility driveways.	Garage developer.	During final design process for Long Bridge Street.	Garage developer to design Long Bridge Street with adequate sight distance. SFMTA to review and approve plans.	Considered complete once SFMTA signs off on final plans.

MITIGATION MONITORING AND REPORTING PROGRAM FOR SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT

NOTE: Each mitigation measure in this document applies to the proposed project and all variants, unless noted otherwise.

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Implementation Responsibility	Mitigation Schedule	Monitoring/Reporting Responsibility (Public Agency)	Monitoring Schedule
I-TR-12: Strategies to Enhance Transportation Conditions During Large Events. The project's Transportation Coordinator should participate as a member of the Mission Bay Ballpark Transportation Coordination Committee and provide at least 1-month notification prior to the start of any large event that would overlap with an event at AT&T Park.	Project Transportation Coordinator.	Ongoing.	Transportation Coordinator to provide at least 1-month notification to Port, Planning Department, and SFMTA prior to the start of any large event that would overlap with an event at AT&T Park.	On-going during project operations.

DDA EXHIBIT A6

"Other City Requirements"

DDA EXHIBIT A6
Other City Requirements

The Municipal Code (available at www.sfgov.org) and City and Port policies described in this Exhibit are incorporated by reference as though fully set forth in the DDA (collectively, the "**Other City Requirements**"). Developer is charged with full knowledge of and compliance with each applicable requirement, whether or not summarized below. All statutory references in this Exhibit are to the Municipal Code as in effect on the Reference Date unless specified otherwise.

The application of specified provisions of the Other City Requirements is subject to *DA § 5.3 (Changes to Existing City Laws and Standards)* and waivers (collectively, the "**DA Waivers**") under Section 7 of Ordinance No. XXXX, which is attached to and incorporated in this Exhibit. The descriptions below are not comprehensive but are provided for notice purposes only. Developer understands that its failure to comply with any applicable provision of the Other City Requirements will give rise to the specific remedies under the applicable Other City Requirements and in certain cases give rise to a default under the DDA, which could result in a default under the DA as well. References to Developer in the Other City Requirements will apply to DDA Parties and their successors under the DDA and DA Successors under the DA.

Municipal Codes and Policies Summarized

1. Nondiscrimination in Contracts and Property Contracts
2. Health Care Accountability Ordinance
3. Prevailing Wages and Working Conditions in Construction Contracts
4. Other Prevailing Wage Rate Requirements
5. First Source Hiring Program
6. Criminal History In Hiring And Employment Decisions
7. Employee Signature Authorization Ordinance
8. Tobacco Products and Alcoholic Beverages
9. Integrated Pest Management Program
10. Resource-Efficient Facilities and Green Building Requirements
11. Tropical Hardwood and Virgin Redwood Ban
12. Diesel Fuel Measures
13. Arsenic-Treated Wood
14. Food Service and Packaging Waste Reduction Ordinance
15. Bottled Drinking Water
16. Graffiti Removal and Abatement
17. Drug-Free Workplace
18. Nutritional Standards and Guidelines
19. All-Gender Toilet Facilities
20. Indoor Air Quality
21. Conflicts of Interest
22. Sunshine
23. Contribution Limits-Contractors Doing Business with the City
24. Implementing the MacBride Principles – Northern Ireland

Contracting, Hiring, and Construction

1. Nondiscrimination in Contracts and Property Contracts.
(Admin. Code ch. 12B, ch. 12C)

(a) Covered Contracts. All provisions in this Section regarding the Nondiscrimination in Contracts and Property Contracts ordinance apply to "**subcontracts to contracts**" and "**property contracts**" as defined in Administrative Code sections 12B.2 and 12C.2.

(b) Covenant Not to Discriminate. In its development of the Project Site, Developer covenants and agrees not to discriminate against or segregate any person or group of persons on any basis listed in FEHA § 12955 or on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, AIDS/HIV status, weight, height, association with members of protected classes, or in retaliation for opposition to any forbidden practices against any employee of, any City employee working with, or applicant for employment with Developer, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in the business, social, or other establishment or organization operated by Developer.

(c) Requirement to Include. In all applicable property contracts, subcontracts, and subleases, Developer shall: (i) include a nondiscrimination clause in substantially the form of **Subsection (a)** (Covenant Not to Discriminate); and (ii) incorporate by reference Administrative Code sections 12B.2(a), 12B.2(c)-(k), and 12C.3(a) and require all contractors, subcontractors, and subtenants to comply with those provisions.

(d) Nondiscrimination in Benefits. Developer agrees not to discriminate between employees with domestic partners and employees with spouses, or between the domestic partners and spouses of employees, where the domestic partnership has been registered with any governmental entity under state or local law authorizing registration, subject to the conditions set forth in Administrative Code section 12B.2. Developer's agreement relates to bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits, and travel benefits (collectively "**Core Benefits**"), as well as other employee benefits described in section 12B.1(b), during the term of each applicable property contract or subcontract.

(e) Form. On or before the Reference Date, Developer must complete, execute, deliver to, and obtain approval of its completed *Nondiscrimination in Contracts and Benefits* form CMD-12B-101 from CMD. The form is available on CMD's website.

(f) Penalties. Developer understands that under Administrative Code section 12B.2(h), the City may assess against Developer or deduct from any payments due Developer a penalty of $50 for each person for each calendar day during which Developer or its subcontractor, property contractor, or other contractor discriminated against a protected person in violation of this Section. Violation of this Section, if not cured after notice and an opportunity to cure, also will be an Event of Default under the DDA and a material breach of any applicable property contract, subcontract or sublease.

2. Health Care Accountability Ordinance.
(Admin. Code ch. 12Q)

(a) Developer agrees to comply fully with and be bound by the Health Care Accountability Ordinance ("**HCAO**"), as set forth in Administrative Code chapter 12Q, unless exempt.

(b) Covered Employees. For each Covered Employee, Developer must provide the appropriate health benefit set forth in HCAO section 12Q.3, unless it is exempt as a small business under HCAO section 12Q.3(e).

(c) Notice and Opportunity to Cure. If Developer fails to cure a violation of the HCAO after receiving notice of a violation and an opportunity to cure the violation, the City will have the remedies set forth in HCAO section 12Q.5(f), subject to the DA Waivers, which the City may exercise individually or in combination with any of its other rights and remedies.

(d) Covered Contracts. Any Contract, Subcontract, or Sublease, as defined in Chapter 12Q, that Developer enters into for public works, public improvements, or for services must require the Contractor, Subtenant, or Subcontractor, as applicable, to comply with the applicable provisions of the HCAO and must contain contractual obligations substantially the same as those set forth in the HCAO. Developer agrees to notify the Contracting Department promptly of any Subcontractors performing services covered by Chapter 12Q and certify to the Contracting Department that Developer has notified the Subcontractors of their HCAO obligations under this Chapter.

(e) Noncompliance. Developer will be responsible for monitoring compliance with the HCAO by each Subcontractor, Subtenant, and Contractor performing services on the Project Site. But the City agrees that Developer will not be liable for the noncompliance of its Subcontractors, Subtenants, or Contractors. The City's remedies for Developer's noncompliance with the HCAO are subject to the DA Waivers.

(f) Retaliation Prohibited. Developer must not discharge, reduce in compensation, or otherwise discriminate against any Employee for notifying the City of any issue regarding noncompliance or anticipated noncompliance with the HCAO, for opposing any practice proscribed by the HCAO, for participating in any proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(g) Representation and Warranty. Developer represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(h) Reporting. Upon request, Developer must provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO.

(i) Records. After receiving a written request from the City to inspect pertinent payroll records and after at least 10 days to respond have elapsed, Developer agrees to provide the City with access to pertinent payroll records relating to the number of employees employed and terms of medical coverage. In addition, the City and its Agents, in consultation with the Department of Public Health, may conduct audits of Contracting Parties, although such audits shall be conducted through an examination of records at a mutually agreed upon time and location within 10 days after written notice. Developer agrees to cooperate with the City in connection with these audits.

(j) Threshold. If a Subcontractor, Subtenant, or Contractor is exempt from the HCAO because the amount payable to the Subcontractor, Subtenant, or Contractor under all of its contracts with the City or relating to City-owned property is less than $25,000 (or $50,000 for nonprofits) in that City Fiscal Year, but the Subcontractor, Subtenant, or Contractor later enters into one or more agreements with the City or relating to City-owned property that cause the payments to the Subcontractor, Subtenant, or Contractor to equal or exceed $75,000 in that City Fiscal Year, then all of the Contractor's, Subtenant's, or Subcontractor's contracts with the City and relating to City-owned property will become subject to the HCAO from the date on which the later agreement is executed.

3. Prevailing Wages and Working Conditions in Construction Contracts.
(Calif. Labor Code §§ 1720 *et seq.*; Admin. Code § 6.22(e))

(a) Labor Code Provisions. Certain contracts for work at the Project Site may be public works contracts if paid for in whole or part out of public funds, as the terms "**public work**" and "**paid for in whole or part out of public funds**" are defined in and subject to exclusions and further conditions under California Labor Code sections 1720-1720.6.

(b) Requirement. Developer must comply with the prevailing wage requirements in *WDP § XXXX (Prevailing Wages)* that apply to construction work on all Prevailing Wage Covered Projects by Developer, all Vertical Developers and Construction Contractors (and their subcontractors regardless of tier) (as defined in the WDP).

(c) Penalties. The Port has designated OLSE as the agency responsible for ensuring that prevailing wages are paid and other payroll requirements are met in accordance with the WDP, subject to the DA Waivers.

4. Other Prevailing Wage Rate Requirements.
(Admin. Code ch. 21C)

(a) Under Administrative Code ch. 21C, individuals employed in certain activities at the Project Site are entitled to be paid not less than either the highest general prevailing rate of wages (including fringe benefits or their matching equivalents) paid in private employment for similar work in the area in which the contract is being performed, as determined by the Civil Service Commission or the "**Prevailing Rate of Wages**" (including fringe benefits or matching equivalents) fixed by the Board of Supervisors, unless the activities meet any of the specified exemptions. Covered activities are:

(i) motor bus services provided to the general public (§ 21C.1);

(ii) "**Janitorial Services**" (§ 21C.2);

(iii) operation of a "**Public Off-Street Parking Lot, Garage, or Automobile Storage Facility**" (§ 21C.3);

(iv) theatrical or technical services related to the presentation of a show, including workers engaged in rigging, sound, projection, theatrical lighting, videos, computers, draping, carpentry, special effects, and motion picture services (§ 21C.4);

(v) operation of a "**Special Event**" (§ 21C.8);

(vi) "**Broadcast Services**" (§ 21C.9); and

(vii) driving a "**Commercial Vehicle**" or loading or unloading materials, goods, or products into or from a Commercial Vehicle in connection with the presentation of a "**Show**" or for a Special Event (§ 21C.10).

(b) Agreement. Developer agrees to comply with the obligations in Administrative Code chapter 21C and to require its tenants, contractors, and any subcontractors to comply with the obligations in chapter 21C. In addition, if Developer or its tenant, contractor, or any subcontractor fails to comply with these obligations, the City will have all available remedies against Developer to secure compliance and seek redress for workers who provided the services.

(c) OLSE. For current Prevailing Wage rates, see the OLSE website or call the OLSE at 415-554-6235.

5. First Source Hiring Program.
(Admin. Code ch. 83)

Developer's obligations to comply with the First Source Hiring Program are set forth in *WDP Att A (First Source Hiring Agreement)*.

6. Criminal History In Hiring And Employment Decisions.
(Admin. Code ch. 12T)

(a) Agreement to Comply. Administrative Code Chapter 12T ("**Chapter 12T**") will only apply to a Contractor's, Subcontractor's, or subtenant's operations to the extent those operations are in furtherance of performing a Contract or Property Contract with the City subject to Chapter 12T. If applicable, Developer will comply with and be bound by Chapter 12T, including the remedies and implementing regulations, with respect to applicants to and employees of Developer who would be or are performing work at the Project Site under the DDA.

(b) Breach. Developer must incorporate Chapter 12T by reference in all contracts related to be performed in furtherance of a Contract or Property Contract with the City, as defined in Administrative Code section 12T.1. Developer will be responsible for monitoring compliance by its Subcontractors, Contractors, and subtenants, but the City agrees that Developer will not be liable for their noncompliance.

(c) Prohibited Activities. Developer and its Subcontractors, Contractors, and subtenants must not inquire about, require disclosure of, or if the information is received, base an Adverse Action on an applicant's or potential applicant's or employee's: (i) Arrest not leading to a Conviction, except under circumstances identified in Chapter 12T as an Unresolved Arrest; (ii) participation in or completion of a diversion or a deferral of judgment program; (iii) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (iv) a Conviction or any other adjudication in the juvenile justice system, or information regarding a matter considered in or processed through the juvenile justice system; (v) a Conviction that is more than seven years old, based on the date of sentencing; or (vi) information pertaining to an offense other than a felony or misdemeanor, such as an infraction, except that a Contractor, Subcontractor, or subtenant may inquire about, require disclosure of, base an Adverse Action on, or otherwise consider an infraction or infractions contained in an applicant or employee's driving record if driving is more than a de minimis element of the employment in question.

(d) Employment Applications. Developer and its Subcontractors, Contractors, and subtenants must not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any Conviction History or unresolved arrest until either after the first live interview with the person, or after a conditional offer of employment in accordance with section 12T.4(c).

(e) Disclosure. Developer and its Subcontractors, Contractors, and subtenants must state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Developer or its Subcontractors, Contractors, and subtenants at the Project Site that the DDA and all Contracts and Property Contracts will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(f) Posting. Developer and its Subcontractors, Contractors, and subtenants must post the notice prepared by the OLSE, available on OLSE's website, in a conspicuous place at the Project Site and at other workplaces, job sites, or other locations under the Subcontractor's, Contractor's, or subtenant's control at which work is being done or will be done in furtherance of performing a Contract or Property Contract under the DDA with the City. The notice will be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Project Site or other workplace at which it is posted.

(g) Penalties. Developer and its Subcontractors, Contractors, and subtenants understand and agree that upon any failure to comply with Chapter 12T, the City will have the right to pursue any rights or remedies available under Chapter 12T, subject to **Subsection (b)** (Breach) and the DA Waivers, including a penalty of $50 for each employee, applicant or other person as to whom the violation occurred or continued, and thereafter, for subsequent violations, the penalty may increase to no more than $100, for each employee or applicant whose rights were, or continue to be, violated.

(h) Inquiries. If Developer has any questions about the applicability of Chapter 12T, it may contact the Port for additional information. The Port will consult with the Director of the City's Office of Contract Administration, who has authority to grant a waiver under the circumstances set forth in section 12T.8 of Chapter 12T.

7. **Employee Signature Authorization Ordinance.**
(S.F. Admin Code §§ 23.50-23.56)

The City has adopted an Employee Signature Authorization Ordinance, which requires employers of employees in hotel or restaurant projects on public property with 50 or more full-time or part-time employees to enter into a "card check" agreement with a labor union regarding the preference of employees to be represented by a labor union to act as their exclusive bargaining representative. Developer agrees to comply with the requirements of the ordinance, if applicable, including any requirements applicable to its successors, as specified in Administrative Code section 23.54.

Use Of City Property

8. Tobacco Products and Alcoholic Beverages.
(Admin. Code § 4.20; Health Code art. 19K)

(a) Definitions. For purposes of this Section: (i) "**alcoholic beverage**" is defined in California Business and Professions Code section 23004 and excludes cleaning solutions, medical supplies, and other products and substances not intended for drinking; and (ii) "**tobacco product**" is defined in Health Code section 1010(b).

(b) Advertising Ban. New general advertising signs that are visible to the public are prohibited on the exterior of any City-owned building under Administrative Code section 4.20-1.

(c) Tobacco Sales Ban. No person may sell tobacco products on property owned by or under the control of the City under Health Code article 19K.

(d) Alcoholic Beverage Advertising. Port property used for operation of a restaurant, concert or sports venue, or other facility or event where the sale, production, or consumption of alcoholic beverages is permitted, will be exempt from the alcoholic beverage advertising prohibition in Administrative Code section 4.20(a)-(c).

9. Integrated Pest Management Program.
(Env. Code ch. 3)

(a) IPM Plan. Chapter 3 of the Environment Code (the "**IPM Ordinance**") describes an integrated pest management policy ("**IPM Policy**") to be implemented by all City departments. Except for the permitted uses of pesticides provided in IPM Ordinance section 303, Developer must not use or apply during the DDA term, and must not contract with any party to provide pest abatement or control services to the Project Site, except in compliance with the Port's integrated pest management plan ("**IPM Plan**").

(b) Application. Although not a City Department, Developer agrees to comply, and must require all of Developer's contractors to comply, with the Port's approved IPM Plan and IPM Ordinance sections 300(d), 302, 304, 305(f), 305(g), and 306, as if Developer were a City department. Among other matters, the IPM Ordinance: (i) provides for the use of pesticides only as a last resort; (ii) prohibits the use or application of pesticides on City-owned property except for pesticides granted exemptions under IPM Ordinance section 303 (including pesticides included on the most current Reduced Risk Pesticide List compiled by the Department of the Environment); (iii) imposes certain notice requirements; and (iv) requires Developer to keep certain records and to report to the City all pesticide use by Developer's staff or contractors.

(c) Prior Review. Before Developer or Developer's contractor applies pesticides to outdoor areas, Developer must obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation and any such pesticide application must be made only by or under the supervision of a person holding a valid Qualified Applicator certificate or Qualified Applicator license under California law. The City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the Department of the Environment website, http://sfenvironment.org/ipm.

10. Resource-Efficient Facilities and Green Building Requirements.
(Env. Code ch. 7)

Developer agrees to comply with all applicable provisions of the Environment Code relating to resource-efficiency and green building design requirements.

11. Tropical Hardwood and Virgin Redwood Ban.
(Env. Code ch. 8)

The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product, except as expressly permitted by the application of Environment Code sections 802(b) and 803(b). Developer agrees that, except as permitted by the application of Environment Code sections 802(b) and 803(b), Developer will not use or incorporate any tropical hardwood or virgin redwood in the construction of the Improvements or provide any items to the construction of the Project, or otherwise in the performance of the DDA that are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. If Developer fails to comply in good faith with any of Environment Code chapter 8, Developer will be liable for liquidated damages for each violation in any amount equal to the contractor's net profit on the contract, or 5% of the total amount of the contract dollars, whichever is greater.

12. Diesel Fuel Measures.
(Env. Code ch. 9)

Consistent with the City's Greenhouse Gas Emissions Reduction Plan (Env. Code § 903) to reduce greenhouse gas emissions in the City, Developer must minimize exhaust emissions from operating equipment and trucks during construction. Developer's compliance with MMRP Mitigation Measure M-AQ-1a will satisfy this requirement.

13. Arsenic-Treated Wood.
(Env. Code ch. 13)

Developer must not purchase preservative-treated wood products containing arsenic on behalf of the City in the performance of the DDA without obtaining an exemption under Environment Code section 1304 from the Department of Environment. Developer may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Developer from purchasing preservative-treated wood containing arsenic for saltwater immersion. In this Section: (a) "**preservative-treated wood containing arsenic**" means wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative; and (b) "**saltwater immersion**" means a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

14. Food Service and Packaging Waste Reduction Ordinance.
(Env. Code ch. 16)

Developer agrees to comply fully with and be bound by section 1604(d) of the Food Service and Packaging Waste Reduction Ordinance (Env. Code ch. 16), including the remedies

provided in section 1607 and implementing guidelines and rules. By entering into the DDA and the Development Agreement, Developer agrees that if it breaches this provision, and fails to cure within the cure periods provided herein, the City will suffer actual damages that will be impractical or extremely difficult to determine and that the following amounts of liquidated damage are reasonable estimates of the damage that the City will incur based on any violation, established in light of the circumstances existing on the Reference Date: (a) $100 for the first breach; (b) $200 for the second breach in the same year; and (c) $500 for subsequent breaches in the same year. These liquidated damages will not be considered penalties, but agreed monetary damages sustained by the City because of Developer's noncompliance.

15. Bottled Drinking Water.
(Env. Code ch. 24; Port Reso. No. 12-11)

Developer is subject to all applicable provisions of Environment Code chapter 24 prohibiting the sale or distribution of drinking water in plastic bottles with a capacity of 21 fluid ounces or less at events held on City Property with attendance of more than 100 people during the DDA Term. Also, Developer must comply with the Port's *Zero Waste Policy for Events and Activities* (Port Reso. No. 12-11) for applicable events at the Project Site during the DDA Term.

16. Graffiti Removal and Abatement.
(Pub. Works Code Sec. 23)

(a) Requirement. Developer agrees to remove all graffiti from the Project Site, including from the exterior of any structures within the Project Site, consistent with the notice and cure provisions of Public Works Code section 23. If the Director of Public Works determines that any property contains graffiti in violation of section 2303, the Director may issue a notice of violation to Developer and any Offending Party. At the time the notice of violation is issued, the Director will take one or more photographs of the alleged graffiti and make copies of the photographs available to Developer and any Offending Party upon request. The photographs will be dated and retained as a part of the file for the violation. The notice will give Developer and any Offending Party 30 days after the date of the notice to either remove the graffiti or request a hearing on the notice of violation and set forth the procedure for requesting the hearing. This Section is not intended to require a tenant to breach any lease or other agreement that it may have concerning its use of the real property.

(b) Application. In this Section, "**graffiti**" means any inscription, word, figure, marking, or design that is affixed, marked, etched, scratched, drawn, or painted on any building, structure, fixture, or other improvement, whether permanent or temporary, including signs, banners, billboards, and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and that is visible from the public right-of-way, but does not include: (i) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the DDA or the Port Building Code; (ii) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (Calif. Civil Code §§ 987 *et seq.*) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 *et seq.*); (iii) any painting or marking that a City department makes in the course of its official duties or as part of a public education campaign; or (iv) any painting or marking required for compliance with any local, state, or federal law.

17. Drug-Free Workplace.
(41 U.S.C. ch. 81; Police Code art. 40)

To the extent applied by a federal grant or contract for the Project, the Drug-Free Workplace Act of 1988 (41 U.S.C. ch. 81) will apply to Developer. Developer agrees to adopt a Drug-Free Workplace Policy and comply with all other applicable requirements of the drug-free workplace laws under Police Code article 40.

18. Nutritional Standards and Guidelines.
(Admin. Code § 4.9-1)

(a) Definitions. For the purpose of this Section: (i) "**meal**" means "**prepared food**" as defined in Environment Code section 1602(l), which means food or beverages prepared within San Francisco for individual customers or consumers in a form commonly understood to be a breakfast, lunch, or dinner; (ii) "**Nutritional Standards Requirements**" means the food and beverage nutritional standards and calorie labeling requirements set forth in Administrative Code section 4.9-1(c); (iii) "**restaurant**" is defined in Health Code section 451(s) and includes any coffee shop, cocktail lounge, sandwich stand, public school cafeteria, in-plant or employee eating establishment, and any other eating establishment that gives or offers for sale food that requires no further preparation to the public, guests, patrons, or employees for consumption on or off the premises; (iv) "**vending machine**" is defined in Administrative Code section 4.2(a) and means an automated machine dispensing products or services, including food, beverages, tobacco products, newspapers, and periodicals.

(b) Vending Machines. Any permitted vending machine must comply with the Nutritional Standards Requirements in section 4.9-1(c). Developer must incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Project Site or for the supply of food and beverages to that vending machine.

(c) Restaurants. Any restaurant on City property is encouraged to ensure that at least 25% of meals offered on the menu meet the Nutritional Standards Requirements set forth in Administrative Code section 4.9-1(e).

(d) Penalties. Developer's failure to comply with the Nutritional Standards Requirements in section 4.9-1(c) will be considered an Event of Default under the DDA and in addition to its other remedies, which will be subject to the DA Waivers, the City may require the removal of any vending machine on the Project Site that is not permitted or that violates the Nutritional Standards Requirements. Developer will be responsible for monitoring compliance with the Nutritional Standards Requirements by each subcontractor, subtenant, and contractor performing services or occupying premises on the Project Site. But the City agrees that Developer will not be liable for the noncompliance of its subcontractors, subtenants, or contractors.

19. All-Gender Toilet Facilities.
(Admin. Code § 4.1-3)

Developer must include at least one all-gender toilet facility on each floor of any new building on City-owned land or that is constructed by or for the City where toilet facilities are required or provided. Unless not allowed by an existing lease, whenever extensive renovations are made on one or more floors in any building on land that the City owns or in a building that is leased to or by the City, Developer will provide at least one all-gender toilet facility on each

floor where the renovations take place and toilet facilities are required or provided. An "**all-gender toilet facility**" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures. "**Extensive renovations**" means any renovation where the construction cost exceeds 50% of the cost of providing the required toilet facilities.

20. Indoor Air Quality.
(Env. Code § 711(g))

Developer agrees to comply with section 711(g) of the Environment Code and regulations adopted under Environment Code section 703(b) relating to construction and maintenance protocols to address indoor air quality.

Other Public Policies

21. Conflicts of Interest.
(Calif. Gov. Code §§ 87100 *et seq.* & §§ 1090 *et seq.*; Charter § 15.103; Campaign and Govt'l Conduct Code art. III, ch. 2)

Through its execution of the DDA, Developer acknowledges that it is familiar with Charter section 15.103, Campaign and Governmental Conduct Code article III, chapter 2, and California Government Code sections 87100 *et seq.* and sections 1090 *et seq.*, certifies that it does not know of any facts that would violate these provisions and agrees to notify the Port if Developer becomes aware of any such fact during the DDA Term.

22. Sunshine.
(Calif. Gov. Code §§ 6250 *et seq.*; Admin. Code ch. 67)

Developer understands and agrees that under the California Public Records Act (Calif. Gov. Code §§ 6250 *et seq.*) and the City's Sunshine Ordinance (Admin. Code ch. 67), the Transaction Documents and all records, information, and materials that Developer submits to the City may be public records subject to public disclosure upon request. Developer may mark materials it submits to the City that Developer in good faith believes are or contain trade secrets or confidential proprietary information protected from disclosure under public disclosure laws, and the City will attempt to maintain the confidentiality of these materials to the extent provided by law. Developer acknowledges that this provision does not require the City to incur legal costs in any action by a person seeking disclosure of materials that the City received from Developer.

23. Contribution Limits-Contractors Doing Business with the City.
(Campaign and Govt'l Conduct Code § 1.126)

(a) Application. Campaign and Governmental Conduct Code section 1.126 ("**Section 1.126**") applies only to agreements subject to approval by the Board of Supervisors, the Mayor, any other elected officer, or any board on which an elected officer serves. Section 1.126 prohibits a person who contracts with the City for the sale or lease of any land or building to or from the City from making any campaign contribution to: (i) any City elective officer if the officer or the board on which that individual serves or a state agency on whose board an appointee of that individual serves must approve the contract; (ii) a candidate for the office held by the individual; or (iii) a committee controlled by the individual or candidate, at

any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for the contract or six months after the date the contract is approved.

(b) Acknowledgment. Through its execution of the DDA, Developer acknowledges the following.

(i) Developer is familiar with Section 1.126.

(ii) Section 1.126 applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of $50,000 or more.

(iii) If applicable, the prohibition on contributions applies to: (1) Developer; (2) each member of Developer's board of directors; (3) Developer's chairperson, chief executive officer, chief financial officer, and chief operating officer; (4) any person with an ownership interest of more than 20% in Developer; (5) any subcontractor listed in the contract; and (6) any committee, as defined in Campaign and Governmental Conduct Code section 1.104, that is sponsored or controlled by Developer.

24. Implementing the MacBride Principles – Northern Ireland.
(Admin. Code ch. 12F)

The Port and the City urge companies doing business in Northern Ireland to move towards resolving employment inequities and encourage them to abide by the MacBride Principles. The Port and the City urge San Francisco companies to do business with corporations that abide by the MacBride Principles.

Lodged with Port Commission January 19, 2018.

Exhibit A to DDA EXHIBIT A6

Development Ordinance

[Development Agreement - SWL 337 Associates, LLC - Mission Rock Project - Seawall Lot 337]

Ordinance approving a Development Agreement between the City and County of San Francisco and SWL 337 Associates, LLC, for 28 acres of real property known as Seawall Lot 337, located east of Third Street between China Basin Channel and Mission Rock Street, China Basin Park and the portion of Terry A. Francois Boulevard abutting the park, Pier 48, the marginal wharf between Pier 48 and Pier 50, and Parcel P20; waiving certain provisions of the Administrative Code, Planning Code, and Subdivision Code; and adopting findings under the California Environmental Quality Act, public trust findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b).

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Background and Findings.

(a) California Government Code Sections 65864 et seq. ("Development Agreement Law") authorize any city, county, or city and county to enter into an agreement for the development of real property within its jurisdiction.

(b) Chapter 56 of the Administrative Code sets forth certain procedures for processing and approving development agreements in the City and County of San Francisco (the "City").

(c) In May 2010, the Port Commission (the "Port") selected SWL 337 Associates, LLC, a Delaware limited liability company ("Developer"), through a competitive process to negotiate exclusively for the mixed-use development (the "Project") of Seawall Lot 337, bounded by Third Street on the west, Parcel P20 and Mission Rock Street on the south, Pier 48 to the east, and China Basin Park on the north, and Pier 48. The Port Commission later added China Basin Park, the marginal wharf between Pier 48 and Pier 50, and Parcel P20 to the development site (collectively, the "Site"), subject to approvals necessary to remove Parcel P20 from the Mission Bay South Redevelopment Project Area. Developer, an affiliate of the San Francisco Giants, will act as the master developer for the Project.

(d) In conjunction with this ordinance, this Board has taken or intends to take a number of other actions in furtherance of the Project, including approval of: (1) a disposition and development agreement ("DDA") between Developer and the Port; (2) amendments to the Planning Code that create the Mission Rock Special Use District (the "SUD amendments") and incorporate the more detailed Mission Rock Design Controls; (3) amendments to the Zoning Maps; (4) a memorandum of understanding for interagency cooperation between the Port and other City agencies (the "ICA") with respect to the subdivision of the Site and construction of public infrastructure and other public facilities; (5) formation proceedings for financing districts covering the Site and a memorandum of understanding between the Port and the Treasurer and Tax Collector and the Controller regarding the assessment, collection, and allocation of ad valorem and special taxes to the financing districts; and (6) a number of related documents and entitlements to govern the Project.

(e) At full build-out, the Project will include: (1) 1.1 million to 1.6 million gross square feet ("gsf") of new residential uses (an estimated 1,000 to 1,950 new residential units), at least 40% of which will be on-site housing affordable to a range of low- to moderate-income households as described in the Housing Plan in the DDA; (2) 972,000 to 1.4 million gsf of new

commercial and office space; (3) 241,000 to 244,800 gsf of active retail and production uses on 11 proposed development blocks on SWL 337 in buildings that would range in height from 90 to 240 feet, consistent with Section 5 of the Mission Rock Affordable Housing, Parks, Jobs and Historic Preservation Initiative (Proposition D, November 2015); (4) rehabilitation and reuse of Pier 48, a significant contributing resource to the Port of San Francisco Embarcadero Historic District; (5) approximately 1.1 million gsf of above- and below-grade parking in one or two garages; (6) transportation demand management on-site and payment of impact fees that the Municipal Transportation Agency will use to improve transportation service in the area; (7) approximately 5.4 acres of net new open space for a total of approximately 8 acres of new and expanded open space, including an expansion of China Basin Park, a new central Mission Rock Square, and waterfront access along the shoreline; (8) public access areas, assembly areas, and an internal grid of public streets, shared streets, and utilities infrastructure; and (9) on-site strategies to protect against sea level rise.

(f) While the DDA binds the Port and Developer, other City agencies retain a role in reviewing and issuing certain later approvals for the Project. Later approvals include approval of subdivision maps and plans for public infrastructure and public facilities, design review and approval of new buildings under the SUD amendments, and acceptance of Developer's dedications of public infrastructure and public facilities for maintenance and liability under the Subdivision Code. Accordingly, the City and Developer negotiated a development agreement for the Project (the "Development Agreement"), a copy of which is in Board File No. _____ and incorporated in this ordinance by reference. The DDA, the Development Agreement, the ICA, the Tax MOU, and all vertical disposition and development agreements and leases that the Port enters into in accordance with the DDA are referred to collectively as the "Transaction Documents."

(g) Development of the Site in accordance with the DDA and the Development Agreement will help realize and further the City's goals to restore and revitalize Seawall Lot 337 and Pier 48, increase public access to the waterfront, increase public open space and community facilities within the neighborhood, add to the City's affordable and market-rate housing stock, and create a significant number of construction and permanent jobs in and near the Site. In addition, the Project will provide additional benefits to the public that could not be obtained through application of existing City ordinances, regulations, and policies.

Section 2. Environmental Findings.

(a) The Planning Commission has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000 et seq.) ("CEQA"). A copy of this determination is in Board File No. _____ and incorporated in this ordinance by reference.

(b) The Board of Supervisors has adopted Resolution No. _____, a copy of which is in Board File No. _____, making CEQA findings for the Project. The Board of Supervisors adopts and incorporates in this ordinance by reference the Planning Commission's findings under CEQA.

Section 3. Consistency Findings.

The Planning Commission recommended that the Board of Supervisors approve the Development Agreement and amendments to the Planning Code and the Zoning Maps at a public hearing on October 5, 2017, by Motion No. 20019 and Resolution No. 20020, copies of which are in Board File No. _____. This Board adopts and incorporates by reference in this ordinance the Planning Commission's findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1(b).

Section 4. Public Trust Findings.

At a public hearing on _____, the Port Commission consented to the Development Agreement and approved the DDA, subject to the Board of Supervisors' approval, finding that the Project would be consistent with and further the purposes of the common law public trust and statutory trust under the Burton Act (Stats. 1968, ch. 1333), as amended by Senate Bill 815 (Stats. 2007, ch. 660) and Assembly Bill 2797 (Stats. 2016, ch. 529), by Resolution No. _____, a copy of which is in Board File No. _____. The Board of Supervisors adopts and incorporates in this ordinance by reference the Port Commission's public trust findings.

Section 5. Approval of Development Agreement.

The Board of Supervisors:

(a) approves all of the terms and conditions of the Development Agreement in substantially the form in Board File No. _____;

(b) finds that the Development Agreement substantially complies with the requirements of Administrative Code Chapter 56 (Development Agreements);

(c) finds that the Project is a large multi-phase and/or mixed-use development as defined in Administrative Code Section 56.3(g); and

(d) approves the Workforce Development Plan attached to the DDA in lieu of requirements under Administrative Code Chapter 14B (Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance), Article VII of Chapter 23 (Prevailing Wage, Apprenticeship, and Local Hire Requirements in City Real Property Sales Contracts and Leases), Section 56.7(c) (Nondiscrimination/Affirmative Action Requirements), and Chapter 83 (First Source Hiring Program) to the extent that they apply to construction work that is subject to the Local Hiring Requirements of the Workforce Development Plan.

Section 6. Administrative Code Chapter 56 Waivers.

The Board of Supervisors waives the application to the Project of the following provisions of Administrative Code Chapter 56 to the extent inconsistent with the Development Agreement, the DDA, or the ICA, specifically:

(a) Section 56.4 (Application, Forms, Initial Notice, Hearing); Section 56.7(c) (Nondiscrimination/Affirmative Action Requirements); Section 56.8 (Notice); Section 56.10 (Negotiation Report and Documents); Section 56.15 (Amendment and Termination); Section 56.17(a) (Annual Review); Section 56.18 (Modification or Termination); and Section 56.20 (Fee); and

(b) any other procedural or other requirements if and to the extent that they are not strictly followed.

Section 7. Other Administrative Code Waivers.

The Board of Supervisors waives the application to the Project of the following additional provisions of the Administrative Code:

(a) Chapter 6 (Public Works Contracting Policies and Procedures) other than the payment of prevailing wages when required;

(b) remedies and penalties for noncompliance with Chapter 12Q (Health Care Accountability), Chapter 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), or Section 4.9-1 (Nutritional Standards for Vending Machines; Nutritional Guidelines for Food Served at City Meetings and Events; Recommended Nutritional Guidelines for Restaurants on City Property) that could result in the termination of any Transaction Document, loss or impairment of Developer's rights under the Transaction Documents or a vertical developer's rights under a property contract for any part of the Site, or debarment of Developer or any vertical developer from future contract opportunities with the City;

(c) Chapter 14B (Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance);

(d) Competitive Bidding Procedures and Appraisal Review as defined in Section 23.2 (Chapter Definitions) and required by Section 23.3 (Conveyance and Acquisition of Real Property) or Section 23.33 (Competitive Bidding Procedures);

(e) Section 23.31 (Year-to-Year or Shorter Leases), which limits the Director of Property's authority to enter into leases on behalf of the City as landlord for periods longer than one year;

(f) Chapter23A.7 (Surplus Public Lands Ordinance);

(g) Paragraph (2) of Section 61.5(c) (Listing of Unacceptable Non-Maritime Land Uses); and

(h) solely to the extent inconsistent with Developer's approved Workforce Development Program, Chapter 82 (Local Hiring Policy for Construction) and Chapter 83 (First Source Hiring Program).

Section 8. Subdivision Code Waivers.

(a) The Board of Supervisors waives the application to the Project of time limits under Subdivision Code Section 1346(e) (Improvement Plans) and Section 1355 (Time Limit for Submittal) to the extent that they conflict with the ICA or the Development Agreement.

(b) The Board of Supervisors also waives the application to the Project of Subdivision Code Section 1348 (Failure To Complete Improvements Within Agreed Time), and the following terms shall apply in lieu thereof: The Public Improvement Agreement, as defined in the ICA, shall include provisions consistent with the Transaction Documents and the applicable requirements of the Municipal Code and the Subdivision Regulations regarding extensions of time and remedies that apply when improvements are not completed within the agreed time.

Section 9. Authorization.

(a) The Board of Supervisors affirms that the waivers in this ordinance do not waive requirements under the Development Agreement Law and authorizes the City to execute, deliver, and perform the Development Agreement as follows:

(1) the Director of Planning, the City Administrator, and the Director of Public Works are authorized to execute and deliver the Development Agreement with signed consents of the Port Commission, the Municipal Transportation Agency, and the San Francisco Public Utilities Commission; and

(2) the Director of Planning and other appropriate City officials are authorized to take all actions reasonably necessary or prudent to perform the City's obligations under the Development Agreement in accordance with its terms.

(b) The Director of Planning is authorized to exercise discretion, in consultation with the City Attorney, to enter into any additions, amendments, or other modifications to the Development Agreement that the Director of Planning determines are in the best interests of the City and that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City as provided in the Development Agreement. Final versions of any additions, amendments, or other modifications to the Development Agreement shall be provided to the Clerk of the Board of Supervisors for inclusion in Board File No. _____ within 30 days after execution by all parties.

Section 10. Ratification of Past Actions; Authorization of Future Actions.

All actions taken by City officials in preparing and submitting the Development Agreement to the Board of Supervisors for review and consideration are hereby ratified and confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be taken by City officials consistent with this ordinance.

Section 11. Effective and Operative Dates.

(a) This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned, or the Mayor does not sign the ordinance within ten days after receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

(b) This ordinance shall become operative only on the effective date of the DDA. No rights or duties are created under the Development Agreement until the operative date of this ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
JOANNE SAKAI
Deputy City Attorney

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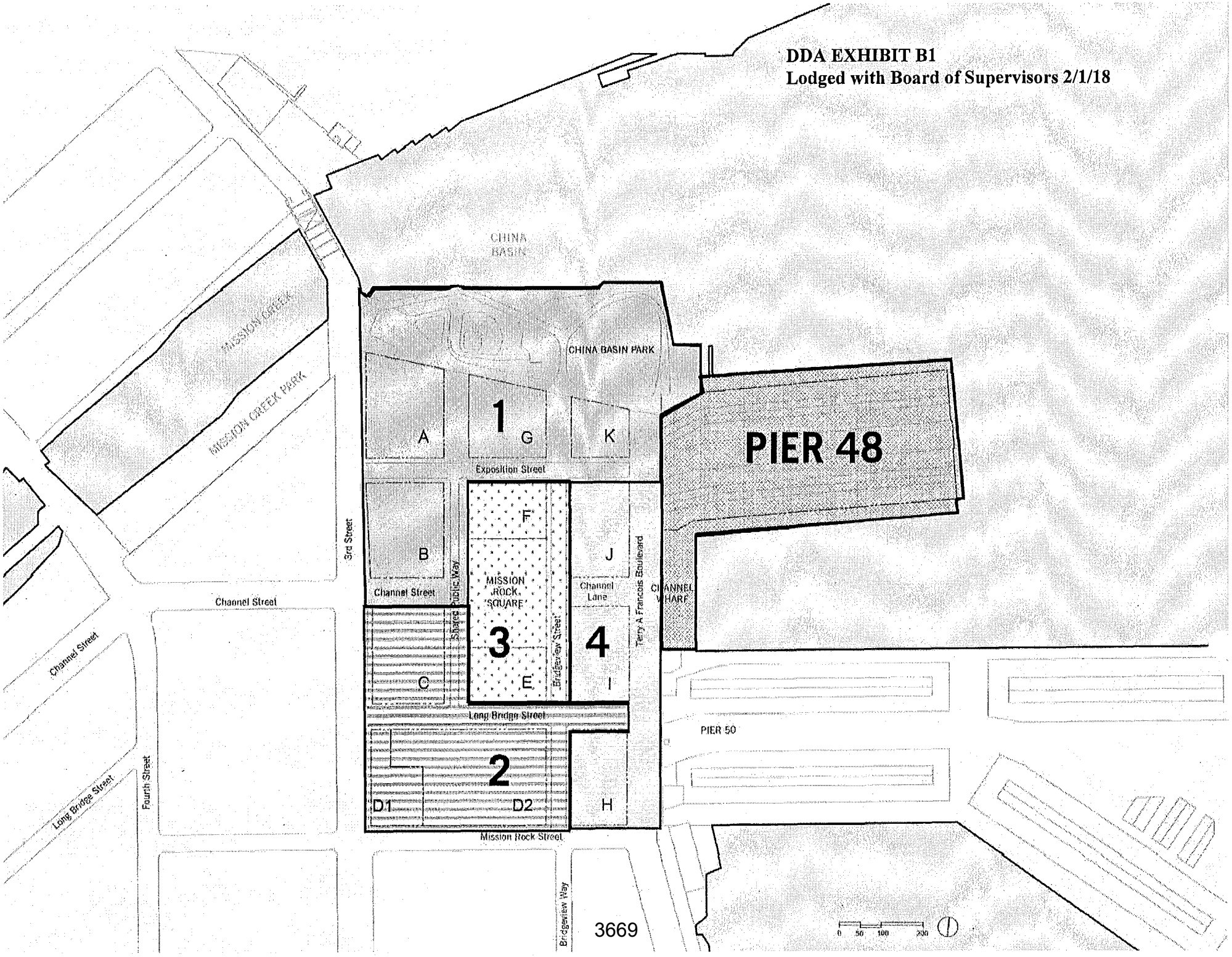
Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B1

"Phasing Plan"

DDA EXHIBIT B1
Lodged with Board of Supervisors 2/1/18



DDA EXHIBIT B2

"Schedule of Performance"

DDA EXHIBIT B2

Schedule of Performance

Event	Target Date[1]	Outside Date (subject to extension for Excusable Delay)
Phase 1 Application submitted	October, 2018	5 years after Entitlement Date
Construction of Phase 1 Phase Improvements commenced	August, 2020[2]	8 years after Entitlement Date, subject to DDA Subsection 3.2(b)(ii)
Construction of Phase 1 Phase Improvements Completed	February, 2022	Per the Phase Schedule established in the Phase Approval process
Phase 2 Application submitted	July, 2020	The earlier of (i) 60 months after Completion of all Vertical Development in Phase 1, and (ii) 10 years after Entitlement Date
Construction of Phase 2 Phase Improvements commenced	November, 2021	14 years after Entitlement Date
Construction of Phase 2 Phase Improvements Completed	May, 2023	Per the Phase Schedule established in the Phase Approval process
Phase 3 Application submitted	October, 2021	The earlier of (i) 60 months after Completion of all Vertical Development in Phase 2, and (ii) 16 years after Entitlement Date
Construction of Phase 3 Phase Improvements commenced	February, 2023	20 years after Entitlement Date

[1] Target Dates have no contractual significance, but are consistent with the assumptions reflected in the Summary Pro Forma.

[2] Site Preparation, including deep dynamic compaction, is targeted to begin earlier, in the fall of 2019.

Construction of Phase 3 Phase Improvements Completed	August, 2024	Per the Phase Schedule established in the Phase Approval process
Phase 4 Application submitted	January, 2022	The earlier of (i) 60 months after Completion of all Vertical Development in Phase 2, and (ii) 21 years after Entitlement Date
Construction of Phase 4 Phase Improvements commenced	August, 2023	25 years after Entitlement Date
Construction of Phase 4 Phase Improvements Completed	February, 2025	Per the Phase Schedule established in the Phase Approval process

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B3

"Infrastructure Plan"

DDA Exhibit B3
Lodged with Board of Supervisors 2/1/18

MISSION ROCK
INFRASTRUCTURE PLAN

DECEMBER 12, 2017

Prepared by

BKF 100+ YEARS
ENGINEERS . SURVEYORS . PLANNERS

BKF Engineers
with assistance from the Seawall Lot 337 Association,
CMG, Perkins+Will, Langan Treadwell and Rollo, KPFF, ARUP,
Atelier Ten, Nelson Nygaard Consulting Associates, Moffatt & Nichol,
Evergreen Devco, Nibbi Brothers, Hathaway Dinwiddie,
and Coblentz Patch Duffy & Bass

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Appendix F	Preliminary Geotechnical Recommendations and Summary Memorandum No. 1 (Langan Treadwell & Rollo - January 26, 2016)
Appendix G	NOT USED
Appendix H	District Energy Typical Trench Section
Appendix I	Sea Level Rise Adaptation Strategy, September 6, 2016
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1. INTRODUCTION

1.1 Purpose

This Infrastructure Plan is an exhibit to the Development Agreement (DA) between Sea Wall Lot 337 Associates, LLC (Developer) and City and County of San Francisco (City), and the Development and Disposition Agreement (DDA) between the Developer and the City, acting by and through the San Francisco Port Commission. The Infrastructure Plan describes the Horizontal Improvements (also referred to herein as Infrastructure), and the Infrastructure improvements to be constructed for the Mission Rock Development Project (Project), associated with Project sustainability, environmental remediation, demolition, grading, street and transportation improvements, open space and park improvements, the potable water system, the sanitary sewer system, the storm drain system, the auxiliary water supply system (AWSS), the central utility plant and eco-district system, the stormwater management system, and the dry utility system.

The Project site includes approximately 28 acres including the existing 14.2-acre Seawall Lot 337, the 0.3-acre lot known as Block P20, the 6.0-acre Pier 48, the 2.2-acre China Basin Park, 3.5-acre Terry A Francois Boulevard, 1.4-acre Pier 48 and 50 access zone, and 0.5-acre of Marginal Wharf. Initially capitalized terms unless separately defined in this Infrastructure Plan have the meanings and content set forth in the DDA and DA.

1.2 Infrastructure Plan Overview

This Infrastructure Plan describes and governs the construction and development of Infrastructure to be provided by Developer for the development of the Project on the Project Site, including known associated off-site improvements needed to support the Project.

The Project infrastructure obligations of the Acquiring Agencies, are described herein, with ownership, maintenance, and acceptance responsibilities of the Acquiring Agencies identified in the DA, DDA, or Memorandum of Understanding (MOU) or Memorandum of Agreement (MOA) per the terms of the Interagency Cooperation Agreement (ICA). A condition of the Developer's performance under this Infrastructure Plan is the obtaining of all requisite approvals in accordance with the DDA, DA and ICA.

1.3 Property Acquisition, Dedication, and Easements

The mapping, street vacations, property acquisition, dedication and acceptance of streets and other Infrastructure improvements is generally anticipated to occur through the subdivision mapping process. Except as otherwise noted, Infrastructure described in this Infrastructure Plan shall be constructed within the public right-of-way or dedicated easements to provide for access and maintenance of Infrastructure facilities.

Public service easements will be allowed within the Project as necessary to provide Infrastructure and services to the Project and are subject to review and approval by the affected City agency. Proposed public water, storm drain, sanitary sewer, recycled water, Auxiliary Water Supply System (AWSS), and power easements benefitting the San Francisco Public Utilities Commission (SFPUC) on Port property will be reviewed on a case-by-case basis. Full access for vehicles and equipment for the maintenance and repair of utility mains will be provided. Public utilities within easements will be installed in accordance with applicable City regulations for public acquisition and acceptance within public utility easement areas, including provisions for maintenance access. Where improvement standards proposed herein differ from the 2015 City and County of San Francisco Subdivision Regulations (Subdivision Regulations), such standards and Infrastructure shall be subject to design modification or exception requests and reviewed by the affected Acquiring Agencies during the Project Phase application or construction document approval process.

1.4 Project Datum

Elevations, including tidal elevations, hydraulic grade lines (HGLs), and site elevations, referred to herein, are based on the Mission Bay Datum (MBD). The MBD is defined as the Mission Bay Datum, which equates to the following:

- The Old City Datum (OCD) plus 100 feet
- The San Francisco Vertical Datum 13 (SFVD13) plus 88.7 feet
- The North American Vertical Datum 88 (NAVD88) plus 88.7 feet

The project will process a design modification or exception for using the MBD in compliance with the Subdivision Regulations.

1.5 Conformance with EIR & Entitlements

This Infrastructure Plan has been developed to be consistent with Project mitigation measures required by the Draft Environmental Impact Report (EIR) and other entitlement documents. Regardless of the status of their inclusion in this Infrastructure Plan, the mitigation measures of the EIR shall apply to the Project.

1.6 Applicability of Uniform Codes and Infrastructure Standards

Future deviations from or modifications to this Infrastructure Plan and/or current City Standards, Guidelines, and Codes are subject to the procedures and provisions of the DA and DDA.

1.7 Master Plans

Each publicly-owned or accepted Infrastructure system described herein will be more fully described and evaluated in Master Utility Plans (MUPs), which will be submitted to the Acquiring Agencies upon substantial completion of the Infrastructure Plan. The MUPs provide detailed layouts of each Infrastructure system. The Infrastructure Plan is to be approved by the Acquiring Agencies as part of the DA and DDA approval processes. Approval of this Infrastructure Plan does not imply approval of the MUPs, which will be approved after DA and DDA execution and prior to submittal of street improvement plans for the first phase of development.

1.8 Project Phasing

It is anticipated that the Mission Rock site will be developed in several phases (Development Phase(s)) subject to the approval process outlined in the DA, DDA, and ICA. Each Development Phase would include a Development Parcel or Parcels and associated Infrastructure and open space areas. Phase Improvements are the street, access, utility and open space improvements necessary to accommodate development of a particular Development Parcel or Parcels.

The parties acknowledge that certain Horizontal Improvements as described in Sections 3, 4, 5, 6, 7 and 8 of the Infrastructure Plan, such as site preparation, removal or remediation of soils, grading, soil compaction and stabilization, may be required or desired at an earlier stage of development and in advance of such Phase Improvements. As described in the DA and/or DDA, the parties will cooperate in good faith in determining the scope and timing of such advance Horizontal Improvements, so as not to delay the construction of Development Parcels and associated Phase Improvements, or affect the criteria for the proportional scope of Phase Improvements.

1.9 Phases of Infrastructure Construction

The construction of Infrastructure, as described in the Infrastructure Plan, tentative map and other Project approvals, will be phased to serve the incremental build-out of the Project in accordance with the Project approvals. Phase Improvements will be described in subsequent improvement plans and associated public improvements agreements or permits approved prior to filing a Final Map for the associated Development Parcels.

For each Development Parcel proposed for development, the associated adjacent and as needed Infrastructure to provide access and utilities to serve that development, such as streets, and improvements therein and thereon, will be constructed. As described in the DDA and DA, adjacent Infrastructure refers to Infrastructure that is necessary and near to and may share a common border or end point with the proposed Development Parcel or Parcels.

Phase Improvements may include Infrastructure on Port or City property outside of the present Phase boundary within a subsequent Phase area. The Acquiring Agency shall accept Phase Improvements that are constructed within Port or City property outside of the Phase boundary, subject to a demonstration of how the subsequent Phase Infrastructure can be sequenced to avoid impacting the Phase Improvements. Phase Improvements outside of the Phase boundary shall be accepted through an easement or Memorandum of Understanding (MOU) in Port property, which would terminate at the time of recording of the Final Map for the future Phase that will place said facilities into public right-of-ways.

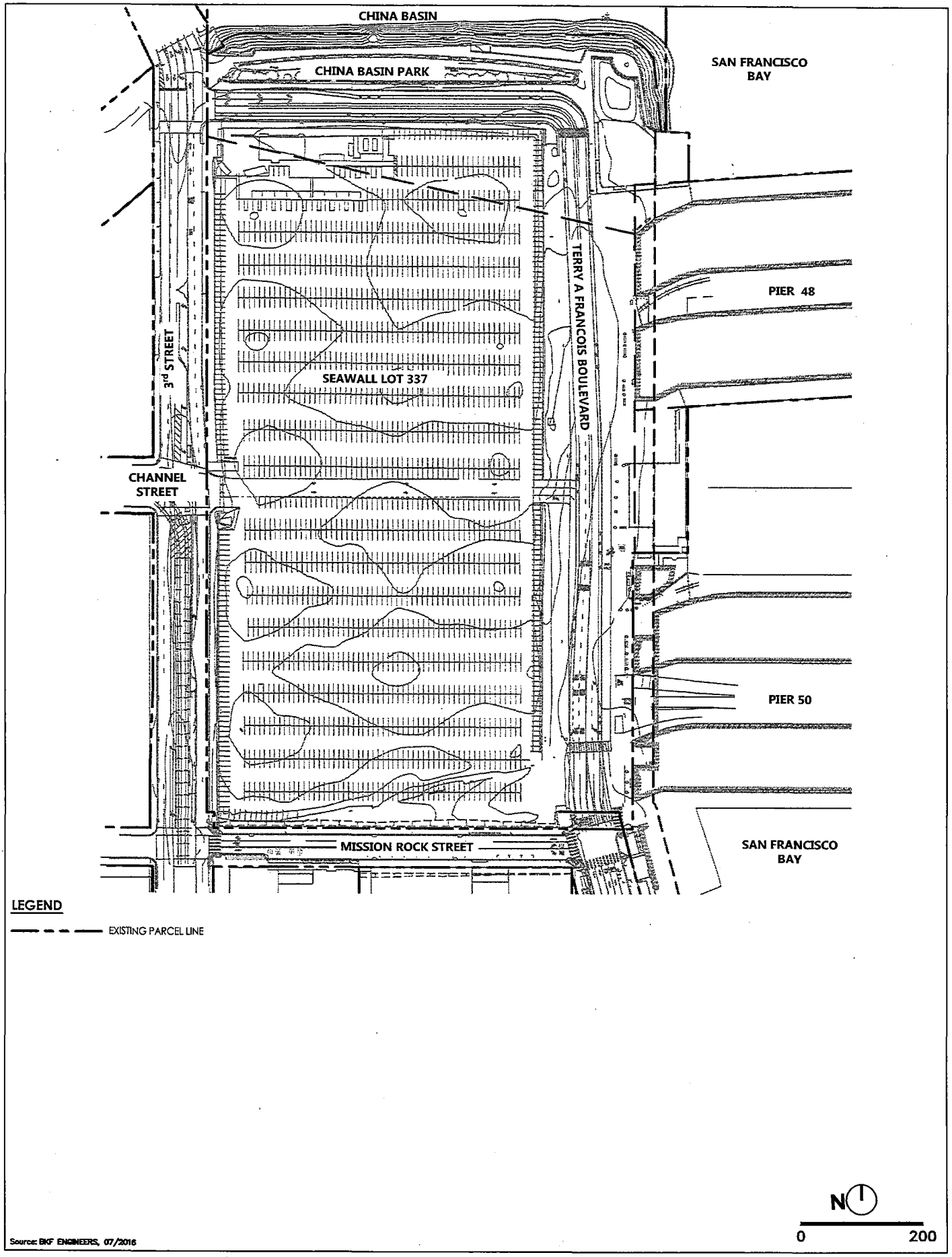
The conceptual limits of the existing Infrastructure to be demolished as well as conceptual layouts of the permanent and/or temporary infrastructure systems for each Development Parcel will be provided as part of the construction document submittals for that Development Parcel or Phase. Repairs and/or replacement of the existing facilities necessary to serve the Development Parcel will be designed and constructed by the Developer.

Where requested by Developer, and if the Acquiring Agency(s) with jurisdiction over the affected Infrastructure, determines it is appropriate in connection with the phased development of the Project, portions of the Phase Improvements may be constructed or installed as interim improvements to be owned and maintained by the Developer. Interim improvements would be removed or abandoned, as

determined by the Acquiring Agency, when substitute permanent Phase Improvements are provided to serve a subsequent Development Parcel.

Demolition of existing Project area infrastructure and construction of each proposed Development Parcel and associated Phase Improvements will impact site accessibility. During construction of each Development Parcel and associated Phase Improvements, interim access shall be provided and maintained for emergency vehicles, subject to San Francisco Fire Department (SFFD) approval, as well as pedestrian access on at least one side of the street around the construction perimeter that is American with Disabilities Act (ADA) compliant. Interim access to the existing parking will also be maintained and coordinated between the Port, Developer and City, as required.

The Acquiring Agency will be responsible for maintenance of proposed publicly owned and/or accepted Infrastructure installed by the Developer once construction of the proposed Infrastructure is complete and accepted by the Acquiring Agency, except as otherwise specified in the DA, DDA, and/or ICA. At all phases of development prior to full build out, the Developer shall demonstrate to the Acquiring Agency that functioning utility systems are in place at all times and comply with applicable City laws, codes and regulations.



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DRAWING NAME: \\bkf-sf\vol4\2005\090006.Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 1.1 Existing Conditions.dwg
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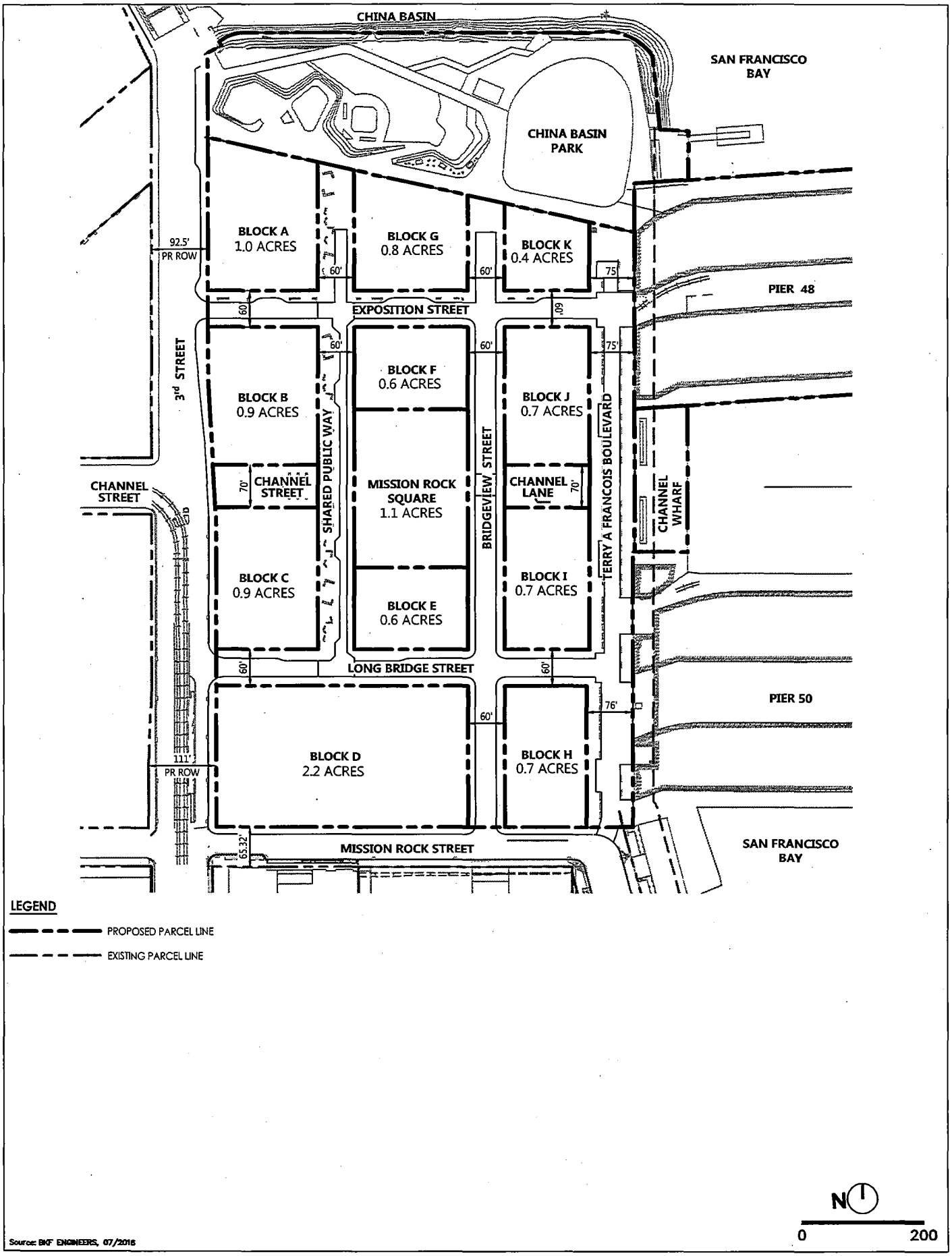
MISSION ROCK INFRASTRUCTURE PLAN

FIGURE 1.1 - EXISTING CONDITIONS PLAN



DRAWING NAME: \\BKF-SF\vol4\2005\000106_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 1.2 Conceptual Parcelization.dwg
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MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 1.2 - CONCEPTUAL PARCELIZATION**

2. SUSTAINABILITY

The Mission Rock Project will be a leading exemplar for sustainable design development through high performance infrastructure and attention to community health and prosperity. Improvements comply with the City and County of San Francisco and State sustainability requirements including Title 24 (Divisions 6 and 11), San Francisco Non-Potable Water Ordinance and The San Francisco Green Building Code. Key benefits of the Project's sustainable site design and infrastructure elements include improved health, a cleaner environment, minimal water dependency, and greenhouse gas-free energy. Anticipated sustainable infrastructure includes, but is not limited to, stormwater management facilities (i.e. landscaped park areas, landscape strips, flow-thru planters, bioretention areas), a central energy distribution plant and infrastructure, treatment of greywater for non-potable reuse within the buildings, green building material selection, and water fixture and lighting efficiency. A more detailed description of the sustainability strategies for the Project is found in the latest edition of the Sustainability Strategy Document, attached to the DDA.

3. ENVIRONMENTAL REMEDIATION

3.1 Historical Use Background

The Project is proposed to be located in an area that was formerly an industrial property built upon filled marshland and shallow tidal flats between 1877 and 1913. The existing fill includes construction and demolition debris, rubble, rock and dirt originating from the nearby hills and the 1906 earthquake. The site has been historically used for railroad transportation, shipping related support structures and automobile parking. H&H Ship Service occupied the area from 1950 to 1996 for wastewater treatment and transfer operations to treat petroleum contaminated wastewater. In 1978 the Department of Health Services, now known as the Department of Toxic Substances Control (DTSC), declared wastes managed at the Project site to be hazardous under federal and state hazardous waste management regulations and the property was later designated as a hazardous waste treatment facility. The DTSC approved a Closure Plan prepared by H&H Ship Service which was compliant with the California Hazardous Waste Control Law (HWCL) in 1995. As a requirement to the hazardous waste treatment facility closure, use restrictions are imposed on the Project site and compliance with a Soil Management Plan (SMP) prepared by Geomatrix Consultants in 1999 is required (see Appendix C).

3.2 Environmental Constraints and Regulations

The Project site is subject to environmental monitoring regulations and use restrictions that will impact the Project Improvements. The Developer is responsible for addressing and complying with the following regulations and restrictions for the site:

3.2.1 Maher Ordinance Requirements and Site Assessment

The Mission Rock Project site is within a location required to adhere to Article 22A of the City and County of San Francisco Health Code. This code requirement, often referred to as the Maher Ordinance in reference to the original legislation that resulted in regulation, requires project proponents to evaluate the presence of contaminants in soil and groundwater and, if warranted based on presence of contaminants, develop health and safety plans and/or site managements plans to protect workers, future users, and the environment.

The Maher Ordinance site assessment requirements were satisfied during the previous parking lot construction with the development of an SMP, dated June 1999. The SMP provided a summary of the soil samples taken and the contaminants detected throughout the site. The primary chemicals

detected in the soil included polynuclear aromatic hydrocarbons (PAHs) and metals such as antimony, arsenic, copper, lead, nickel and mercury. The groundwater sampling did not yield PAH contaminants, but did show low concentrations of several metals. It was determined that the presence of chemicals within the soil and groundwater are not considered an unacceptable risk to future on-site construction workers, nearby residents and visitors under the future use as a paved parking lot that was anticipated at that time. However, to best manage the contaminated soil and groundwater, the SMP outlined removal, handling, stockpiling and disposal procedure requirements for the parking improvements, as well as future site development.

3.2.2 Use Restrictions

As part of the regulatory closure of the former H&H Ship Service facility, Covenant to Restrict Use of Property agreements ("use restrictions") were recorded between The Port of San Francisco and the DTSC restricting the use of certain portions of the Seawall Lot 337 property (approximately three acres of total 16-acre site). The use restrictions require that future activities comply with the Maher Ordinance, as applicable, and that the property shall not be used for any of the purposes stated in the use restrictions dated January 27, 2000 and July 25, 2002 (see Appendices D and E). Should the site be developed for any use of that which is listed as "restricted", then a variance request can be submitted to the DTSC for review.

3.3 Anticipated Site Remediation Procedures

The Developer will be responsible for adhering to the requirements stated in this section and will coordinate with the appropriate Agency for environmental clearance prior to construction, as required. The Project requirements are described in the Hazardous Soil Remediation Plan Letter "Mission Rock Development – Seawall 337 San Francisco, CA 1868-00," dated September 12, 2011 by Ash Creek Associates, Inc. (See Appendix B).

3.2.1 Maher Ordinance Compliance

The anticipated site remediation procedures will remain consistent with the SMP. The SMP will also be updated as required to support the Project. These remediation construction procedures shall include, but not be limited to, dust control, erosion and sediment control, stockpile management and appropriate soil disposal and sampling. Any excess soil that has been excavated and cannot be re-used within the excavation area will be considered waste soil and will be profiled

to determine suitable disposal options. Although chemical analysis results show that the soil samples collected on-site contain metal and organic constituents at concentrations less than the Total Threshold Limit Concentrations, additional testing may be needed to determine the concentration of soluble constituents and appropriately classify waste soil with respect to California state waste classification criteria. Waste soil containing contaminants at concentrations exceeding the Solubility Threshold Limit Concentrations of the State will be profiled as California Hazardous Waste and will be disposed of at the appropriately licensed landfill location.

The SMP requirements are consistent with the current parking lot site improvements. However, due to changes in the regulation, which now requires characterization of soil gas in some cases, and proposed change in use, additional evaluation of site conditions for compliance with the Maher Ordinance may be required. These issues will be discussed with the City and County of San Francisco Department of Public Health during a meeting with the Project team and additional documentation may be required

3.2.2 Use Restriction Variance

The January 27, 2000 use restriction states that residential housing is prohibited. Mission Rock is currently proposing high-density housing improvements on a portion of land subject to that restriction. It is the Project team's understanding that the intent of the use restriction is to prevent residents' direct contact with site soil, such as might occur in single family home development , but would not occur in a high-density, multi-family residential development. Consequently, the Developer and Port of San Francisco will work with the DTSC to revise or obtain a variance from the existing use restriction to enable proposed development in a manner that does not enable future site occupants to come into direct contact with existing site soil.

4. SITE DEMOLITION

4.1 Scope of Demolition

The Developer will be responsible for the demolition and deconstruction of all non-retained existing buildings and infrastructure features. Demolition and deconstruction will include removal and disposal of hardscape, landscape, utilities, and temporary building structures. The demolition limit of work consists of the existing parking lot known as Giants Lot A, China Basin Park, Terry A Francois Boulevard and select sidewalk and vehicular pavement replacement along 3rd Street and Mission Rock Street. The existing Channel Wharf at the eastern end of Terry A Francois Boulevard will be renovated and Pier 48 will remain and undergo structural upgrades with the Project improvements. Demolition activities will be performed in compliance with the City Construction Demolition Debris Ordinance. Project demolition and grading activities will comply with City Ordinance 175-91 for use of non-potable water for soil compaction and dust control. Where feasible, concrete and asphalt pavements will be recycled and used on-site or made available for use elsewhere. Soil removal associated with demolition activities will comply with the Project environmental permit requirements.

As part of the vegetation grubbing and clearing operation, trees and other plant materials will be removed, relocated or protected in placed, as required. Tree removal within the public right-of-way will be reviewed and approved by the Department of Public Works, Bureau of Urban Forestry. Trees and plant materials removed as part of the demolition process will be recycled by composting or similar methods for on-site uses associated with the planting of new vegetation and erosion control to the extent feasible.

The Developer shall be responsible for providing for the Infrastructure permanent improvements proposed to replace the existing infrastructure in accordance with approved building and construction permits issued by the Acquiring Agency. The extent of these improvements and associated demolition will be finalized during the construction document approval process.

4.2 Existing Utility Demolition

Existing utility demolition scope includes storm drain, sanitary sewer, low pressure water and dry utility infrastructure removal. All storm drain utilities and utilities associated with the interim development, The Yard, at the northern edge of the existing parking lot and Terry A Francois Boulevard will be removed and disposed of. A portion of the existing sanitary sewer pipe along Terry A Francois Boulevard will be removed as well and replaced with a sanitary sewer line which will connect the existing Pier 48 and Pier

50 laterals to the public system. Existing water infrastructure along Terry A Francois Boulevard and China Basin Park will also be removed, disposed of and replaced to accommodate the proposed improvements. Gas utilities throughout Terry A Francois Boulevard will be removed and existing laterals that serve Piers 48 and 50 will be protected in place. Electric, telecom and fiber infrastructure will be undergrounded with new connections to Pier 48 and Pier 50 provided, where required. Existing outfalls on Terry A Francois and China Basin Park will be protected in place during adjacent demolition activities. Where transite pipe (asbestos–cement pipe) is encountered, appropriate abatement methods will be used to satisfy applicable regulatory agency requirements.

4.3 Phases of Demolition

Demolition will occur in phases based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA and ICA. The amount and location of demolition will be the minimum necessary to support the Development Phase and maintain minimum required parking allocations, access and utility connections. Such phased demolition will allow the existing utility services, vehicular and pedestrian access areas, and landscaped spaces to remain in place as long as possible and reduce disruption of existing uses on the site and adjacent facilities. Project demolition activities will comply with City Ordinance 175-91 for use of non-potable water for soil compaction and dust control.

5. SITE RESILIENCY

5.1 Overview

Resilience is the ability to reduce risks and recover more easily from natural occurring events with large impacts on performance and use. The Project is located adjacent to the San Francisco Bay and faces potential risks from such events as earthquakes, settlement, liquefaction, lateral spreading, wave run-up, sea level rise, and climate change. The Developer plans to build site resiliency into the Project by implementing disaster risk reduction and resilient infrastructure. The Project will identify development areas and Infrastructure guidelines to accommodate tidal elevations, the 100-year Base Flood Elevation (BFE), and Sea Level Rise (SLR).

5.2 Project Datum

Elevations, including tidal elevations and site elevations, referred to herein are on the MBD. Refer to Section 1.4 for additional information related to the MBD and conversion information for OCD and SFVD 13.

5.3 Federal Emergency Management Agency Regulations

The Federal Emergency Management Agency (FEMA) under the jurisdiction of the Department of Homeland Security has recently completed a Preliminary City and County of San Francisco Flood Insurance Study (SF FIS) Number 060298V00A, version 2.3.2.0, dated November 12, 2015. This study has helped inform the development of preliminary Flood Insurance Rate Maps (FIRM) that categorize sites within "Flood Zones" based on their susceptibility to flood events. Flood Zone designations are used to inform the design process and insurance requirements for buildings to ensure that protections are made for human health and safety based on the flood hazard potential at a particular site. Per the FEMA website, the following is a description of the various Flood Zone designations employed by FEMA:

> *"Flood hazard areas identified on the Flood Insurance Rate Map are identified as a Special Flood Hazard Area (SFHA). SFHA are defined as the area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood. SFHAs are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Moderate flood hazard areas, labeled Zone B or Zone X (shaded) are also shown on the FIRM, and are the areas between the*

limits of the base flood and the 0.2-percent-annual-chance (or 500-year) flood. The areas of minimal flood hazard, which are the areas outside the SFHA and higher than the elevation of the 0.2-percent-annual-chance flood, are labeled Zone C or Zone X (unshaded)."

5.3.1 Seawall 337, China Basin Park and Terry A Francois Boulevard FEMA Flood Plain Designations

Based on our review of the Preliminary Flood Insurance Rate Map 0602980119A (Project FIRM), dated November 12, 2015, the Mission Rock development site, excluding Pier 48, Pier 50, and the coastal perimeter along China Basin Park, is located in a flood hazard classification of "Zone X." Per the Project FIRM, the Zone X designation of our site describes the following:

> *"0.2% Annual Chance of Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas less than one square mile."*

With a Zone X designation, the Project site is subject to minor flooding of less than a foot during large storm events, which is considered a low to moderate risk area.

Since the majority of the site is in Flood Zone X, FEMA does not require specific grading or flood-proofing requirements. Proposed site grading, described in greater detail in Section 7, will be designed to elevate the site higher than the existing condition to protect against the effects of SLR, which in turn will provide a greater level of protection against the potential for flooding the area. Proposed buildings with basements and loading docks will comply with FEMA regulations and provide appropriate flood-proofing measures to ensure compliance, if required.

5.3.2 Pier 48, Pier 50, and Coastal Perimeter FEMA Flood Plain Designation

Based on the Project FIRM, Pier 48, Pier 50, and the coastal perimeter along China Basin Park are located in a SFHA "Zone AE," which has a 100-year base flood elevation (BFE) of 11-feet (NAVD 88 datum). The more detailed Preliminary SF FIS, dated November 12, 2015 indicates a 1-percent annual chance Total Water Level Elevation (TWLE) of 11.4-feet (NAVD 88), which is the assumed 100-year BFE value for the pier structure for the purposes of this analysis. The TWLE is the maximum combined sea water level elevation, wave setup, and wave run-up considered for coastal BFEs.

The datum conversion is approximately 11.32-feet between NAVD 88 and OCD, and 100 feet between the OCD and MBD. Combining these datum conversions, the approximate conversion

from elevation 11.4 feet (NAVD 88) to the MBD is 88.68 feet, resulting in a 100-year BFE of 100.08 feet (MBD) for Pier 48, Pier 50, and the coastal perimeter along China Basin Park.

Based on the Project FIRM, the existing pier structures are subject to flooding from the 1% annual flood event (100-year event). The BFE refers to the minimum elevation at which Pier 48 and Pier 50 must be elevated or flood-proofed in compliance with FEMA/National Flood Insurance Program (NFIP) regulations to provide protection from the 1% annual flood event. Given a designation of SFHA "Zone AE" with a BFE of 11.4 feet (NAVD 88) / 100.08 feet (MBD), the Pier 48 and Pier 50 structures would be subject to mandatory Flood Insurance coverage requirements from the NFIP should the preliminary Project FIRM be officially approved. Since the Pier 48 and Pier 50 structures are a historical resource and will remain at its current elevation, there may be options for receiving variances for portions of Flood Insurance requirements that the structure may be subject to.

5.4 Sea Level Rise

5.4.1 Sea Level Rise Design Guidance

The increase in elevation of the Earth's water bodies over time is referred to as SLR. As SLR occurs, there is increased pressure on infrastructure along shoreline areas to provide protections for infrastructure, health, and safety. Studies on the effects of climate change on surface water elevations across the Earth are evolving as more scientific data becomes available. The following is a brief chronology of the guidance documents that inform the SLR strategies being developed for the Project to date:

- The Intergovernmental Panel on Climate Change (IPCC) was formed in 1988 by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP) to provide policy makers with regular assessments of climate changes on a scientific basis. The IPCC issues reports which are produced by three working groups. The latest round of documents issued are based on their fifth assessment report which includes the following:

  - Working Group 1, "Climate Change 2013: The Physical Science Basis," dated 2013.
  - Working Group 2, "Climate Change 2014: Impacts, Adaptation, and Vulnerability, dated 2014.
  - Working Group 3, "Climate Change 2014: Mitigation of Climate Change," dated 2014.
  - IPCC, "Climate Change 2014: Synthesis Report," dated 2014.
- Governor Schwarzenegger issued Executive Order S-13-08 in 2008 directing state agencies to study and plan for the potential effects of SLR
- Port Engineering commissioned URS and AGS to analyze available literature and studies related to SLR and prepare coasting engineering analysis of the Port's Northern Waterfront. The joint venture between URS and AGS published "Port of San Francisco Sea Level Rise and Adaptation Study," January 2012.
- The National Research Council (NRC) issued the report titled "Sea Level Rise for the Coasts of California, Oregon, and Washington," dated June 2012 and revisions dated December 6, 2013.
- Coastal and Ocean Working Group of the California Climate Action Team (CO-CAT) with science support from the Ocean Protection Council's Science Advisory Team and the California Ocean Science Trust issued "State of California Sea-Level Rise Document," dated March 2013
- City and County of San Francisco (CCSF) Sea-Level Rise Committee "Guidance for Incorporating Sea-Level Rise into Capital Planning in San Francisco: Assessing Vulnerability and Risk to Support Adaptation," September 2014.
- City and County of San Francisco (CCSF) "San Francisco Sea Level Rise Action Plan," March 2016.
- San Francisco Bay Conservation & Development Commission (BCDC) and Delta Alliance issued "Mission Creek Draft Sea Level Rise Adaptation Study," dated 2015.

5.4.2 Sea Level Rise Design Parameters

The minimum design elevations for the Project development area will accommodate potential future sea level rise estimates for San Francisco Bay. The SLR estimates for the Project were developed in response to the CCSF SLR guidance, which is based on both the NRC and CO-CAT

studies. Under CCSF SLR guidance, the Project will be designed to accommodate the SLR criteria provided in Table 5.1.

Table 5.1

SLR and Associated Planning Requirements for Development Area

YEAR	SLR AND PLANNING REQUIREMENTS
2030 SLR	6 to 12-inches by 2030. Planning for adaptive management not required.
2050 SLR	11 to 24-inches by 2050. 12-inches is the mean 2050 estimate for SLR. Planning for adaptive management not required.
2065 Mean SLR	16-inches by 2065.
2100 Mean SLR	36-inches by 2100. Planning for adaptive management required.
2100 High SLR	66-inches by 2100. Planning for adaptive management required.

The existing historical Pier 48 structure and Channel Wharf will remain at their current elevations and not incorporate provisions included in Table 5.1.

5.4.3 Existing Mission Bay Grading for Resiliency

The existing finished grades in Mission Bay adjacent to the Project site range from elevations 97-100.5 feet (MBD). Grading and hydrology designs for Mission Bay were established prior to the more recent SLR investigations of the past 8 years, and do not accommodate for the 2100 High SLR estimates as currently graded. The existing perimeter streets of the Project including 3rd Street and Mission Rock Street will remain at their approximate existing grades. Along the east edge of the Project, Terry A Francois Boulevard will be reconstructed relatively close to its current grade. For existing grades at the Project site and surrounding existing streets, refer to Figure 7.1.

5.5 Proposed Site and Infrastructure Designs

5.5.1 Grading

The proposed Project grading designs and approaches are documented in Section 7 Site Grading. The grading design criteria have been separated between:

- Elevation design criteria as it relates to tides, SLR, site elevations, HGL and existing streets
- Grading design criteria as it relates to site slopes.

The following summarizes the grading approaches for site building parcels and roadway areas,

open space areas, and historic structures:

- Maintain public access along the entire 100-foot shoreline band.
- In the zone between the development area and shoreline, provide access opportunities to water.
- Elevate and flood-proof proposed buildings and unadjustable structures to minimize the need for adaptive measures, even under high SLR estimates.
- Conform to grades of existing perimeter streets, pier structures, and wharf structure.

5.5.1.1 Building and Roadway Areas

The minimum elevation design criteria for the proposed buildings and streets within the development areas are shown in Table 5.2.

Table 5.2

Elevation Design Criteria

AREA	MINIMUM DESIGN CRITERIA
Development Area – Proposed Buildings	Provide a minimum finished floor elevation of 104.0 feet (~95 feet 2000 Mean Higher High Water elevation (MHHW) + 100-yr storm surge (100SS) (~3.5 feet) + 66 inches of 2100 High SLR) and/or flood-proof to 2100 High SLR projections for new occupied facilities.
Development Area – Proposed Parking Structures	The Block D Parking Garage entrances will be set based on the grade of the adjacent street. At a minimum, the garage entrances will be set with a minimum finish floor elevation of 99.83 feet (95 feet 2000 MHHW + 100-yr storm surge + 16 inches of 2065 Mean SLR). As required, Adaptive Management Strategies will be incorporated within the structure to provide resiliency and protection through 2100.
Development Area – Proposed On-Site Streets	The street elevation shall accommodate 4 feet in general and 2 feet minimum freeboard between the 5-year storm drain system HGL and the street gutter flow line. For streets with City standard 4-inch to 8-inch tall curbs, the street's lowest top of curb elevation shall be above the HGL for the 100-year storm for the storm drain system. Refer to Section 13. For curbless streets or streets with flush curbs, hydraulic modeling and overland release

	requirements will be determined during the approval process for the MUPs.
Development Area – Pier 48	The pier structure will remain at existing elevation. As SLR occurs, Adaptive Management Strategies may be incorporated within the structure to provide resiliency and protection through 2100, subject to jurisdictional approval.

For adjacent streets serving the project, including 3rd Street and Mission Rock Street, street elevations will remain relatively close to their current elevations. Along the east edge of the project, Terry A Francois Boulevard will be reconstructed relatively close to its current elevation. Proposed streets within the development will slope up from the existing conform elevations of approximate elevations of 99-101.5 feet at 3rd Street, Terry A Francois Boulevard, Piers 48 and 50, and Mission Rock Street to elevations of approximately 102.9-104.3 feet at the center of the site. By elevating the center of the site, access can be provided to building finished floors, which are set to accommodate protection from the 2100 High SLR projections or be flood-proofed to meet the 2100 High SLR projections.

5.5.1.2 Shoreline Open Space Areas and Parks

5.5.1.2.1 China Basin Park

China Basin Park will maintain shoreline elevations close to the existing grade of approximately 100 feet (MBD). The park will transition to the Bay Trail at an approximate elevation of 102 feet (MBD) through the center of the park. The Bay Trail through the center of the park provides approximately 6 feet of freeboard from the King Tide elevation of 96 feet (MBD). When the sea level rises above 48-inches, the park will function as a space where future adaptations will creatively be implemented to maintain flood protection for existing public access features. The promenade, which interfaces between the south portion of the park and the northern part of the development area, will maintain access to the public at an elevation of approximately 103.5 – 104 feet (MBD).

5.5.1.2.2 Historical Pier Structures

Pier 48 and Pier 50 are historical structures that will be maintained at existing elevations. The existing grades for accessible areas at Pier 48 range from 99.2 to

101.0 feet (MBD). Accessible areas at Pier 50 have existing grades of 99.5 to 100.9 feet (MBD). The low lying areas of the piers may be susceptible to the 100-year TWLE of 100.08. Since the existing pier structures are historic resources, they will remain in place. To minimize impacts during a 100-year storm event, the interfacing street of Terry A Francois Boulevard will be regraded to channel stormwater away from the pier structures. Existing grades of the piers provide protection beyond 2050 Mean SLR for potential future flooding.

5.5.2 Stormwater System

The 100-year Still Water Level Elevation (SWLE) is the 100-year return period water elevation, which is defined as the water elevation that is exceeded on average once every 100 years or the water elevation with a 1% annual chance of occurrence.

The SWLE for the design of the Development Area is 98.5 feet (MBD). The 100-year return period water elevation for the Development Area includes the effects of tides, storm surges, and tsunamis. The SWLE has been included with the drainage design of the 100-year storm event and overland flow release.

With the project's proximity to the San Francisco Bay, the Project must consider tidal elevations for drainage outfall conditions. The tidal elevation within the San Francisco Bay Area varies by location. The 2015 Subdivision Regulations identify a tidal elevation of 96.5 feet (MBD, -3.5 feet Old City Datum) for hydraulic grade calculations.

The SLR and tidal elevations for the Project have been prepared in the SLR Adaptation Strategy Memorandum by Moffatt & Nichol in Appendix I. The tidal elevations, SWLE, and SLR for the Project have been compiled in Table 5.3.

Table 5.3

Tidal Elevations, SWLE and SLR by Datum

Elevation	NAVD88	OCD	MBD
100-Year SWLE+66" SLR (2100 High SLR) (MHHW+100SS+66" SLR (2100 High SLR))	15.3'	4.0'	104.0
100-Year SWLE+36" SLR (2100 Mean SLR) (MHHW+100SS+36" SLR (2100 Mean SLR))	12.8'	1.5'	101.5
100-Year SWLE+16" SLR (2065 Mean SLR) (MHHW+100SS+16" SLR (2065 Mean SLR))	11.1'	-0.2'	99.8'
100-Year SWLE+12" SLR (2050 Mean SLR) (MHHW+100SS+12" SLR (2050 Mean SLR))	10.8'	0.7'	99.5'
100-Year SWLE	9.8'	-1.5'	98.5'
Subdivision Regulations Tidal Elevation	7.8'	-3.5'	96.5'
King Tide (Moffatt & Nichol)	7.3'	-4.0'	96.0'
MHHW	6.3'	-5.0'	95.0'
Mean Sea Level	0.0'	-11.3'	88.7'

5.6 Adaptive Managements Strategies

Sea Level Rise (SLR) has the potential to increase flooding risk along the shoreline areas as the MHHW, 100-year SWLE, TWLE, and BFE increases over time. The Project will be built to protect against varying amounts of SLR and has allocated space for future Adaptive Management Strategies to be implemented in the future to respond to adjusted SLR projections. Strategies for the Project have been developed for development areas, the shoreline, and pier structures.

5.6.1 Development Parcel Strategy

The proposed strategy for the Development Parcels, including unadjustable structures, is to set proposed grades to a minimum of 104 feet (MBD), high enough to accommodate for the current 2100 High SLR projects, thus Adaptive Management Strategies are not required. The Parcel D Parking Garage entrances will be set based on the grade of the adjacent street to accommodate for 2065 Mean SLR of 16-inches.

5.6.2 Shoreline Adaptation Strategy

The shoreline adaptation strategy will be applicable to areas surrounding the Development Parcels. The Promenade and Bay Trail within China Basin Park will be raised to an elevation of 102 feet (MBD) to provide 3.5-feet of freeboard above present day BFE. The China Basin Park shoreline, Terry A Francois Boulevard, 3rd Street, and Mission Rock Street will be maintained at existing grades to provide protection to Development Parcels from inundation during the king tide events beyond 2080. Along the shoreline of China Basin Park, the entire 100-foot shoreline band will be reserved for public access. For SLR above 48 inches, the shoreline band will provide an opportunity for creative implementation of future adaptation strategies to maintain flood protection to Mission Bay and the Development Parcels. Adaptive Management Strategies within China Basin Park may include modifications to create a raised promenade with retaining walls, realignment of the promenade, reconfiguration of shoreline protection to provide flatter slopes and wave breaks. Beyond 2050, future Adaptive Management Strategies may be implemented by the Port to the pier apron and below the pier structure to maintain flood protection for the structure.

Today, the National Oceanic and Atmospheric Administration (NOAA) monitors weather conditions and notifies the public of potential risk for flooding in low lying areas. Future adaptation of the shoreline would be enacted by the Port when published information from NOAA indicates that flooding to the public access areas would occur during King Tide events. Funding for Adaptive Management Strategies would be provided by the Port through a Community Financing District (CFD) or other equivalent funding mechanism.

6. GEOTECHNICAL CONDITIONS

Site geotechnical investigations have been completed and potential site wide geotechnical improvements have been identified by Langan Treadwell & Rollo, culminating in the development of the "Preliminary Geotechnical Investigation Seawall Lot 337 – Mission Bay" (Geotechnical Report) by Treadwell & Rollo, dated September 8, 2011 and subsequent evaluations. In addition, Langan Treadwell & Rollo has also provided a supplemental memorandum: "Preliminary Geotechnical Recommendations and Summary Memorandum No. 1" (Geotechnical Memorandum), dated January 26, 2016 for additional reference, which is attached as Appendix F.

6.1 Existing Site Geotechnical Conditions

The site was originally a shallow bay below water and a part of Mission Bay. It is understood the site was elevated using building rubble and debris from the 1906 San Francisco earthquake as fill. Borings indicate 13 to 37-feet of heterogeneous fill is underlain by approximately 46 to 72-feet of Bay Mud consisting of weak, soft to medium stiff, compressible clay. The over-consolidated Bay Mud at the site is evidence of complete settlement under the existing fill weight. Locations where Bay Mud has failed beneath the heavy fill loads show a "Bay Mud wave" condition and is comprised of clayey gravel and gravely clay. The borings also encountered the bedrock surface to be at a depth of approximately 160-feet near the northwest corner of the site and 260-feet near the northeast corner of the site.

Groundwater was encountered approximately 7 to 9-feet below grade (Elevations 91 to 93 feet MBD). Other sites within Mission Bay have encountered groundwater measured at approximately five feet below grade (Elevation 94.5 feet MBD).

6.2 Existing Site Geotechnical Constraints

6.2.1 Liquefaction/ Settlement of Sand Layers

Liquefaction is the transformation of soil from a solid state to a liquefied state during an earthquake where saturated soil builds up excessive pore water pressure and temporarily loses its strength. The result is immediate settlement and possible lateral movement of the sand material. Conservatively, all loose to medium dense soil materials (sands, silts and low plasticity clays) within both the artificial fills and underlying Bay Deposits are potentially liquefiable. The potential for soil liquefaction is likely to occur during a major earthquake. With the potentially liquefiable layers being random and discontinuous throughout the site, it is estimated the site will experience up to 3-inches of liquefaction-induced settlement within the fill material of the site. Along the west

end of Pier 48, the analysis indicated that 3 to 5-inches of liquefaction-induced settlement could occur.

6.2.2 Lateral Spreading

Lateral spreading is considered the most damaging type of liquefaction-induced ground failure caused by earthquakes. In this case, surficial soil is displaced along a shear zone that has formed within a liquefied layer resulting in surficial blocks sliding downward toward unbound space, such as the Bay. These conditions are common in multiple San Francisco regions, such as the Downtown and Mission Bay districts. The southeast corner and northwest portion of the Project have been identified as being susceptible to lateral spreading estimated to result in 4 to 6-feet of lateral displacement during a large earthquake.

6.2.3 Settlement of Bay Mud

The site is underlain by a layer of Bay Mud estimated to be 46 to 72-feet thick, which appears to be over-consolidated. Placing the new fill on top of the existing bay mud layer will initiate a new cycle of consolidation settlements for the Bay Mud layer. It can be expected that for each additional foot of fill placed on the site, approximately 2-inches of settlement may occur at entrances to pile supported structures, 3-inches within streets, and 4-inches in open space areas. During an earthquake, an additional settlement of approximately 9 inches could potentially occur due to seismic densification and liquefaction. For proposed building and structures designed to be pile supported, it is anticipated that 1 to 2-inches of settlement may result from a major earthquake.

If mitigation measures or preventative designs are not incorporated, differential settlement may occur and result in interrupted access, utility infrastructure damage, and accessibility issues.

6.3 Geotechnical Approaches

Successful site development will require engineering design and project construction methods that account for the existing soil, existing conforms, and shoreline conditions. These improvements will help ensure that site accessibility and building access is maintained during seismic events, SLR, and minor long-term consolidation settlement. Proposed building will be constructed on piles with a similar approach proposed for the on-site streets and utilities supporting the new development. The

geotechnical design approaches considered and recommended for the Project have been summarized below and are documented in the Geotechnical Memorandum.

6.3.1 Site Grading Strategies

The proposed development will be elevated 1 to 5-feet above existing grade to accommodate for future SLR. The use of soil fill to raise the site would cause ground settlement of up to a few feet. At the existing Project conforms with Terry A Francois Boulevard and Piers 48 and 50 to the east, new constructed Mission Rock Street to the south, and existing 3rd Street to the west, proposed grades will match the approximate existing grades to mitigate the potential for settlement. To raise the center of the site, the design team has explored several different alternatives to adding soil fill to the site, which include the following strategies:

6.3.1.1 Soil Surcharging with Wick Drains

Adding mounds of surcharge soil with perforated wick drains to collect water across the site will induce Bay Mud Settlement in advance of Project construction. This effectively mitigates the settlement of Bay Mud that the new fill proposed as part of the finished Project would typically cause. Considering that parking operations must be maintained at the site prior and during build-out of the Project, this settlement mitigation solution is not appropriate for the Project, since parking availability would be eliminated or severely limited.

6.3.1.2 Deep Soil Mixing

Deep Soil Mixing (DSM) acts to improvement the stability of the underlying site by mechanically mixing cementitious binder slurry with weak and compressible soils. Due to the depth of the Bay Mud layers at the site extending down to nearly 90-feet below existing finished grade, DSM is both cost prohibitive and less practical than other solutions considered by the Geotechnical Memorandum.

6.3.1.3 Lightweight Fill to Raise Grades

Lightweight fill materials such as cellular concrete or Geofoam weigh less than traditional soil fill. Using such materials in lieu of soil to raise site grades significantly reduces the settlement of the Bay Mud layer. However, lightweight fill may present several utility installation and maintenance challenges. Installation of utilities can be difficult, as cutting

foam in the shape of the utilities may not be easily feasible. Long term maintenance of utilities within Geofoam would also require cutting of the Geofoam to access the utilities, which is a labor and cost intensive process. Additionally, storm drain and sanitary utilities will be installed as deep as 12 to 13-feet below finished grade, which is within the groundwater table, and can potentially cause uplift and complex dewatering strategies. Although lightweight fill is not anticipated to be used throughout the majority of the site, it may be utilized within park areas where utility grids and access for maintenance and operations is not a constraint.

6.3.1.4 Pile supported structures, streets and utilities

Due to the infeasibility of other options outlined above, the proposed Project streets are proposed to be pile supported "U-shaped" corridors that extend the width of the right-of-way and built to a depth required to support the installation of utilities. The "U-shaped" corridor would then be backfilled with soil to provide the typical street sub-surface condition, allow utilities to be installed with standard trenching method, and provide for long term utility and infrastructure maintenance using typical construction and City standards. Pile designs could include friction or end-bearing solutions with final designs prepared and approved during the construction document process. This is the preferred solution for mitigating site settlement issues, and with site structured street approaches are described in greater detail in Section 8 and on Figure 8.14 of this document. The pile-supported structure for the streets will be owned, maintained and accepted by the Acquiring Agency subject to the terms of the DA, DDA, and ICA.

6.3.2 Liquefaction and Lateral Spreading Mitigations

In order to mitigate the potential effects of earthquake induced lateral spreading and soil liquefaction, the Project proposed to incorporate solutions that would include Stone Columns, Deep Dynamic Compaction, or combination of both solutions.

Compaction Grouting and Rapid Impact Compaction (RIC) were also reviewed as potential solutions for mitigating lateral spreading and liquefaction. However, RIC has proven successful to depths of 10-feet, which is less than required for the site, and there is not enough soil overburden present in the site soils to handle the required pressures for Compaction Grouting.

6.3.3 Flexible Utility Connections

Portions of the site may experience differential settlement at the interface of pile supported streets with proposed buildings and the utility connections at 3rd Street, Mission Rock Street, Terry A Francois Boulevard, and China Basin Park. Differential settlement at these location could cause the utility connections to shear and break along this plane. Therefore, flexible utility connections, incorporating such solutions flexible pipe materials, ball joints or settlement vaults, may be installed at the interface of the structured street with a non-structured on-grade street (Terry A Francois Boulevard, Mission Rock Street, 3rd Street, or China Basin Park) to mitigate the displacement of the utility connections and ensure continuous utility service to the Project and existing adjacent properties. Conceptual locations of flexible utility connections are shown on Figure 6.1 with a conceptual flexible utility section included as Figure 6.2. Final design solutions, will be subject to review and approval by the Acquiring Agency. Ownership of flexible connections will be by the Port, unless the SFPUC agrees to accept flexible connections at a later date prior to project construction document approvals or as indicated in the DA, DDA, ICA, or separate MOU/MOA identifying acceptance, ownership, and maintenance responsibilities.

6.3.4 Site Accessibility

Minor Long-term settlement of the ground plane may occur along the site conforms at Mission Rock Street, 3rd Street, and Terry A Francois Boulevard. Where a pile-supported structure interfaces with the on-grade public streetscape, minor differential settlement may occur where the compressible material beneath the street begins to settle relative to pile supported buildings and proposed on-site streets. To mitigate areas where differential settlement is anticipated, grading and building designs will incorporate measures to ensure that continuous accessible paths of travel are maintained where building access points and private passageways interface with the public right-of-ways. Where required, measures such as flexible pavement sections, hinge slabs, gangways, and other adjustable surfaces, may be designed to mitigate the maximum anticipated long-term differential settlement. Refer to Figure 6.1 for the conceptual locations where flexible pavement connections would be required.

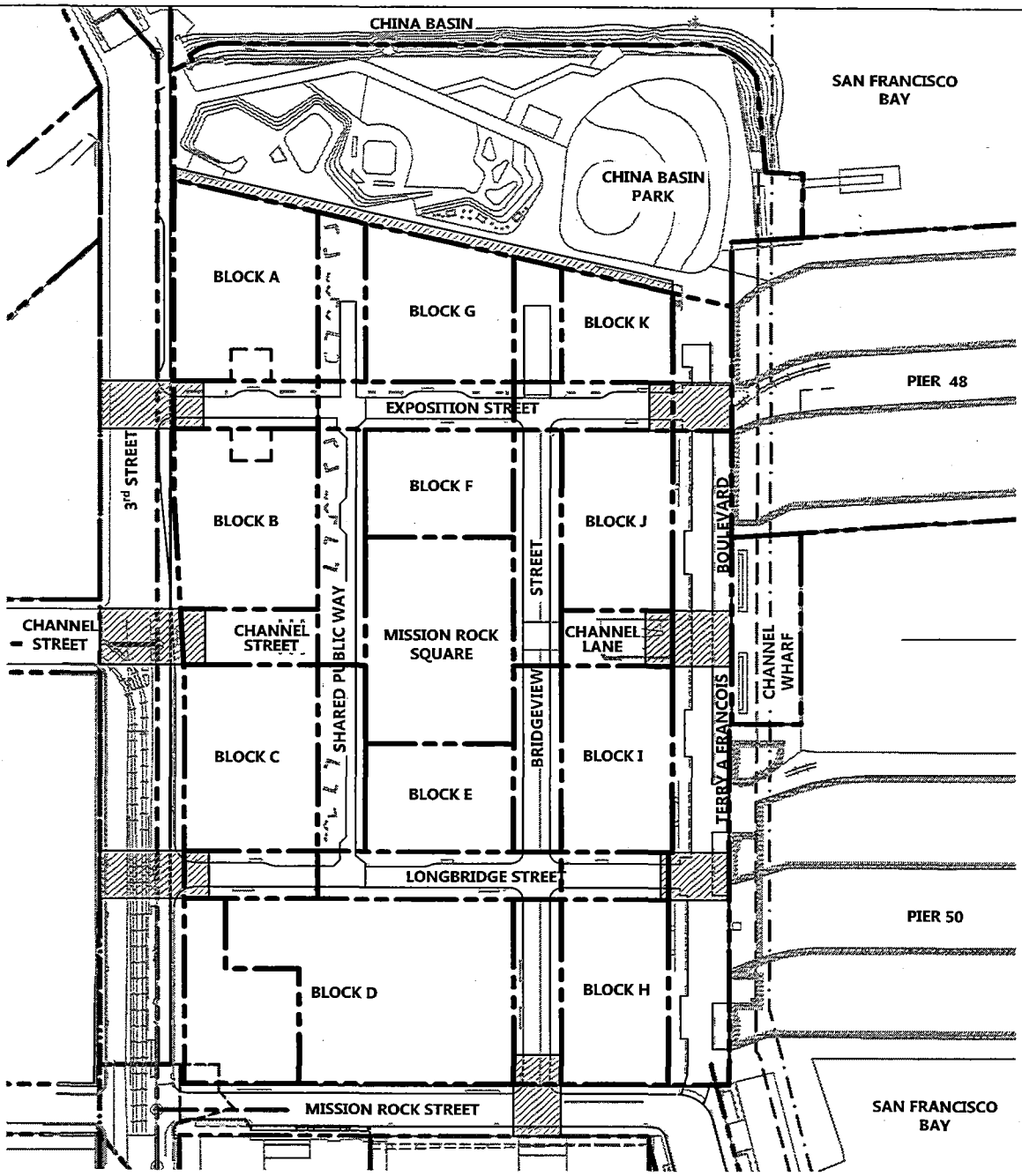
6.4 Phases of Geotechnical Stabilization

Geotechnical stabilization will occur in phases based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA,

and ICA. The amount and location of geotechnical stabilization will be the minimum necessary to support the Development Phase and maintain minimum required parking allocations, access and utility connections. Such phased geotechnical stabilization will allow the existing utility services, vehicular and pedestrian access areas, and landscaped spaces to remain in place as long as possible and reduce disruption of existing uses on the site and adjacent facilities. Additional geotechnical stabilization, such as mitigations for lateral spreading and liquefaction, may be completed above the minimum necessary per phase due to constructability and efficiency considerations. Dewatering, and associated permits, may be required to support the Geotechnical Stabilization and construction process

6.5 Schedule for Additional Geotechnical Studies

Supplemental Geotechnical Studies and Reports will be prepared as required to support the proposed Project public improvements. In addition, Geotechnical Reports for private building parcels will be prepared and submitted to the City as part of the building permit process.



LEGEND

PROPOSED PARCEL LINE

EXISTING PARCEL LINE

CONCEPTUAL INTERSECTION LOCATIONS WHERE PUBLIC UTILITIES WOULD INCORPORATE FLEXIBLE PAVEMENT AND FLEXIBLE UTILITY CONNECTIONS AT INTERFACE BETWEEN STRUCTURED STREETS AND EXISTING OR PROPOSED STREETS BUILT ON GRADE

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Source: BKF ENGINEERS, 07/2016

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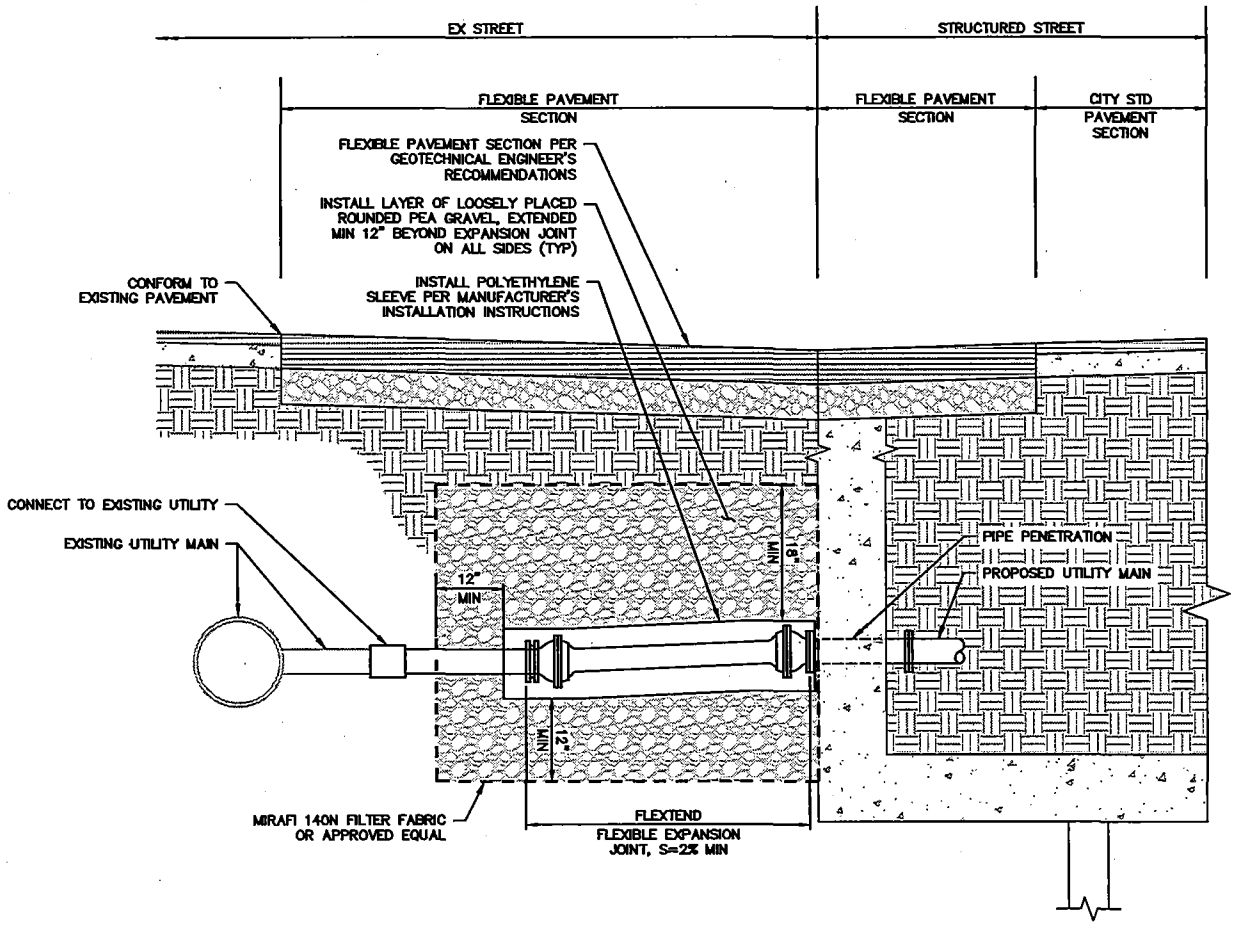
PLOT DATE: 11-15-17 PLOTTED BY: yolk

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 6.1 - CONCEPTUAL LOCATION OF FLEXIBLE PAVING AND UTILITIES**



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2005\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 6.2 Flexible Connection Detail.dwg
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MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 6.2 - CONCEPTUAL FLEXIBLE UTILITY CONNECTION**

7. SITE GRADING

7.1 Project Datum

Elevations, including tidal elevations, HGLs, and site elevations, referred to herein are on the Section 7 MBD, unless identified otherwise.

7.2 Existing Site Conditions

The existing grade within the Project site slopes gradually east, west, and south away from the center of the existing parking lot with ground elevations ranging from approximately 101 feet elevation at high points to approximately 97 feet elevation to the south at low points in the existing parking lot. Along the western and eastern borders, the site is bounded by and conforms to the existing grades along 3rd Street, Pier 48 and Pier 50, with ground elevations ranging from 99 feet to 100.5 feet in elevation. The northern border is bounded by the north interface of China Basin Park at the rip rap of China Basin. Along the southern border, there is a grade different of 3 feet to 4 feet of elevation between the existing parking lot and the newly constructed Mission Rock Street. The existing site elevations are shown in Figure 7.1.

7.3 Site Geotechnical Constraints and Approach

The Geotechnical Report and Geotechnical Memorandum were prepared for the Project by Langan Treadwell & Rollo. The Project site was originally a shallow bay below water as part of Mission Bay. It was later elevated by using building rubble and debris from the 1906 San Francisco earthquake as fill sourced from Potrero Hill. Site investigation found the fill is underlain by Bay Mud, building rubble, and debris.

Placement of new fill on top of existing Bay Mud layers will initiate a new cycle of consolidation settlements. The Project site may experience minor amounts of liquefaction, settlement, and lateral spreading due to existing sand layers and soft Bay Mud. The geotechnical engineer and explored different measures to mitigate these site constraints, which are described in greater detail in Section 6.

7.4 Project Grading Overview

The Developer will be responsible for the design and construction of the proposed grading for the Project. Below is a description of the grading design for the different areas of the site. The proposed Project conceptual grading plan is shown in Figure 7.2.

The Project is comprised of the development area at the center of the project, the Promenade and China Basin Park to the north, and Terry A Francois Boulevard to the east that interfaces with Pier 48, Channel Wharf, and Pier 50. The development area consists of the Development Parcels, open space areas, and structured street grids.

Proposed grading for the Project raises the development area to approximate elevations of 103.5 feet to 104.5 feet at the center of the site. The structured street grid grades will slope down to the existing adjacent streets, the San Francisco Bay and China Basin shoreline, or park and open space areas. The streets and sidewalks have been designed to provide overland release and ADA compliant accessible pathways throughout the site and adjacent parcels. The proposed street grid with interconnected open space and accessible pathways will be constructed to link 3rd Street with Terry A Francois Boulevard in the west-east direction and China Basin Park with Mission Rock Street in the north-south direction. Throughout the site, grades less than 5 percent are provided.

7.5 Elevation and Grading Design Criteria

The grading design criteria has been separated between:

- Elevation design criteria as it relates to tides, SLR, site elevations, HGLs, and existing streets
- Grading design criteria as it relates to site slopes.

7.5.1 Elevation Design Criteria

The minimum elevations are based on the FEMA 100-year BFE. For existing perimeter roads serving the Project and adjacent properties, proposed infrastructure within these existing streets will be designed to accommodate tidal elevations. For more information on the Project as it relates the FEMA, refer to Section 5 Site Resiliency.

7.5.1.1 Sea Level Rise

SLR will result in changing water levels in the San Francisco Bay that the Project will need to accommodate. The design criteria employed at the time of this Infrastructure Plan are based on the best scientific forecasts and potential design strategies currently available. The forecasts will very likely change over time and will provide guidance for the future.

The minimum design elevations for the Project Development Parcels will accommodate potential future SLR estimates for San Francisco Bay as discussed in Section 5 Site

Resiliency. The Project will be designed to accommodate the SLR criteria provided in Table 7.1.

Table 7.1

SLR and Associated Planning Requirements

YEAR	SLR AND PLANNING REQUIREMENTS RELATIVE TO YEAR 2000
2030 SLR	6 to 12-inches by 2030. Planning for adaptive management not required.
2050 SLR	11 to 24-inches by 2050. 12-inches is the mean 2050 estimate for SLR. Planning for adaptive management not required.
2065 Mean SLR	16-inches by 2065. Planning for adaptive management required.
2100 Mean SLR	36-inches by 2100. Planning for adaptive management required.
2100 High SLR	66-inches by 2100. Planning for adaptive management required.

The minimum SLR to be accommodated for the elevation design of structures and streets in the Project is 16-inches. To the extent feasible, the Project plans to develop structures in the Development Parcels to accommodate a 2100 High SLR of 66-inches above the BFE. For more information on the Project as it relates the SLR, refer to Section 5 Site Resiliency and Table 5.1.

7.5.1.2 100-Year Base Flood Elevation and Tidal Elevation

The 100-year BFE is the 100-year return period water elevation, which is defined as the water elevation that is exceeded on average once every 100 years or the water elevation with a 1% annual chance of occurrence.

The BFE for the design of the Development Parcel is 98.5 feet. The 100-year return period water elevation for the Development Parcel includes the effects of tides, storm surges, and tsunamis. The BFE has been included with the drainage design of the 100-year storm event and overland flow release.

With the project's proximity to the San Francisco Bay, the Project must consider tidal elevations for drainage outfall conditions. The tidal elevation within the San Francisco Bay Area varies by location. For Mission Bay, the 2015 Subdivision Regulation identifies a tidal

elevation of 96.5 feet for the Project which has been included in design to analyze the 5-year storm event.

The SLR and tidal elevations for the Project have been prepared in the SLR Adaptation Strategy Memorandum by Moffat & Nichol in Appendix I, and are provided in Table 7.2.

Table 7.2

SLR and Tidal Elevations by Datum

Elevation	NAVD88	Old City Datum	MBD
FEMA 100-Year BFE +66" SLR (100-Year SWLE+66" SLR (2100 High SLR) MHHW+100SS+66" SLR (2100 High SLR))	15.3'	4.0'	104.0
FEMA 100-Year BFE/100-Year SWLE	9.8'	1.5'	98.5'
Subdivision Regulations Tidal Elevation	7.8'	-3.5'	96.5'
King Tide (Moffatt & Nichol)	7.3'	-4.0'	96.0'
MHHW	6.3'	-5.0'	95.0'
Mean Sea Level	0.0'	-11.3'	88.7'

7.5.1.3 Minimum Site Elevations

The minimum elevation design criteria for the Development Parcels are shown in Table 7.3.

Table 7.3

Elevation Design Criteria

AREA	MINIMUM DESIGN CRITERIA
Development Parcel – Buildings	Provide a minimum finished floor elevation of 104.0 feet (~95 feet 2000 Mean Higher High Water elevation (MHHW) + 100-yr storm surge (100SS) (~3.5 feet) + 66 inches of 2100 High SLR) and/or flood-proof to 2100 High SLR projections for new occupied facilities.
Development Parcel – Parking Structures	The Block D Parking Garage entrances will be set based on the grade of the adjacent street. At a minimum, the garage entrances will be set with a minimum finish floor elevation of 99.83 feet (95 feet 2000 MHHW + 100-yr storm surge + 16 inches of 2065 Mean SLR). As required, Adaptive Management Strategies will be incorporated within the structure to provide resiliency and protection through 2100.
Development – Proposed On-Site Streets	The street elevation shall accommodate 4 feet in general and 2 feet minimum of freeboard between the 5-year storm drain system HGL and the street gutter flow line. For streets with City standard 4-inch to 8-inch tall curbs, the street's lowest top of curb elevation shall be above the HGL for the 100-year storm for the storm drain system. Refer to Section 13. For curbless streets or streets with flush curbs, hydraulic modeling and overland release requirements will be determined during the approval process for the MUPs.
Development Parcel – Pier 48	The pier structure will remain at existing elevation. As SLR occurs, Adaptive Management Strategies may be incorporated within the structure to provide resiliency and protection through 2100, subject to jurisdictional approval.

For adjacent streets serving the project, including 3rd Street and Mission Rock Street, street elevations will remain relatively close to their current elevations. Along the east edge of the project, Terry A Francois Boulevard will be constructed relatively close to its current elevation. Proposed streets within the development will slope up from the existing conform elevations of approximate elevations of 99-101.5 feet at 3rd Street, Terry A Francois Boulevard, Piers 48 and 50, and Mission Rock Street to elevations of approximately 102.9-104.3 feet at the center

of the site. By elevating the center of the site, access can be provided to building finished floors, which are set to accommodate protection from the 2100 High SLR projections.

7.6 Proposed Grading Designs

7.6.1 Building Areas

Proposed finished floors will be set at a minimum of the 100-year tide level plus 66-inches of SLR to ensure protection from anticipated rising tide levels. Project development and grading designs will be developed to comply with the City requirements for ADA accessible paths of travel.

7.6.2 Proposed Roadways

Proposed slopes along public streets and private alleys will be set at a maximum longitudinal slope of 5 percent to provide ADA accessible pathways of travel without requiring handrails as shown in Figure 7.2. The proposed public street system is designed in a saw tooth grading pattern as illustrated in Figure 7.3, such that adjacent high and low points have relatively the same elevations. At conforms, the site slopes down to the existing adjacent streets, China Basin, or park areas. With exception to Channel Street and Channel Lane, which will function primarily as pedestrian zones, handrails will be provided for stairs and accessible areas exceeding 5 percent, where required.

At street intersections, grades will be designed at a maximum slope of 2% to provide an accessible path of travel in crosswalks. In addition, vertical curves within the streets will be designed to both begin and end outside the limits of the crosswalk areas.

7.6.3 Overland Release

As required by the Subdivision Regulations, grading designs will be developed such that the 100-year HGL is contained within the top of curb elevations on opposite sides of a street throughout the Project site. For streets without curbs or with flush curbs, such as Terry A Francois Boulevard, Shared Public Way and the northern block of Bridgeview Street, grading and hydrology designs will be developed to contain the HGL for a 100-year 3-hour storm within the street while both providing a 4-foot wide accessible path on one side of the street and assuming drainage structures within the local drainage area are blocked. The proposed on-site street grid will be graded to provide overland release for the Project. The proposed public street system is designed in a saw tooth grading pattern to facilitate overland flow of stormwater to adjacent streets. The Developer

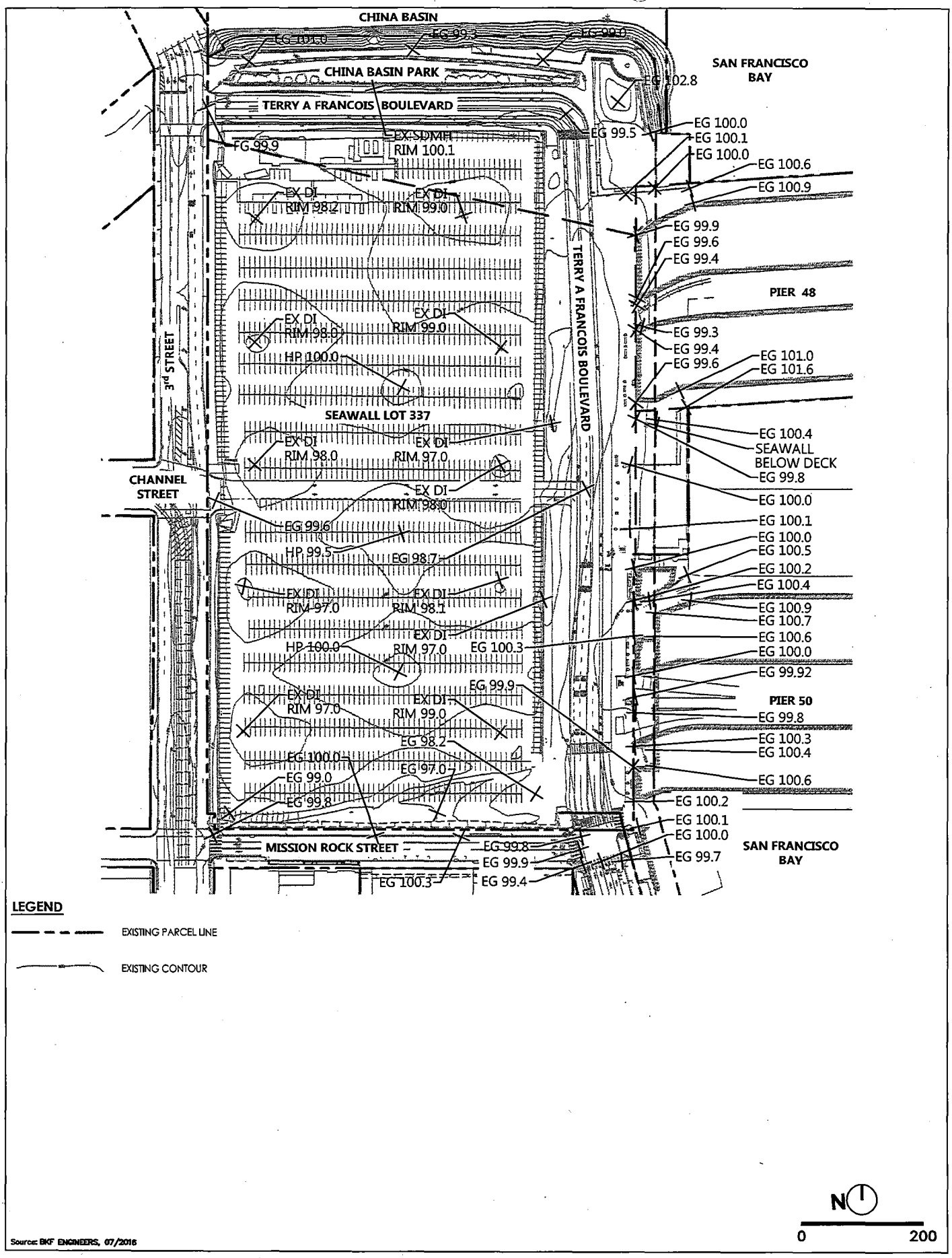
shall provide all tenants, lessees, and owners adjacent to streets without curbs or with flush curbs with a written disclosure form, as approved by the Port and City, which notifies all such entities of the potential for flooding. The disclosure form also shall be recorded against any property adjacent to streets without curbs or with flush curbs prior to the initial sale or lease of all such properties.

7.7 Proposed Site Earthwork

The conceptual grading plan for the Project will require approximately 75,000 CY of gross earthwork to grade for topsoil within China Basin Park and the pile-supported structured streets. Within China Basin Park, grades will be elevated by a combination of topsoil and Geofoam. Development Parcels and Mission Rock Square may be pile-supported, requiring no additional fill to grade, or elevated using light-weight fill, Geofoam, topsoil, or a combination thereof. To support grading activities, a Storm Water Pollution Prevention Plan (SWPPP) / Erosion and Sediment Control Plan (ESCP) will be submitted in parallel with future grading permits. Grading in conjunction with site remediation efforts will be performed by the Developer.

7.8 Phases of Grading Activities and Approvals

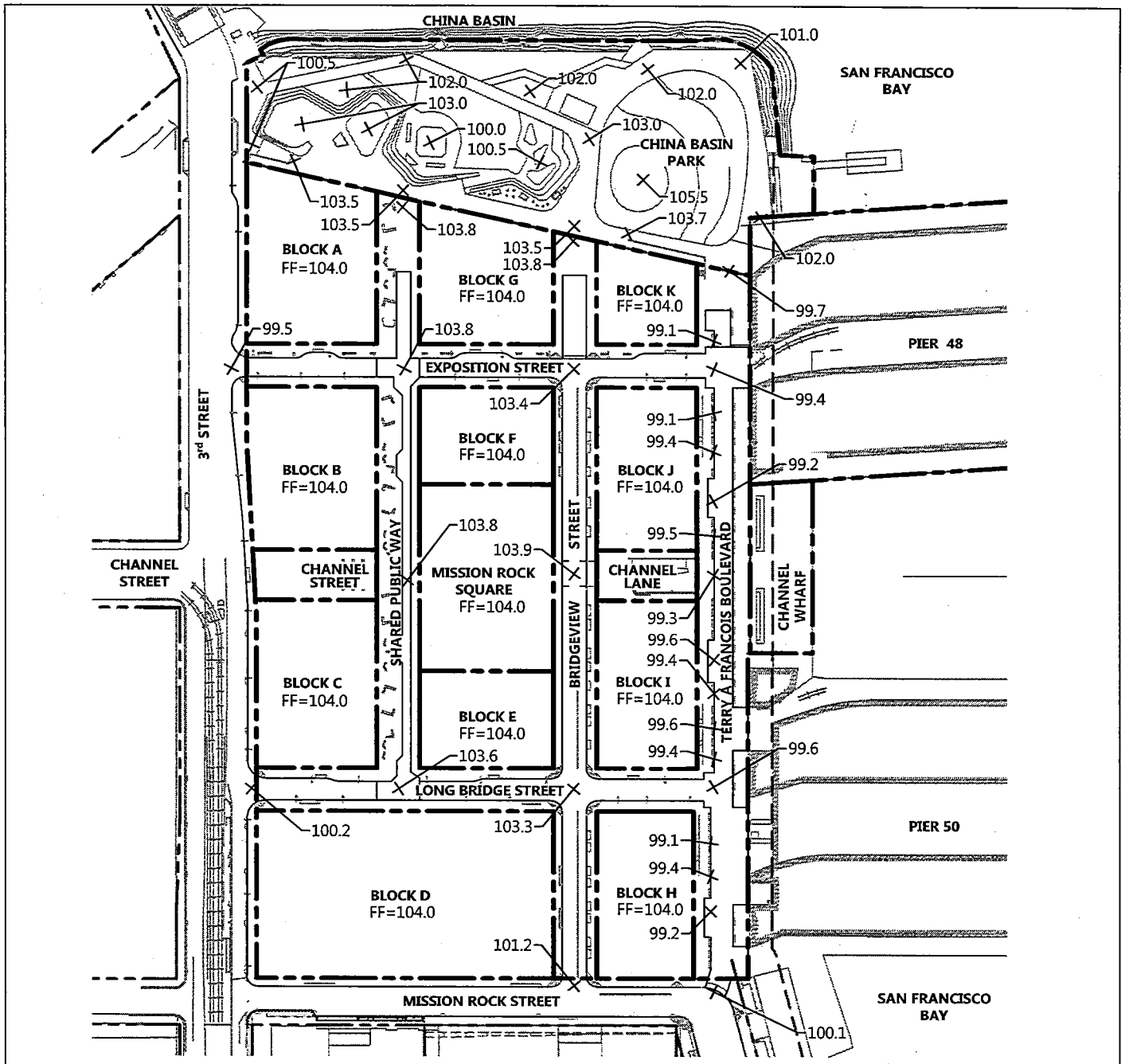
The Developer will grade the site based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA, and IGA. The amount and location of the grading proposed will be the minimum necessary to support the Development Phase. The new Development Phase will conform to the existing grades as close to the edge of the Development Phase area as possible while maintaining the integrity of the remainder of the Project. Repairs and/or replacement of the existing facilities necessary to support the proposed Development Phase will be designed and constructed by the Developer. Interim grading will be constructed and maintained by the Developer as necessary to maintain existing facilities impacted by proposed Development Phases. Project grading activities will comply with City Ordinance 175-91 for use of non-potable water for soil compaction and dust control.



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 7.1 Existing Grading Plan.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 7.1 - EXISTING GRADING PLAN**



LEGEND

PROPOSED PARCEL LINE

EXISTING PARCEL LINE

103.6 PROPOSED ELEVATION

NOTE

ALL ELEVATION ARE BASED ON THE MISSION BAY DATUM. THE MISSION BAY DATUM EQUALS THE OLD CITY OF SAN FRANCISCO DATUM PLUS 100 FEET.

Source: BKF ENGINEERS, 07/2016

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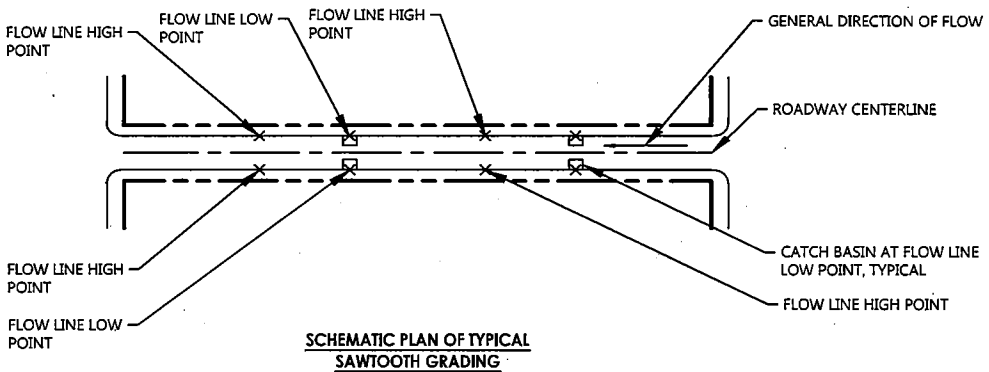
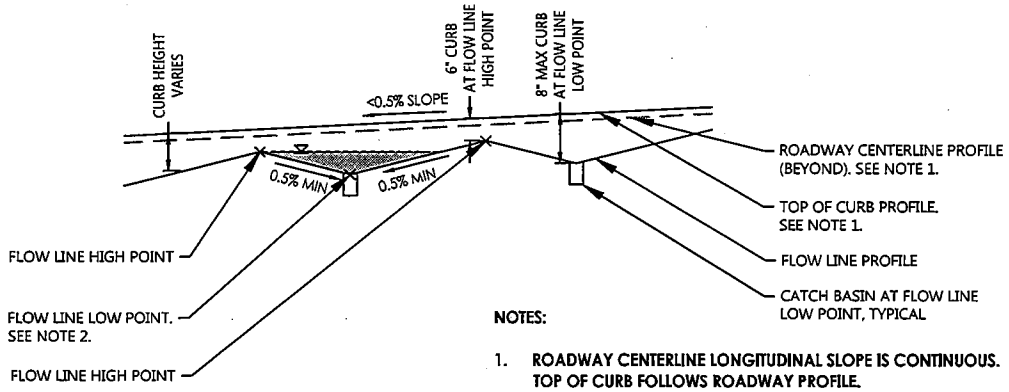
DRAWING NAME: \\BKF-SF\vol4\2010\2010006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 7.2 Conceptual Grading Plan.dwg
PLOT DATE: 07-15-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 7.2 - CONCEPTUAL GRADING PLAN**



SCHEMATIC PLAN OF TYPICAL SAWTOOTH GRADING



OPTION 1

SCHEMATIC PROFILE OF SAWTOOTH GRADING WITH CONTINUOUS CENTERLINE AND TOP OF CURB

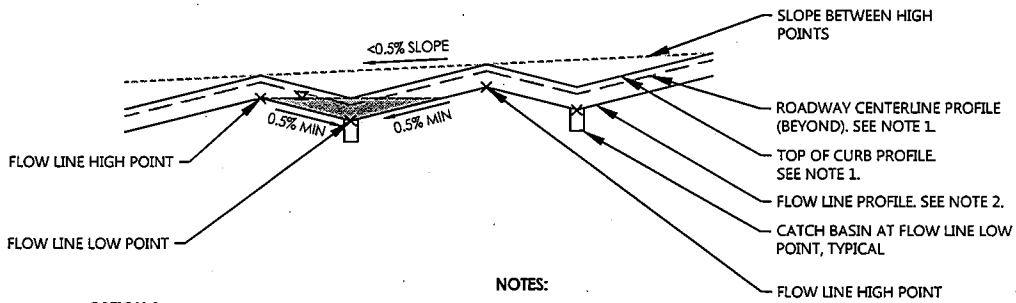
NOTES:

1. ROADWAY CENTERLINE LONGITUDINAL SLOPE IS CONTINUOUS. TOP OF CURB FOLLOWS ROADWAY PROFILE.

   STREET CROSS SLOPE VARIES BETWEEN 2% AND 5% AND CURB HEIGHT VARIES BETWEEN 6-INCHES AND 8-INCHES (EXCEPT AT CURB RETURNS, CROSSWALKS, ACCESSIBLE PARKING SPACES, AND ACCESSIBLE PASSENGER LOADING ZONES) TO ACHIEVE A FLOW LINE WITH A 0.5% MINIMUM LONGITUDINAL SLOPE.

2. THE LOW POINT OF THE FLOW LINE COINCIDES WITH THE STEEPEST STREET CROSS SLOPE AND 8-INCH CURB.

3. THE ROADWAY CENTERLINE SLOPE ON TERRY A FRANCOIS BOULEVARD IS LESS THAN 0.5% SLOPE DUE TO EXISTING CONDITIONS.



OPTION 2

SCHEMATIC PROFILE OF FLOW LINE SAWTOOTH GRADING WITH PARALLEL ROADWAY CENTERLINE AND TOP OF CURB

NOTES:

1. ROADWAY CENTERLINE PROFILE AND TOP OF CURB FOLLOWS FLOW LINE PROFILE.

2. FLOW LINE HIGH POINT ELEVATIONS ARE LOWER THAN THE UPSTREAM TOP OF CURB LOW POINT ELEVATIONS.

3. THE ROADWAY CENTERLINE SLOPE ON TERRY A FRANCOIS BOULEVARD IS LESS THAN 0.5% SLOPE DUE TO EXISTING CONDITIONS.

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Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\20018\000006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 7.3 Street Sawtooth Grading.dwg
PLOT DATE: 07-13-17 PLOTTED BY: PEL1

8. STREET AND TRANSPORTATION INFRASTRUCTURE

Mission Rock's street network will be comprised of short, walkable blocks that connect to existing Mission Bay streets adjacent to the Project. The Project will prioritize pedestrian and bicycle safety and access to the buildings, streets, and open spaces at Mission Rock through careful consideration of transit and transportation connections, accessibility, traffic calming measures, and a centralized site parking facility instead of on-street parking. The bicycle network at Mission Rock will provide an important link for the district, connecting the Bay Trail/Blue Greenway to the Embarcadero, and will include a variety of facilities that will provide choices for cyclists of all ages and skill levels. These facilities will be integral to the unique character of Mission Rock's streets.

8.1 Design Controls: Plan Overview

The Design Controls describe the public realm, open spaces, and streetscapes at Mission Rock represented in Figure 8.1. The street designs described herein represent one potential application of these controls. As a pedestrian-priority development, Mission Rock's street network will provide safe and easy access to open spaces, building entrances, and retail, with unique street types designed to the scale and speed of the pedestrian experience. A combination of traffic calming strategies will discourage unnecessary vehicle traffic and ensure that internal traffic will be low-speed and low-volume. The public realm will be fully integrated with the design and scale of the ground floor of Mission Rock's buildings.

8.2 Public Street System

The Developer will be responsible for the design and construction of the public streets. Improvements will generally include the following:

- Pavement structural sections
- Concrete curbs and gutters
- Concrete sidewalk and curb ramps
- Traffic control signage and striping
- Traffic signals
- Street lighting and pedestrian-scale lighting
- Street landscaping and trees
- Stormwater management facilities (may include such methods as landscape strips, permeable pavements, and bio-retention areas)
- Street furnishings (includes, but are not limited to, benches, trash cans and bike support facilities)

- Accessible on-street passenger loading zones with adjacent street level passenger loading aisles and curb ramps.
- Accessible curb ramps
- Accessible Pedestrian Signal (APS) at traffic signal
- Raised crosswalks
- Raised Intersections
- Sidewalk bulb-outs
- Class I and II bikeways
- Enhanced Paving
- Installation of accessible pedestrian signals
- Utility Clearance Requirements

Streetscape and landscape improvements are further defined in Section 8.4 and in the Design Controls. Approval of and responsibility for maintenance and liability for non-standard stormwater treatment facilities shall be as specified in the ICA or future MOU or MOA.

8.2.1 Public Street Layout and Parcelization

A system of street and parcel numbers has been created to facilitate planning and design coordination and is shown on Figure 8.2. The new grid network of public streets includes three streets oriented north to south: the Shared Public Way, Bridgeview Street, and the existing Terry A Francois Boulevard, which will be realigned and reconstructed. Exposition Street and Long Bridge Street will be oriented east to west. Property frontage improvements will result in partial renovation of the existing 3rd Street and Mission Rock Street sidewalks, with bicycle facilities to be coordinated with the City adjacent to Blocks A and H. Typical cross sections for the proposed streets and existing street improvements can be found on Figures 8.5 – 8.12, with streetscape improvements shown on Figures 8.29-8.42.

8.2.2 Roadway Dimensions

Street widths—curb to curb—are designed to accommodate emergency access, utility clearances, bicycle facilities, passenger loading and building servicing, and vehicular access throughout the site. Typical vehicular travel lanes within streets will range from 10-feet to 11-feet in width. Travel lanes are measured from the face of curb or outside edge of bicycle facilities. All streets except the Shared Public Way will provide for two-way traffic and fire access, with street widths varying

from 22 to 34-feet. The Shared Public Way will provide a one-way 12-feet wide vehicular travelway within a Shared Zone that will have 20-feet minimum clearance between streetscape elements to facilitate fire access. All buildings will be Type 1 Construction. Additional roadway dimension information is shown in Figure 8.3 and detailed cross section information can be found on Figures 8.5-8.12, 8.29, 8.31, 8.33, 8.35, 8.37, 8.39, and 8.41.

8.2.3 Structured Streets and Open Space Areas

Due to existing geotechnical constraints that make the Project site susceptible to differential settlement, liquefaction, and lateral spreading when fill is added to the site, the conceptual geotechnical approach is to provide structured street sections that are pile supported in fill areas. Refer to Section 6 for a detailed analysis of the Project's decision-making process for selecting the structured street and open space area approach to mitigating the site geotechnical constraints. Pile-supporting Mission Rock's streets will provide a geotechnically sound foundation for standard street and open space construction that will support the street designs described in Section 8.4, while mitigating the site's tendency for differential settlement.

The proposed structured streets include Exposition Street, Long Bridge Street, Shared Public Way and Bridgeview Street. The proposed open space areas include Channel Street and Channel Lane. Structured street and open space area locations are identified in Figure 8.13. The structured streets and open space areas will be comprised of street pavement and/ or pedestrian concrete paving, landscape, utility infrastructure, and sidewalk improvements built on top of and within structural fill throughout the street sections within the public right-of-way. Subject to the final design, preliminary designs for the concrete slab thickness at the bottom of the structure is conceptually 2-feet thick and walls will potentially be 1 foot thick. The depth of the structured streets will be a minimum of 6-feet deep beneath landscaping to provide sufficient room for tree roots and at least 1 foot deeper than the bottom of the deepest utility pipe per SFPUC vertical clearance requirements. Subdrains, where required based on the final design of the structured streets, will be provided within the structured streets and open space areas to prevent accumulation of water and will drain via a gravity connection or through a sump pump and force main to the sanitary sewer system as described in Section 12. Where a subdrain is required, a sand trap will be installed

in advance of the connection of the SFPUC sanitary sewer main. A preliminary typical structured street cross section is shown on Figure 8.14.

Structured streets and open space areas will be supported by steel H-piles or precast, pre-stressed concrete piles with no down drag. There are two types of pile systems being considered for supporting the structured streets and open space areas. The first consideration is friction-only piles that extend below the Bay Mud sub-layers and gain friction in the clay and sand beneath. The second consideration is a combination of friction plus end-bearing piles which will extend to dense sand or bedrock approximately 100 – 160-feet beneath the bottom of the Bay Mud layers. These preliminary pile-supporting systems are further discussed in Appendix F and are subject to final geotechnical studies and structural designs to be completed as part of the Construction Document process.

The structured streets and open space areas will be integrated within the Project's street grid and conform to existing and reconstructed streets of 3rd Street, Mission Rock Street, and Terry A Francois Boulevard. Final designs to determine pile spacing, depths, waterproofing and drainage will be completed as part of the Construction Document process. The Project will request a design modification or exception to the Subdivision Regulations for interim improvements. The request will be made to the City Department with authority over the interim infrastructure in compliance with the process outlined in the Subdivision Regulations.

8.3 Public Street Modes of Travel and Access

8.3.1 Pedestrian Circulation and Accessibility

Creating a safe, accessible, and comfortable pedestrian experience will be a priority on all streets at Mission Rock, with safe pedestrian street crossings and connections to open spaces and surrounding streets. Mission Rock's three north-south streets will have reduced-height or flush curbs separating the pedestrian realm from the vehicular travelway. In addition to privileging pedestrian access, this strategy will facilitate paratransit vehicle access that can serve all of Mission Rock's Development Parcels and open spaces. Passenger loading and building servicing strategies will be designed to minimize conflicts between pedestrians and vehicles, and to maximize the special streetlife elements that create a rich pedestrian experience.

8.3.1.1 Pedestrian Throughway

On all sidewalks and major pedestrian routes to and within Open Spaces, a pedestrian throughway that is 6-feet minimum in width will be maintained. This throughway is defined as a universally accessible path of travel that does not exceed 5% maximum longitudinal slope and 2% maximum cross slope. See Section 8.4 for mandated minimum widths of pedestrian throughway and circulation routes for specific streets.

8.3.1.2 Access to Development Parcels and Open Spaces

Universal access to and within open spaces shall be provided for significant pedestrian connections, identified on Figure 8.15. Loading zones for passenger loading shall be provided, distributed to enable access to all Development Parcels and open spaces, with priority given to significant pedestrian connections.

8.3.2 Vehicular Circulation

All streets at Mission Rock shall have two-way low-volume, low-speed traffic circulation, with the exception of the Shared Public Way, which shall have one-way traffic in the northbound direction only. Circulation and controlled intersections are shown on Figure 8.16 and described in Sections 8.7 and 8.8.

8.3.2.1 Paseos

Paseos are proposed at the terminus of the Shared Public Way, Bridgeview Street, and Terry A Francois Boulevard at China Basin Park. These paseos shall accommodate Emergency Vehicle Access for a maximum distance of 150-feet from the Exposition Street right-of-way. The terminus of this access shall be clearly marked by permanent site furnishings or street trees. Along Exposition Street, paseos shall include signage and design cues that prohibit access for unauthorized vehicular traffic. Ownership and maintenance and liability for paseos and encroachments thereon shall be addressed as set forth in the ICA or future MOA or MOU.

8.3.2.2 Intersections

All stop-controlled and signalized intersections shall adhere to City standards for signage and street markings. Where crosswalks at uncontrolled intersections are proposed at Open Space connections, an appropriate combination of traffic control strategies, including

crosswalk markings, shall be employed to maximize visibility and safe pedestrian crossing. Refer to Section 8.8 for more detailed information on intersection design and controls.

8.3.3 Bicycle Circulation

The Mission Rock development is dedicated to improving bicycle transportation throughout the Mission Bay area by implementing the 2009 San Francisco Bicycle Plan and providing infrastructure for improved cyclist safety. In addition to providing a key link within the Bay Trail, between the Blue Greenway south of the site and the Embarcadero north of the site, bicycle lanes of various class designations will be incorporated into the public streets throughout the site. Terry A Francois Boulevard will include the Bay Trail/Blue Greenway, a multi-use trail along the waterfront, as well as sharrows within the Shared Zone. Bridgeview Street and Terry A Francois Boulevard will accommodate the majority of bicycle traffic traveling north and south through the site on protected bicycle facilities or multi-use trails, providing a safer environment that separates bicycles from vehicular traffic and prioritizes bicycle travel. Bridgeview Street and Mission Rock Street will include cycle tracks that are separated from vehicular traffic using mountable curbs, horizontal buffers, or vertical barriers. Bridgeview Street and Terry A Francois Boulevard will accommodate the majority of bicycle traffic traveling north and south through the site on protected bicycle facilities or multi-use trails, providing a safer environment that separates bicycles from vehicular traffic and prioritizes bicycle travel. Figure 8.17 indicates the conceptual strategy for these facilities at a network scale. Refer to Section 8.4 for specific street designs, bicycle facilities, and safety strategies.

8.3.4 Loading, Servicing, and Parking

Loading, servicing, and parking at Mission Rock will be distributed to minimize impact on the public realm pedestrian experience. While no permanent street parking will be provided, passenger loading across the site will be accommodated in dedicated areas. Servicing needs for all of Mission Rock's Development Parcels will be accommodated on Exposition Street, Long Bridge Street, 3rd Street at Parcel A, and Terry A Francois Boulevard in time-limited commercial or dedicated commercial zones. Figure 8.18 describes this conceptual strategy.

8.3.4.1 Passenger Loading

Passenger loading zones are distributed across the public realm, with dedicated accessible passenger loading stalls located on all streets except Bridgeview and Mission Rock Streets.

Refer to the Transportation Plan for more detailed information. Refer to Section 8.4 for streetscape designs, and Section 8.6 for accessible loading stall details.

8.3.4.2 Servicing

Servicing for Development Parcels, including ground floor tenants, will be located in dedicated or time-limited commercial loading zones for deliveries, freight loading, and building servicing. Dedicated commercial loading zones will be provided on Exposition and Long Bridge Streets, and time-limited commercial zones will be located on 3rd Street and Terry a Francois Boulevard.

8.3.4.3 Large Vehicle Access

Exposition and Long Bridge Streets and Terry A Francois Boulevard shall accommodate commercial vehicle circulation. Access to pier sheds, aprons, and valleys shall be maintained for WB-50 trucks to Pier 50, and access to the Pier 48 valley by WB-67 shall be provided; refer to Figures 8.19 and 8.20 for access studies. Commercial vehicle access for trucks that are a maximum size of SU-30 shall be accommodated in time-limited commercial loading zones on the west side of the Terry A Francois Boulevard right-of-way for Working Waterfront tenants; see Section 8.4.

8.3.4.4 Parking and Driveways

Per Chapter 5 of the Design Controls, driveways may be provided for interior servicing of Development Parcels. If provided, driveways to access off street parking on all blocks except D are only permitted on Exposition Street and Long Bridge Street in accordance with Section 7.7. Driveways for the shared parking facility at Block D shall be provided on Long Bridge Street, Bridgeview Street and Mission Rock Street. See Section 8.6 for information regarding placement of driveways relative to streetscape elements.

8.3.4.5 Mission Rock Square Garage

In accordance with the DDA and other Transaction Documents, Port and Developer may determine to develop the underground Mission Rock Square Garage as part of the Project, including associated access improvements and facilities at Channel Street and Channel Lane. The development of the Mission Rock Square Garage, and associated improvements, facilities, and mitigation under the MMRP, is anticipated under the

Transaction Documents and, accordingly, would not constitute a Material Change to this Infrastructure Plan. If Mission Rock Square Garage is proposed for a Phase, prior to the First Submittal of Improvement Plans for that Phase, Developer will: (i) submit and obtain the approvals and consents required for a non-material Infrastructure Plan amendment describing the additional or modified horizontal improvements to be constructed by the Developer to serve the underground Mission Rock Square Garage; and (ii) include the associated Mission Rock Square Garage infrastructure improvements in the applicable Basis of Design documents submitted for that Phase. This provision does not limit the City's obligation to comply with CEQA, in connection with any subsequently proposed modifications to the Mission Rock Square Garage or associated facilities or improvements.

8.3.5 Fire Department Access

Based on the planning efforts undertaken during the Design Controls and meetings with the San Francisco Fire Department, intersection radii, street widths from curb to curb, and right-of-way layouts have been designed to accommodate fire truck turning movements at the Project intersections shown on Figure 8.21. Per the SFFD requirements, intersections are designed to accommodate the truck turning movements of the City of San Francisco 57-foot Articulated Fire Truck (Fire Truck), which is shown on Figure 8.22. Other emergency vehicles turning movements analyzed included the SFFD Engine, SFFD Rescue squad, and a second version of the 57-foot Articulated Truck. The SFFD 57-foot Articulated Fire Truck shown in figures 8.21-8.27 was the most restricted vehicle and thus was the basis for street layout designs. At intersection approaches and within intersections, the Fire Truck may encroach into the opposing vehicular travel lane to complete turning movements, but a minimum of 7-feet of refuge area is provided for any cars within these lanes. Figures 8.23-8.27 show enlargements of the fire truck turning movements for the San Francisco 57-foot Articulated Fire Truck at the site intersections.

8.4 Public Street Network and Hierarchy

The Mission Rock street network will include several street types with distinctive character, planting, traffic speed, and streetlife elements – site furniture, street trees, special paving, and understory planting that combine with active ground floor uses to enrich the pedestrian experience. These street types include:

- Shared Public Way: A pedestrian-oriented shared street with one-way, low-speed, low-volume traffic (Shared Public Way, 8.29-8.30).

- Working Waterfront: A shared street with two-way, low-speed, low-volume traffic that integrates industrial and maritime uses with the Blue Greenway (Terry A Francois Boulevard, 8.31-8.32).
- Neighborhood Street: Streets with generous sidewalks, stormwater treatment gardens, and slow traffic; vehicular travelway curb-separated from sidewalk; must include sharrows, standard bicycle lanes, or protected bicycle facilities (Bridgeview Street, 8.33-8.34; Exposition Street, 8.35-8.36; and Long Bridge Street, 8.37-8.38).
- Paseo: Non-vehicular street connection adjacent to China Basin Park that accommodates emergency vehicle access (Bridgeview Street, Terry A Francois Boulevard, and the Shared Public Way).
- District Street: Streets referencing OCII Mission Bay design standards that include sidewalk and bicycle improvements only (3rd Street, 8.39-8.40; Mission Rock Street, 8.41-8.42)

8.4.1 Street Zones and Designs

The streets will contribute to a varied public realm while satisfying above- and under-ground infrastructure needs at Mission Rock. Proposed streets largely conform to the 2015 Subdivision Regulations, with exceptions noted in Section 8.4.2: Street Designs. The public right-of-way must be open to the sky with the exception of permitted landscape and street-wall encroachments per the Design Controls, Sections 3.8, 4.3, and 6.3.5, and publicly accessible at all times unless subject to maintenance, operations, security and safety rights, or closure by Master Developer for events. Street closure by Master Developer or others shall be subject to all applicable City and Port permitting and authorizations. Ownership and maintenance and liability for streetscape elements and encroachments shall be addressed as set forth in the ICA or future MOA or MOU for the following: on the Shared Public Way, including, but not limited to the Buffer/Furnishing Zone, Frontage Zone, Street Rooms, Tree Groves, and non-standard design features, such as lighting, stormwater gardens, and other stormwater treatments; on Terry A. Francois Boulevard, including but not limited to the Buffer/Furnishing Zone and non-standard design features; on Bridgeview Street, including but not limited to the Streetlife Zone and non-standard design features; on Exposition Street, including but not limited to the Streetlife Zone and Stormwater Zone; on Long Bridge Street, including but not limited to the Streetlife Zone and stormwater treatment; on 3rd Street, including but not limited to the

Streetlife Zone; on Mission Rock Street including but not limited to the Streetlife Zone.

8.4.1.1 Street Zones: General Definitions

The overall dimension of each streetscape is divided into several sidewalk and roadway zones. The following zones apply to the pedestrian realm of all streets:

- Frontage Zone: A zone along building frontages for Active Edge uses such as seating, signage, and merchandizing, a portion of the public realm that a ground floor building is permitted and encouraged to occupy, as defined in Chapter 5 of the Design Controls.
- Pedestrian Throughway: An unobstructed path of travel for pedestrians that is 6-feet minimum in width and universally accessible, with longitudinal slopes not to exceed 5% maximum.
- Streetlife Zone: A zone within the sidewalk that houses streetscape elements such as trees, lighting, furnishings, and stormwater gardens; equivalent to a Furnishing Zone as defined in the 2015 Subdivision Regulations. See 8.4.1.3.
- Stormwater Treatment Zone: A zone at sidewalk grade on Exposition and Long Bridge Streets where large feature stormwater treatment gardens are proposed within the right-of-way.
- Loading Zone: A zone where temporary spaces for passenger loading and building servicing will be provided. See Figure 8.18 for locations.

The following zones apply to the roadway of Bridgeview, Exposition, Long Bridge, 3rd, and Mission Rock Streets:

- Loading Zone: A zone where temporary spaces for passenger loading and building servicing will be provided.
- Travel Lanes
- Bicycle Facilities

The following zone applies to the Shared Public Way and Terry A Francois Boulevard:

- Shared Zone: The Shared Zone will be shared by pedestrians and vehicles and will be flush with the pedestrian realm. The vehicular travelway will be located between pedestrian-only areas, and defined by visual and tactile detection

cues, site furniture, and designed in accordance with applicable accessibility codes and guidance to ensure pedestrian safety. Crosswalks will be marked at regular intervals.

8.4.1.2 Street Markings

Street markings shall be in accordance with City and Port standards for street and intersection markings. See Section 8.8.

8.4.1.3 Streetlife Zone: Elements

Each street will include a Streetlife Zone, equivalent to a Furnishing Zone as defined by the 2015 Subdivision Regulations, which will include the following elements:

- Tree Planting. Trees should be adapted to the particular microclimate and shade conditions of each street, and sited with consideration of localized wind conditions and City spacing requirements. See Section 8.5.3 for street tree palette, distribution, and species attributes.
- Street Furnishings. Street furnishings, located in the Streetlife Zone, should contribute to wayfinding and identity of each street, and should be a mix of fixed and flexible, movable elements in accordance with specific standards and guidelines for each street. These performance criteria are provided in lieu of a specific palette:
    - Seating. Seating should be an inviting element allowing visual permeability and social use. Special street furnishings are encouraged to emphasize each street's unique character.
    - Accessibility. All street furnishings should be universally accessible, or modifiable to meet or exceed CBC and CAL-DAG minimum requirements.
    - Trash Receptacles. Trash receptacles should be standardized across the site. Location of selected receptacles should not impede visual access or mobility.
    - Bicycle Parking. Bicycle parking shall be provided at building and park entries within the Streetlife Zone as described on each street. Bicycle

racks should be standardized on all internal site streets, with the exception of Bridgeview Street.

8.4.2 Street Designs

8.4.2.1 Shared Public Way

The Shared Public Way is proposed to be a major pedestrian route linking important site anchors such as Mission Rock Square and China Basin Park to site arrival points for MUNI, vehicles, and bicycles, as well as the main site parking garage on Block D. Shared Public Ways are curbless streets that privilege pedestrian movement, following traditional street planning approaches in Europe and other pedestrian-friendly urban centers. The Shared Public Way at Mission Rock will be a dynamic space with active ground-floor retail, street rooms, stormwater gardens, and tree groves that will create a lively and unique environment. These design elements will also serve as cues to differentiate pedestrian-dedicated areas from the shared pedestrian/vehicular zone. Vehicles on the Shared Public Way will be limited to low-volume, low-speed, one-way northbound travel for drop-off, pickup, and deliveries, with traffic volumes not anticipated to exceed 100 vehicles per hour. The Shared Public Way will include the following zones as shown in Figures 8.29 and 8.30:

8.4.2.1.1 Shared Public Way: Active Edges

Active Edges will be located along the retail frontages on both sides of the Shared Public Way and will include the following zones:

A) Pedestrian Throughway: An unobstructed, 6-feet-minimum clear width path of travel for pedestrians shall be maintained within the Active Edges on both sides of the ROW.

B) Furnishing Zone: A 6-feet-maximum width zone for furniture, signage, and merchandizing with tree planting shall be included in the 12′ active edge on the east side of the ROW.

C) Frontage Zone: A 2-feet-maximum zone shall be maintained for furniture, signage, and merchandizing on the west side of the ROW.

8.4.2.1.2 Shared Public Way: Streetlife Zone

The Streetlife Zone will be a 20-feet-maximum width zone located along the Shared Zone for its entire length. This zone will provide for safe east-west connections across the ROW. This zone shall include:

A) Street Rooms: Special landscape areas with non-standard paving, built-in furniture, and ample space for flexible seating, small newsstands, and temporary kiosks.

B) Tree Groves: Finely textured tree groves that provide dappled shade and enclosure along the entire Shared Public Way. See Section 8.6.

C) Stormwater Gardens: Stormwater treatment infrastructure that functions ecologically, aesthetically, and programmatically, designed to maximize permeability of movement and view and to encourage lingering, with integrated seating. See Sections 8.6 and 16.

8.4.2.1.3 Shared Public Way: Shared Zone

The Shared Zone shall be consistently a 20-feet-minimum clear zone shared by pedestrians and vehicles. It shall include a non-meandering 12 to 20-feet wide travel lane. Two 8-ft wide passenger loading spaces with clear zones are provided adjacent to the 12-ft travel lane at Blocks E and F to serve retail and open space uses along the street; otherwise, the 12-foot travelway will be bordered by an 8-ft wide area free of streetscape elements to provide 20-ft clear width for emergency vehicle access. Vehicular-accessible areas will be separated from dedicated pedestrian-only areas with visual and tactile detection cues. Crosswalks shall be marked at regular intervals. The Shared Zone shall include:

A) One-way Traffic: Vehicular traffic shall be permitted one-way northbound, from Long Bridge Street to Exposition Street. North of Exposition Street, the street becomes a paseo; emergency vehicle access only shall be permitted on the paseo between Blocks A and G. No vehicular access is permitted to the Shared Public Way from Channel Street. The Shared Public Way may be closed to vehicular traffic during special events.

B) Delineated Loading Areas: Paving and demarcation of 8-feet wide passenger loading zones shall be distinct from the 12'-wide vehicular travel lane. See Figure 8.56.

8.4.2.1.4 Shared Public Way: Vehicular Intersections

Raised intersections with visual/tactile detection marking the pedestrian route shall be provided at Exposition and Long Bridge Streets and will comply with applicable accessibility guidance. Refer to traffic calming design described in Sections 8.6 and 8.8.

8.4.2.1.5 Shared Public Way: Visual/Tactile Detection Cues

Visual/Tactile Detection Cues shall differentiate the Shared Zone travel lane and loading zones from dedicated pedestrian areas; these shall be coordinated in consultation with applicable codes and accessibility guidance and include the following:

A) Paving Strategies: Material tactics, including contrasting paving color, texture, or material type, shall ensure safe pedestrian connections across the Shared Zone. These cues shall delineate the Shared Zone for its entire length. Also see 8.5.2 and Figures 8.44-8.45.

B) Spatial Cues: Incorporate design and spatial cues such as a 'gateway' to the Shared Zone from Long Bridge Street -- a constricted entry point with physical elements that will provide a visual/physical cue for drivers to slow down. Raised intersections at Long Bridge and Exposition Street are proposed in order to maximize pedestrian safety and visibility. Additional spatial cues are described in Section 8.6: Traffic Calming Design.

8.4.2.1.6 Shared Public Way: Non-Standard Curbs and Drainage

The Shared Public Way is curbless on both sides of the vehicular-accessible 20-ft wide Shared Zone, which is not in conformance with the Subdivision Regulations. A linear drainage element for the inverted crown street, which is described in greater detail in Sections 10 and 13, will convey surface runoff. A design modification and exception or an Encroachment Permit will be requested of the

Acquiring Agency for construction of the inverted crown street during the permitting process for the street improvements. See Figure 8.29 and Section 8.6.

8.4.2.2 Terry A Francois Boulevard

Terry A Francois Boulevard will be a unique Working Waterfront that supports active maritime, industrial, and production uses on the waterfront. Terry A Francois Boulevard will also connect the Bay Trail/Blue Greenway to China Basin Park and the Embarcadero to contribute to uninterrupted public access along San Francisco's eastern waterfront. Connecting the Mission Rock development to its active and historical maritime context, the expression of craft and industrial character along Terry A Francois Boulevard will be central to the personality and experience of this working waterfront. Terry A Francois will include the following zones, shown in Figures 8.31 and 8.32:

8.4.2.2.1 Terry A Francois Boulevard: Waterfront Zone

Located adjacent to Pier 48, Pier 50, and Channel Wharf, the Waterfront Zone shall include the following zones within a minimum cumulative width of 22-feet, measured from Pier 50:

A) Bay Trail/Blue Greenway: A multi-use trail located along the east side of the entire Terry A Francois Boulevard ROW, with a 16-feet-minimum clear path of travel for bikes and pedestrians.

B) Buffer/Furnishing Zone: A 3-feet-minimum width buffer comprised of furnishings and iconic lighting, located along the entire length of the Shared Zone. This zone will have contrasting paving and other cues to be coordinated with applicable accessibility codes and guidance.

8.4.2.2.2 Terry A Francois Boulevard: Shared Zone

The Shared Zone will be a 26-feet-minimum width zone with two-way traffic that is shared by pedestrians and vehicles from Mission Rock Street to Exposition Street. The Shared Zone will be separated from the Waterfront Zone and the Building-Front Zone with flush curbs per 8.4.2.2.7 and Buffer/Furnishing Zones per 8.4.2.2.1-B and 8.4.2.2.3-B.

8.4.2.2.3 Terry A Francois Boulevard: Building-Front Zone

The Building-Front Zone shall be contained within a maximum width of 24-feet adjacent to Blocks H, I, and J. The Building-Front Zone will include:

A) Pedestrian Throughway: A 12-feet-minimum width pedestrian area with 6-feet minimum clear path of travel at street grade along Blocks H, I, and J.

B) Encroachments: Where an Elevated Walkway is provided within the property line of the adjacent Development Parcels per Chapter 5 of the Design Controls, a 6-feet-maximum width encroachment within the right-of-way shall be provided to accommodate accessible circulation to the Elevated Walkway and a dock lift or similar apparatus at the building face to serve ground floor tenants.

C) Buffer/Furnishing Zone: A 3-feet-minimum width buffer comprised of furnishings, located along the entire length of the Shared Zone. This zone will have contrasting paving and other visual/tactile detection cues for pedestrians, to be coordinated with applicable accessibility codes and guidance.

D) Loading Area: A 9-feet-wide loading area that accommodates a maximum truck size of WB-30, located adjacent to the Shared Zone at Blocks H, I, and J. See Figure 8.55.

E) Streetlife Zone: A 9-feet-wide dedicated pedestrian spill-out space, located adjacent to the loading area.

8.4.2.2.4 Terry A Francois Boulevard: Paseo North of Exposition Street

Between Block K and Pier 48, Terry A Francois Boulevard will become a paseo that will accommodate emergency vehicle access for up to 150-feet of its length, with the terminus of this access marked by permanent street furnishings. The paseo will include the following zones:

A) Waterfront Zone at Pier 48: A 28-feet-wide zone, located adjacent to the Pier 48 bulkhead, shall accommodate the Bay Trail/Blue Greenway per 4.3.1-A) and additional public space for Pier 48.

B) Vehicular Turnaround + Loading Spaces: A vehicular turnaround with

passenger loading spaces, accessed from the Shared Zone.

C) Pedestrian Throughway: A 6-feet-minimum clear path of travel for pedestrians, located along Block K.

8.4.2.2.5 Terry A Francois Boulevard: Vehicular Intersections

Flush intersections with visual/tactile detection marking the pedestrian route shall be provided at Exposition and Long Bridge Streets An uncontrolled, marked intersection shall be provided at the pedestrian crossing between Channel Lane and Channel Wharf. These will comply with applicable accessibility guidance. Aural warnings will be integrated within paving adjacent to intersections.

8.4.2.2.6 Terry A Francois Boulevard: Streetscape Elements

Streetscape elements are an important aspect of experience and character of Terry A Francois Boulevard.

A) Placement: Streetscape elements shall be placed within the Buffer Zones at regular intervals as determined by applicable accessibility guidance. Additional permanent streetscape elements in the Waterfront or Building-Front Zones, if desired, shall not block throughway areas or impede circulation along Terry A Francois Boulevard.

B) Expression of Production Character: Street furnishings, especially benches, along Terry A Francois Boulevard shall express the industrial character of the Working Waterfront Typology. Industrial and salvaged materials are strongly encouraged for these elements.

C) Consistency of Elements: Trash receptacles and bicycle racks shall be consistent for the length of this streetscape. Benches may be varied.

8.4.2.2.7 Terry A Francois Boulevard: Non-Standard Curbs and Drainage

Terry A Francois Boulevard has flush curb conditions on both sides of the vehicular-accessible Shared Zone, with flush intersections at Long Bridge and Exposition Street, which are not in conformance with the Subdivision Regulations. Additionally, a linear drainage element, which is described in greater detail in Sections 10 and 13, along the flush curb condition will convey surface runoff. A

design modification and exception or an Encroachment Permit will be requested of the Acquiring Agency for construction of the linear drainage element during the permitting process for the street improvements.

8.4.2.3 Bridgeview Street

Bridgeview Street will be a Complete Street with dedicated bicycle infrastructure, active sidewalks, stormwater treatment gardens, and low-speed, low-volume vehicular traffic. An important north-south bicycle connection from China Basin Park to Mission Bay, Bridgeview Street will integrate protected bicycle facilities into the life and character of the street. Bridgeview Street will include the following zones, shown in Figures 8.33 and 8.34:

8.4.2.3.1 Bridgeview Street: Sidewalk Zones

Sidewalks on Bridgeview Street shall be 14-feet-wide along the east side of the right-of-way, and 12-feet wide along the west side of the right-of-way. The sidewalk shall include:

A) Frontage Zone: A 2-feet-maximum width zone shall be maintained along building frontages for furniture, signage, and merchandizing.

B) Pedestrian Throughway: An unobstructed, 6-feet-minimum clear width path of travel for pedestrians, with width as noted on Figure 8.33, shall be maintained between the Frontage Zone and the Streetlife Zone.

C) Streetlife Zone: A zone between the curb and pedestrian throughway with width as noted on Figure 8.33. This zone shall include trees, lighting, and furnishings that shall be consistent for the entire length of the street. Stormwater treatment gardens shall be included in the Streetlife Zone with minimum area as noted in Section 16.

D) Driveway Restrictions: Driveways shall not be permitted, except at the Block D parking garage.

8.4.2.3.2 Bridgeview Street: Roadway Zones

The 34-feet-wide roadway will accommodate two-way vehicular traffic from Exposition Street to Mission Rock Street and will include:

A) Bicycle Facility: A two-way Class 1 cycle track with total width of 10-feet on the east side of the right-of-way, including two 5-feet-wide lanes. This facility shall be protected from vehicular traffic with a 3-feet-wide horizontal buffer that is flush with the cycle track surface. This horizontal buffer will include a mountable curb that grade-separates the facility from the adjacent vehicular travelway. Approved safe-hit posts that are 46-inches in height shall be provided in this area.

B) Travel Lanes: Two 10.5-feet-wide travel lanes shall be provided to accommodate two-way vehicular traffic.

8.4.2.3.3 Bridgeview Street: Paseo North of Exposition Street

Between Block G and Block K, Bridgeview Street will become a paseo that will accommodate emergency vehicle access for up to 150-feet of its length with the terminus of this access marked by permanent street furnishings or street trees. The paseo will include the following zones:

A) Multi-Use Trail Connection: A 16-feet-minimum clear multi-use trail shall connect China Basin Park to the Class 1 bicycle facility. This connection shall include paving and signage delineating this shared use path and warning cues for pedestrians and cyclists at crossings.

B) Emergency Vehicle Clear Access Width: A 20-feet-minimum clear zone shall accommodate emergency vehicle access for up to 150 feet, measured from the Exposition Street right-of-way.

C) Pedestrian Throughway: A 6-feet-minimum clear path of travel for pedestrians shall be provided on the east and west sides of the right-of-way.

8.4.2.3.4 Bridgeview Street: Traffic Control and Calming Measures

The intersections of Bridgeview Street with Mission Rock and Exposition Streets will have full stop control. The intersection at Long Bridge Street will be a raised intersection at cycle track grade with two-way stop control for Long Bridge, but no stop control for Bridgeview Street bicycle or vehicular traffic. See Section 8.8. A raised mid-block crosswalk at the intersection of Bridgeview Street, Mission Rock

Square, and Channel Lane shall be included. Bicycle facility treatment shall continue across the intersection, with signage to yield to pedestrians. See Figures 8.63, 8.65, and 8.67.

8.4.2.3.5 Bridgeview Street: Bicycle striping, signage, and wayfinding

Bicycle Signage and Wayfinding should refer to City, Port, and NACTO (National Association of City Transportation Officials) Urban Bikeway Standards. Signage should be mounted at the curb edge of the Streetlife Zone, or inset in bicycle facility paving. Before all intersections and at the northern paseo portion of Bridgeview Street, the cycle track shall include paved and signed warning cues for pedestrian crossings. Cycle track demarcation shall continue across intersections at Exposition and Long Bridge Streets to indicate that cyclists have the right-of-way. Signs should indicate that vehicles must yield to cyclists.

8.4.2.3.6 Bridgeview Street: Non-Standard Curbs and Drainage

Bridgeview Street has a raised cycle track with a mountable curb separating the cycle track from the vehicular travel way, and a 4-inch curb separating the cycle track from the sidewalk on the east side of the street; these are not in conformance with the 2015 Subdivision Regulations.

8.4.2.4 Exposition Street

Exposition Street is designed to calm traffic and create a lush pedestrian connection with bulb-out gardens that will treat stormwater and provide seating. It will also accommodate service and loading demands for Blocks A, B, F, G, J, and K. Exposition Street will include the following zones, shown in Figures 8.35 and 8.36:

8.4.2.4.1 Exposition Street: Sidewalk Zones

Sidewalks on Exposition Street shall be 14-feet-wide along the south side of the street, and 20-feet wide along the north side, with inset loading zones for passenger loading and servicing access. The sidewalk shall include:

A) Frontage Zone: A 2-feet-maximum width zone shall be maintained along building frontages for furniture, signage, and merchandizing.

B) Pedestrian Throughway: An unobstructed, 6-feet-minimum clear width path of travel for pedestrians, with width as noted in Figure 8.35, shall be maintained between the Frontage Zone and the Streetlife Zone.

C) Streetlife Zone: A zone between the curb and pedestrian throughway with width as noted on Figure 8.35. This zone shall include trees, lighting, stormwater treatment gardens, and furnishings that shall be consistent for the entire length of the street.

D) Stormwater Zone: An 8-feet-wide zone between the Streetlife Zone and Roadway on the north side of the right-of-way, at grade with the sidewalk, shall include large stormwater treatment gardens with unique integral seating located at the southeast and southwest corners of Blocks A, G, and K.

8.4.2.4.2 Exposition Street: Roadway Zones

The 26-feet-wide roadway will accommodate two-way vehicular traffic from 3rd Street to Terry A Francois Boulevard, and shall include:

A) Bicycle Facilities: A 5-feet-wide painted Class II bike lane in the westbound direction, separated from vehicular traffic with a 6-inch-wide solid white line. Minimize utility covers and material transitions in this area. This facility shall be located 1-foot from the face of the adjacent curb. Eastbound sharrows shall be provided.

B) Loading Zone: An 8-feet-wide zone shall be provided at grade with the roadway, located between stormwater treatment gardens described in Figure 8.36, to provide passenger loading and servicing access. See Section 8.5.6 and Figures 8.18 and 8.54.

C) Travel Lanes: Two 10-feet-wide travel lanes shall be provided to accommodate two-way traffic.

8.4.2.4.3 Exposition Street: Traffic Control and Calming Measures

The intersection of Exposition Street with Bridgeview Street shall have full stop control for bicyclists and vehicles. At the Shared Public Way and Terry A Francois Boulevard, there shall be stop-controlled raised or flush intersections with

pedestrian throughway clearly delineated by crosswalks. At intersections, bicycle lane treatment shall continue across intersections at Bridgeview Street and the Shared Public Way. See Section 8.8 and Figures 8.63 and 8.66.

8.4.2.4.4 Exposition Street: Large Vehicle Circulation

Large vehicle circulation to and from Terry A Francois Boulevard and Pier 48 shall be accommodated on the roadway between Blocks K and J. See Figures 8.22-27.

8.4.2.5 Long Bridge Street

Long Bridge Street will be an important pedestrian entry point to the site from MUNI on 3rd Street. It is designed with wide throughways, shade trees, ample street furniture opportunities, and compact linear stormwater gardens. Long Bridge Street will accommodate service and loading demands for Blocks C, D, E, H, and I and will be the vehicular entry point for the Shared Public Way. Long Bridge Street will include the following zones, shown in Figures 8.37 and 8.38:

8.4.2.5.1 Long Bridge Street: Sidewalk Zones

Sidewalks on Long Bridge Street shall be 15-feet-wide on both sides of the right-of-way. The sidewalk will include:

A) Frontage Zone: A 2-feet-maximum width zone shall be maintained along building frontages for furniture, signage, and merchandizing.

B) Pedestrian Throughway: An unobstructed, 8-feet-clear width path of travel for pedestrians shall be maintained between the Frontage Zone and the Streetlife Zone.

C) Streetlife Zone: A 5-feet-wide zone between the curb and pedestrian throughway with width as noted on Figure 8.37. This zone shall include trees, lighting, stormwater treatment gardens, and furnishings that shall be consistent for the entire length of the street.

D) Bulb-Out with Stormwater Treatment: A 4-feet-maximum width bulb-out that includes stormwater treatment gardens shall be provided on the north side of Long Bridge Street, on either side of the Shared Public Way intersection.

8.4.2.5.2 Long Bridge Street: Roadway Zones

The 30'-wide roadway will accommodate two-way vehicular traffic from 3rd Street to Terry A Francois Boulevard, and will include:

A) Loading Zone: An 8-feet-wide loading zone shall be provided at grade with the roadway on the north side of the right-of-way, to provide passenger loading and building servicing access. This zone shall be painted with a unique surface treatment that differentiates it from the travel lanes. This zone shall not interfere with fire truck access or turning movements at intersections. Refer to Transportation Plan for loading and servicing strategies.

B) Travel Lanes: Two 11-feet-wide travel lanes shall be provided to accommodate two-way traffic.

C) Bicycle Markings: East- and west-bound sharrows shall be provided.

8.4.2.5.3 Long Bridge Street: Traffic Control and Calming Measures

The intersection of Long Bridge Street with Bridgeview Street shall have stop control for all Long Bridge Street traffic only. At the Shared Public Way and Terry A Francois Boulevard, there shall be stop-controlled raised intersections with pedestrian throughway clearly delineated by crosswalks. See Section 8.8.

8.4.2.5.4 Long Bridge Street: Driveways at Block D Parking Facility

Driveways shall be provided at the Block D parking facility to accommodate ingress and egress. Refer to Transportation Plan.

8.4.2.6 3rd Street

3rd Street is Mission Rock's gateway to Mission Bay. A wide multi-modal street, its character is fundamentally different from the interior streets of Mission Rock. South of Long Bridge Street, the sidewalk is a key threshold into Mission Rock from the MUNI station at Mission Rock Street. 3rd Street will adhere to approved San Francisco Office of Community Investment and Infrastructure (OCII) Mission Bay standards or approved substitutions for paving materials, trees, street furniture, and lighting. 3rd Street will include the following zones, shown in Figures 8.39 and 8.40:

8.4.2.6.1 3rd Street: Sidewalk Zones

The sidewalk on 3rd Street will be 12-feet-wide as shown in Figure 8.39 and will include:

A) Pedestrian Throughway: An unobstructed, 6-feet-minimum clear width path of travel for pedestrians shall be maintained between the building façade and the Streetlife Zone.

B) Streetlife Zone: A zone between the curb and pedestrian throughway with width as noted on Figure 8.39. This zone shall include trees, lighting, stormwater treatment gardens, and furnishings that shall be consistent for the entire length of the street.

8.4.2.6.2 3rd Street: Roadway Zones at Block A

At Block A only, the following shall be provided:

A) Loading Zone: An 8-feet-wide zone shall be provided at grade with the roadway to provide passenger loading and servicing access per Figure 8.18.

B) Bicycle Facility: A 6-feet-wide painted Class II bike lane in the north-bound direction, separated from vehicular traffic with a 6-inches-wide solid white line.

8.4.2.6.3 3rd Street: Emergency Vehicle Access Radii

Vehicular turning radii from Long Bridge Street and Exposition Street onto Third St have minimum requirements for emergency vehicle access. Refer Figures 8.21-8.27 for truck turning analysis.

8.4.2.7 Mission Rock Street

Mission Rock Street will provide an important link to the Blue Greenway at the terminus of Bridgeview Street. The Block H frontage will incorporate bicycle facilities connecting Bridgeview Street to the Blue Greenway on Terry A Francois Boulevard. Mission Rock Street will adhere to approved San Francisco Office of Community Investment and Infrastructure (OCII) Mission Bay standards or approved substitutions for paving materials, trees, street furniture, and lighting. South of Block H, a contraflow Class 1 cycle track will connect cyclists from Bridgeview Street to Terry A Francois Boulevard's Blue Greenway

infrastructure. Sidewalk improvements will extend along the north side of the right-of-way from Terry A Francois Boulevard to 3rd Street. Mission Rock Street will include the following zones, shown in Figures 8.41 and 8.42:

8.4.2.7.1 Mission Rock Street: Sidewalk Zones

Sidewalk improvements on Mission Rock Street shall be 12-feet-wide, on the north side of the right-of-way, as shown in Figure 8.41. The sidewalk shall include:

A) Frontage Zone: A 2-feet-maximum width zone shall be maintained along building frontages for furniture, signage, and merchandizing.

B) Pedestrian Throughway: An unobstructed, 6-feet-minimum clear width path of travel for pedestrians shall be maintained between the building frontage and the Streetlife Zone.

C) Streetlife Zone: A zone between the curb and pedestrian throughway with width as noted on Figure 8.41. This zone shall include trees, lighting, and furnishings that are consistent for the entire length of the street. Refer to OCII Mission Bay Standards.

D) Driveways: Driveways shall be permitted at the Parcel D parking garage.

8.4.2.7.2 Mission Rock Street: Bicycle Facilities

A) Bicycle Facility: A two-way Class 1 cycle track with total width of 10 feet measured from the face of curb on the north side of the right-of-way, from Bridgeview Street to Terry Francois Boulevard. This facility shall be protected from vehicular traffic with a raised buffer that is a minimum of 15-inches in width, 6 inches in height, and includes a 46-inches-high permanent vertical buffer. This buffer will be segmented to permit drainage. Installation of the raised buffer is adjacent to an existing low pressure water main and will require an agreement between the SFMTA and SFPUC regarding the disposition of the existing water main that will be coordinated during the permitting process.

B) Cycle Track Warning Cues: At intersections, the cycle track shall include paved and signed warning cues indicating pedestrian crossings and vehicular intersections.

C) Cycle Track Intersections: Cycle track demarcation shall continue across intersections at Bridgeview Street and Terry Francois Boulevard to indicate the primary bicycle route.

D) Reduced-width travel lanes: existing travel lanes on Mission Rock Street will be narrowed to 10-feet wide. Proposed changes to existing roadway striping will be coordinated at a future date with SFMTA.

8.5 Components of Public Streets

8.5.1 Curb Heights

A variety of curb types will be installed throughout the site. Mission Rock Street, 3rd Street, Long Bridge Street and Exposition Street improvements will consist of crowned asphalt roadway and six-inch curb and gutter on either side. Terry A Francois Boulevard will have flush curb for optimal pedestrian access. Shared Public Way and the northern end of Bridgeview are curbless streets with continuous paving across the right-of-way. Overland release and stormwater drainage information for curbless streets can be found in Section 7: Site Grading and Section 13: Storm Drainage System, respectively. Bridgeview Street will utilize both mountable curb as well as four-inch and six-inch curb and gutter. The mountable curb will delineate the class I cycle track bicycle facility from the vehicular travel lanes and the four-inch curb and gutter will elevate the adjacent landscape and sidewalk above the bike lanes. Curb height design exception and modification requests subject to the process outlined in the City Subdivision Regulations will be reviewed and approved by the City on a case-by-case basis. For further reference of curb type locations throughout the site and typical curb details, see Figure 8.43.

8.5.2 Paving

Paving will be a key component that defines the character, connectivity, and identity of Mission Rock's varied streets and open spaces. See Figures 8.44, 8.45, and 8.46 for proposed paving by street and zone. All paving in areas with high pedestrian traffic will facilitate universal accessibility. Paving connections to surrounding streets should be carefully considered for their impact on the larger Mission Bay neighborhood. Final pavement design for the roadway sections will be designed for the anticipated traffic load and equivalent single axial loads (ESAL) for a design life coordinated with the Acquiring Agency per the terms of the DA, DDA, and ICA.

The Pedestrian Throughway defined on each street shall be an accessible path of travel that is unobstructed by non-ADA-compliant paving or material treatments. Paving and built-in site elements shall be comprised of high-quality materials and finishes that are durable to withstand high-intensity use in the Bay environment. All material textures in designated clear path of travel and accessible use areas shall be ADA-compliant.

Where trees are planted in paving, surfacing material shall allow air and water to reach tree roots. Tree grates or stabilized crushed stone are permitted in the Streetlife Zone and in Open Spaces outside of dedicated Pedestrian Throughways. Where trees are planted in planting areas on streets, finish grade shall be within 2" of adjacent pedestrian paving.

8.5.3 Street Trees

Planting at Mission Rock will function ecologically to help achieve the Project's goals for sustainability and contribute to a healthy environment. Composition and distribution of a diverse, adapted urban forest, stormwater gardens, and planted areas will create a resilient ecological framework to shape varied sensory experiences across the site and provide waterfront and urban habitat. See Figures 8.47, 8.48, and 8.49.

Trees will be used to block and mitigate wind, provide shade and reduce urban heat island effect, and to provide shelter for birds. Native or climate appropriate grasses, shrubs, and ground cover will provide as much species diversity as feasible in Mission Rock's planting areas, as well as function in stormwater treatment gardens. Upon construction, maintenance and management of tree and understory planting, soils, and irrigation will be essential to the successful function of the site's urban ecological systems.

Tree species shall be considered for their aesthetic and ecological benefits. Suggested species diversity in Figure 8.48 is a baseline; species selected for specific areas shall conform to this general distribution and diversity for the Mission Rock urban forest. Tree species suggested for each component of the Public Realm network have been selected in consultation with a certified arborist. If alternative species are chosen, they shall conform to the aesthetic and performance requirements outlined in Figure 8.48.

8.5.3.1 Wind Mitigation

Tree selection and maintenance will be vital to maintaining a comfortable public realm experience in both streets and open spaces. Trees shall be sited with consideration given to wind modeling at the neighborhood and local scale. Mandatory wind tolerances have been noted under the design criteria for tree species selection.

8.5.3.2 Tree Species Installation and Establishment

Trees shall receive adequate soil volume to sustain long-term health. Trees shall receive adequate irrigation and monitoring during a three-year establishment period. Large and medium-size trees shall be installed at a minimum size of 48-inch-box; small trees shall be installed at a minimum size of 36-inch box. Refer to Figure 8.48 for tree size and corresponding minimum size at installation. To meet functional requirements in both streets and open spaces, clear trunk requirements shall be achieved within five years of installation. Branches shall not interfere with pedestrian throughway (minimum 84 inches of clearance measured from ground surface) or mandated fire truck vertical clearance of 13.5-inches-minimum (measured from roadway surface). Master Developer and/or HOA intends to enter into a street tree maintenance and management agreement with Public Works to address street tree maintenance.

8.5.3.3 Tree Maintenance and Management

Trees in the Public Realm should be pruned yearly to sustain long-term health and to maintain desired growth habit. Determine appropriate water application after establishment (three years) in consultation with a certified arborist's comprehensive review of tree health on the site. Monitor water application yearly.

8.5.3.4 Recommended Soil Volume for Trees

Trees in the public realm should have adequate soil volume and infiltration, particularly trees planted in paving. Large tree species require 1500-2000 cubic feet of soil volume per tree; Medium tree species require 1000-1500 cubic feet of soil per tree; Small tree species require 800-1000 cubic feet of soil per tree. Tree species sizes are noted in Figure 8.48.

8.5.3.5 Minimum clearance at On-Structure Conditions

Where trees are planted in on-structure conditions, at least 4-feet of soil depth, and a continuous gravel drainage layer that is 6-12 inches in depth, should be maintained.

8.5.4 Sustainable Water Strategies

Mission Rock's landscapes and building systems will work together and be designed to conserve, re-use, and filter water. Site hydrology will be intertwined with daily life at Mission Rock in a unique and systematic way, with stormwater treatment gardens that are a part of the public realm experience in every streetscape and open space, building-integrated recycled water systems, and advanced greywater reuse strategies. Irrigation is an essential element of plant health and should be considered as part of the site hydrology strategy.

8.5.4.1 Stormwater Treatment

Stormwater treatment will be handled through a combination of treatment within specific streets, and in centralized, large feature stormwater gardens to which runoff is conveyed by gravity or force main for treatment. See Figures 8.50 and 8.51 for a conceptual diagram of the site stormwater treatment approach, and refer to Section 16 for detailed discussion and analysis of stormwater management.

8.5.4.2 Irrigation

All plant species shall receive establishment irrigation for a minimum of two years. Tree species shall receive establishment irrigation for three years or as deemed necessary for long-term health by a certified arborist. Refer to Mission Rock Sustainability Strategy for guidance about water usage. Planting design shall optimize irrigation efficacy by grouping plants with similar water needs into efficient irrigation hydrozones. Permanent irrigation infrastructure shall be provided for all trees, understory planting, stormwater treatment gardens, and lawn areas. Irrigation flow meters for all irrigation hydrozones will be installed to record and monitor water use across the site, and watering records kept for all site trees, with a yearly water audit to track the amount of water applied.

Efficient irrigation systems will be utilized, with drip irrigation except in lawn areas, where spray irrigation is acceptable. Refer to Local Model Water Efficient Landscape Ordinance for regulatory guidance. Recycled water shall be used for irrigation, with potable backup,

to minimize potable water use. This use shall conform to applicable public health standards; edible plants and play areas shall not be irrigated with non-potable water. See Sustainability Strategy for recycled water resources and minimum water quality treatment thresholds.

8.5.5 Lighting

Lighting will be an important component of nighttime identity, experience, and safety at Mission Rock. Lighting of special, unique character should reinforce key pedestrian routes along the Shared Public Way and Channel Lane and Channel Street. Where possible, a variety of lighting types should work together to create a warm, inviting, and safe nighttime environment. See Figures 8.42-8.53.

Lighting across the site will be scaled to the pedestrian and bicycle experience and will reinforce key pedestrian circulation routes and connections. Lighting strategies will also take care to protect site residents by minimizing light pollution. Lighting along the waterfront will operate on a gradient of intensity from a well-lit Promenade at the Buildings and Piers to a more uniformly diffused, minimal character along the water that will not disrupt the ecology of the Bay edge. Lighting strategies shall minimize glare, light trespass outside the development, and light pollution in areas adjacent to residential buildings and along the waterfront. Refer to Section 7.6 of the Design Controls and to the Sustainability Strategy for vertical development lighting controls. Site lighting will comply with applicable regulatory standards.

Lighting fixtures and bulbs shall meet or exceed applicable energy-efficiency standards. Lighting shall be designed to allow facial recognition along paths of travel. Lighting shall not create glare or "hot spots" that would inhibit visual acuity, or unnecessary vertical transmittance of light. Lighting strategies shall facilitate sight lines and perception of safety across the public realm. Lighting uniformity ranges in open spaces shall allow for variation in light levels to create hierarchy and a range of experiences.

8.5.6 Accessible Loading

Loading zones for vehicular and paratransit loading and unloading will be distributed across the site to enable access to all Development Parcels and open spaces, with priority given to significant

pedestrian connections noted in Figure 8.15. Proposed configurations for loading stalls are described for the following conditions:

DPW-Standard Curb, 6-inches typical: Figure 8.54.

Non-DPW-Standard flush curb, Shared Public Way: Figure 8.56

Non-DPW-Standard flush curb, Terry A Francois Boulevard: Figure 8.55.

8.5.7 Driveway and Streetscape Coordination

The project will ensure that locations of above-grade utility boxes, where provided, are coordinated with streetscape elements. These locations shall be coordinated with tree spacing to ensure Urban Forestry standards are applied to the greatest extent possible. If provided at all Development Parcels except Block D, driveways shall be located only Exposition or Long Bridge Streets. Driveways for Block D shall be provided on Long Bridge, Bridgeview, and Mission Rock Streets. Driveways are not permitted on the Shared Public Way, Terry A Francois Boulevard, 3rd Street, or Bridgeview Street north of Long Bridge Street. Driveway locations shall be coordinated with placement of streetscape elements per Figure 8.57.

8.6 Traffic Calming

As part of the pedestrian and bicycle focused development plan outlined in the Mission Rock Transportation Plan, traffic calming elements are proposed to improve non-vehicular traffic safety and access. Proposed traffic calming elements for the Project street rights-of-way are identified in Figure 8.58 and include raised intersections, raised crosswalks, bulb-outs, and narrowed lane widths to accommodate bicycle infrastructure.

8.6.1 Raised Intersections and Raised Crosswalks

Raised intersections are proposed along the Shared Public Way, Terry A Francois Boulevard, and Bridgeview Street and are described in greater detail in Section 8.8. A raised mid-block pedestrian crosswalk is proposed along Bridgeview Street adjacent to Mission Rock Square and Channel Lane. A City Standard driveway is also proposed on Terry Francois Boulevard at the Mission Rock Street intersection to provide additional traffic calming measures as vehicles enter Terry A Francois Boulevard. At raised crosswalk and intersection locations, the street pavement areas will be raised as much as 6-inches to match the adjacent curb heights and will change paving material for a more effective visual cue to motorists. Final grades are dependent on overland release feasibility studies.

Where raised intersections or crossings are proposed, decorative crosswalk treatments or striped continental crosswalks shall be provided and comply with City and MUTCD standards and required review. Proposed decorative treatments shall meet ADA standards for slip-resistance. The design for these intersections and crosswalks will be coordinated with and are subject to the approval of the SFPUC, SFDPW, the SFMTA, and the San Francisco Fire Department (SFFD). Refer to Section 7: Site Grading for additional information about Project grading and overland release requirements. A typical raised crossing detail is shown on Figure 8.59.

The Developer or HOA will be responsible for maintenance and restoration of the street pavement sections, including pavement markings, within the raised intersection and raised crosswalk. Designs will incorporate measures to minimize maintenance and reduce the potential for dirt, silt and other debris to settle within the crosswalks.

8.6.2 Intersection Bulb-Outs

Bulb-outs have been strategically added along Long Bridge Street at the Shared Public Way intersection and along 3rd Street between Exposition Street and China Basin Park. These locations are expected to have a high concentration of pedestrian traffic traveling between the parking garage at Block D, the amenities along Shared Public Way, residential housing on the west side of 3rd Street, China Basin Park and AT&T Park just north of the development site. Bulb-outs will narrow driving lanes, create a shorter pedestrian crossing, make pedestrians more visible to motorists and require vehicles to reduce speeds. The final design for the bulb-outs will be coordinated with the SFMTA, SFDPW, SFPUC, and the SFFD. Bulb-out improvements will be constructed if the designs can meet the Acquiring Agency's requirements for overland drainage release, utility clearances, and accessibility for persons with disabilities. Overland Release at these locations will be studied in the Grading and Drainage Master Plan. A typical bulb-out detail is shown on Figure 8.59.

8.7 Off-Site Traffic Signalization

As shown in Figure 8.60 and described below, the Developer will be responsible for design and construction funding, either as partial contribution or in full, of traffic signal modifications or new traffic signals, as well as striping. Where possible, the electrical service for traffic signals will be located within the joint trench (see Section 17). Traffic signals shall be designed by and constructed to the specifications

of the SFMTA and SFDPW. If determined feasible, planned off-site intersection improvements include, but may not be limited to the following:

8.7.1 3rd Street and Existing Terry A Francois Boulevard

The existing traffic signal infrastructure at Terry A Francois Boulevard and 3rd Street will be removed or modified during the demolition of the northern segment of Terry A Francois Boulevard that currently provides east-west access across the site. The new intersection at this location will serve northbound and southbound vehicular and bike traffic as well as eastbound and westbound bike and pedestrian traffic. An updated signalized intersection is anticipated to provide safe crossing for bikes and pedestrians across 3rd Street. The developer will be responsible for SFMTA costs to review, design, coordinate and implement improvements including signal design and signal timing changes.

8.7.2 3rd Street and Channel Street

To accommodate improvements at the existing 3rd Street and Channel Street intersection, signal timing and phasing will be revised. Vehicular access on Channel Street will now terminate at 3rd Street and will no longer continue eastward onto the site. The left turn from southbound 3rd street and phasing segments will be removed from the signalization at the intersection. The developer will be responsible for SFMTA costs to review, design, coordinate and implement improvements including signal design and signal timing changes.

8.7.3 3rd Street and Mission Rock Street

The existing traffic signals at the 3rd Street and Mission Rock Street intersection are planned to remain in place. Restriping of the Mission Rock lanes will likely require phasing and timing design alterations for the intersection. Revisions to the existing signalization at 3rd Street and Mission Rock Street will be completed by the SFMTA.

8.7.4 3rd Street and Exposition Street

A new traffic signal will be installed at the intersection of 3rd Street and Exposition Street to provide safe mobility for vehicular traffic, cyclists and pedestrians. Vehicles exiting the site from Exposition Street will be permitted to turn right and left onto 3rd Street. Northbound vehicles on 3rd Street will be allowed right turn access into the site at Expositions Street. Left turns from southbound 3rd Street on to Exposition Street will be permitted. Pedestrian crosswalks will also be incorporated

across Exposition Street in the north-south and east-west directions. The developer will be responsible for SFMTA costs to review, design, coordinate and implement improvements.

8.7.5 4th Street Intersection Improvements

As described in the project DEIR, the Developer will provide funding to the SFMTA, for a maximum amount of one-million dollars to SFMTA to design and construct traffic signals at the intersections of 4th Street and mission Rock Street and 4th Street and Long Bridge Street. Funding shall be provided prior to the issuance of approval for the third building site permit, but in no event later than the site permit for Block D2 parking garage, SFMTA will construct the improvements in advance of the Developer's proposed date of opening for the Block D2 parking garage.

8.7.6 Mission Rock Street Striping

As described in the project DEIR, the Developer will provide the following:

- Stripe a "keep clear" zone in front of the easternmost driveway closest to Bridgeview Street.
- Extend the southbound left-turn lane at the Third Street-Mission Rock Street intersection to a total length of 350-ft. In combination with the re-striped left-turn lane, install advance traffic signal detention equipment in coordination with SFMTA.
- Stripe a "keep clear" zone on Mission Rock Street adjacent to the driveway access points serving the public services building. Final location and extents of the "keep clear" zone will be coordinated with the SFFD and San Francisco Police Department during the construction document approval process.

8.8 On-Site Traffic Controls

Traffic calming and stop-controlled intersections, rather than signalization, are the primary strategy for on-site traffic control. Stop signs will be added at most of the intersections, with final locations to be determined by traffic sight distance requirements, Project phasing and coordination with the City. If implemented, stop signs on city streets will require legislation from SFMTA Board and traffic calming may also require SFMTA Board and/or public hearing.

8.8.1 All-Way Stop-Controlled Intersections: DPW-Standard Curb Condition

Mission Rock will have two all-way stop-controlled intersections at streets with DPW-Standard curbs, at the intersection of Bridgeview Street with Exposition Street (Figure 8.63) and the intersection of Bridgeview Street with Mission Rock Street (Figure 8.67). Bicycle and vehicular traffic will stop in all directions at these intersections. Crosswalks will be marked with City-

standard markings, and DPW-Standard curb ramps will be provided at crosswalks. Bicycle facility treatment will continue across these intersections for all streets. Refer to Transportation Plan for traffic volume information at these intersections.

8.8.2 All-Way Stop-Controlled Intersections: Raised Intersections

Mission Rock will have two all-way stop-controlled intersections that are also raised intersections. These occur at the intersection of the Shared Public Way with Long Bridge Street and at Exposition Street. The Shared Public Way will have one-way northbound traffic only, from Long Bridge Street to Exposition Street. Refer to Transportation Plan for traffic volume information at these intersections.

8.8.2.1 Shared Public Way at Long Bridge Street

At the intersection of the Shared Public Way with Long Bridge Street, vehicular and bicycle traffic on Long Bridge Street will stop in both directions; Long Bridge Street traffic is permitted to turn onto the Shared Public Way at this intersection, but turning will be discouraged through design cues. Refer to Section 8.4.2 and Figure 8.64.

8.8.2.2 Shared Public Way at Exposition Street

At the intersection of the Shared Public Way with Exposition Street, vehicular and bicycle traffic on Exposition Street will stop in both directions and no turns will be permitted. Shared Public Way traffic will stop at the intersection with Exposition Street, and is permitted to turn right or left. The Shared Public Way becomes a paseo north of this intersection; vehicular traffic will not be permitted on the paseo, but it will accommodate emergency vehicle access for up to 150-feet of its length per Section 8.4. Approved removable or hydraulic bollards will be installed at Exposition Street to prohibit vehicular entry.

8.8.3 2-Way Stop at Raised Intersection

Mission Rock will have one internal two-way stop-controlled intersection, at the intersection of Bridgeview Street with Long Bridge Street (Figure 8.65). Vehicular and bicycle traffic on Long Bridge Street will stop in both directions, while bicycle and vehicular traffic on Bridgeview Street will continue through without stopping. This intersection will be raised to meet the grade of the raised cycle track. Crosswalks will be marked with City- standard markings, and DPW-Standard

curb ramps will be provided at crosswalks. Bicycle facility treatment on Bridgeview Street will continue across this intersection. Refer to Transportation Plan for traffic volume information at these intersections.

8.8.4 All-Way Stop-Controlled Intersections: Flush Intersections

Mission Rock will have two all-way stop-controlled intersections that are also flush intersections, at the intersection of Terry A Francois Boulevard with Long Bridge Street and at Exposition Street. Grade transition will occur within the Terry A Francois Boulevard ROW. Terry A Francois Boulevard will have two-way traffic.

8.8.4.1 Terry A Francois Boulevard at Exposition Street (Figure 8.66).

At the intersection of Terry A Francois Boulevard with Exposition Street, vehicular and bicycle traffic on Exposition Street will stop; Exposition Street terminates at Terry A Francois Boulevard. For all vehicles except trucks servicing Pier 48, right turns only will be permitted onto Terry A Francois Boulevard. Northbound Terry A Francois Boulevard traffic will stop at the intersection with Exposition Street, and is permitted to turn left only. Terry A Francois Boulevard becomes a paseo north of this intersection. The paseo will accommodate emergency vehicle access for up to 150-feet of its length. Approved removable or hydraulic bollards will be installed to restrict vehicular entry; vehicular traffic will be permitted only for passenger loading within a clearly delineated and signed area (refer to Section 8.4.3).

8.8.4.2 Terry A Francois Boulevard at Long Bridge Street.

At the intersection of Terry A Francois Boulevard with Long Bridge Street, vehicular and bicycle traffic on Long Bridge Street will stop; Long Bridge Street terminates at Terry A Francois Boulevard. Long Bridge Street traffic is permitted to turn onto Terry A Francois Boulevard in both directions at this intersection. Terry A Francois Boulevard traffic will stop at this intersection in both directions, and turning onto Long Bridge Street is permitted. This intersection will be coordinated with Pier 50 operational requirements.

8.9 Public Transportation System

The Mission Rock site is adjacent to the Muni light rail along King Street and 3rd Street and the Caltrain 4th and King station. It is nearby the Bay Area Rapid Transit (BART) stations for Embarcadero,

Montgomery and Powell Street. The Transbay Transit Center, currently under construction, within the Financial District is also within close proximity to the proposed development. To encourage the use of these and other modes of sustainable transportation, the Mission Rock development has prioritized pedestrian, bike and transit access through the site. Ride share programs are also promoted within the design by incorporating loading and drop off zones throughout the proposed public street network.

Although there are no anticipated bus or light rail improvements associated with this Project, it is the Project team's understanding that SFMTA plans on enhancing the existing Muni transit networks near the Mission Bay area to improve commuter connections and efficiency throughout San Francisco. These improvements will be under the responsibility of SFMTA. For additional information regarding the public transportation system, refer to the latest edition of the Project Transportation Plan.

8.10 SFMTA Infrastructure

Where required, the following list of infrastructure items includes items to be owned, operated and maintained by the SFMTA within public right-of-ways:

- Security monitors and cameras
- Signals and Signal Interconnects, including Muni Bus Prioritization signals
- TPS signal preempt detectors
- Conduit containing TPS signal cables
- Shelters (with Vendor)
- Paint – poles and asphalt delineating coach stops
- Asphalt painting for transit lanes
- Departure prediction ("NextBus") monitors and related communications equipment
- Bicycle racks
- Crosswalk striping, except for areas with a raised intersection/crosswalk or with painted concrete special striping or other special decorative treatment
- Bike lane and facility striping
- APS/Pedestrian crossing signals
- Street Signs

8.11 Acceptance and Maintenance of Street Improvements

Upon acceptance of the new and/or improved public streets, including the structures supporting the streets, by the Acquiring Agency, responsibility for the operation and maintenance of the roadway and streetscape elements will be designated to the appropriate Acquiring Agency as defined in the City of San Francisco Municipal Code and related ordinances, and the Project DA, DDA, ICA, or a separate MOU or MOA per the terms of the ICA. Conflicts between proposed public utility infrastructure and the surface improvements proposed as part of the Project, including but not limited to dedicated transportation routes, trees, bulb-outs, traffic circles and medians, shall be minimized in the design of the infrastructure and surface improvements. The Acquiring Agency responsible for said utility infrastructure will review all proposals for surface improvements above proposed public utility infrastructure on a case-by-case basis to ensure that future access for maintenance is preserved. Stormwater management and treatment infrastructure installed as part of the streetscape to meet the Stormwater Management Requirements and Design Guidelines (SMR) will be maintained by the Master Developer and/or Acquiring Agency subject to the terms of the Project DA, DDA, ICA, or a separate MOU or MOA per the terms of the ICA.

As outlined in the DA, DDA, ICA, or a separate MOU or MOA, the Master Developer or Port will be responsible for maintenance and restoration of the non-standard materials and design features, including decorative paving and hardscape elements, as well as specific streetscape elements and encroachments. Restoration will include replacement of the pavement markings within areas with non-standard materials.

8.12 Phasing of New Roadway Construction

New roadway construction will occur in phases based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the Project Phasing Plan, and the DA, DDA, ICA, or a separate MOU or MOA. The amount and location of roadway repair/ or replacement will be the minimum necessary to support the Development Phase and maintain minimum required parking allocations, access and utility connections. Such phased roadway construction will allow the existing utility services, vehicular and pedestrian access areas, and landscaped spaces to remain in place as long as possible and reduce disruption of existing uses on the site and adjacent facilities.

Temporary Fire truck turnaround areas, if any, will be coordinated with the SFFD and constructed by the Developer consistent with the Fire Code. Phasing of traffic signalization improvements will be based on

cumulative development thresholds identified by the Project traffic consultant and/or the SFMTA coincident with the Phase applications, construction documents or as stated in the DA. Sidewalk and other accessible pedestrian paths of travel, either permanent or temporary, shall be provided to serve the pedestrian entrance and exit requirements of each Development Parcel prior to being released for occupancy. Such paths of travel will connect to the sidewalks along 3rd Street, Mission Rock Street and Terry A Francois Boulevard and hence to the public transit stations and bus stops thereon.

The Developer will be responsible for mitigating impacts to improvements installed with previous Project Development Phase(s) due to the designs or construction of current or future Development Phases, which will be addressed prior to approval of the construction drawings for the current or future Development Phase.

FIGURE 8.1: PUBLIC REALM PLAN

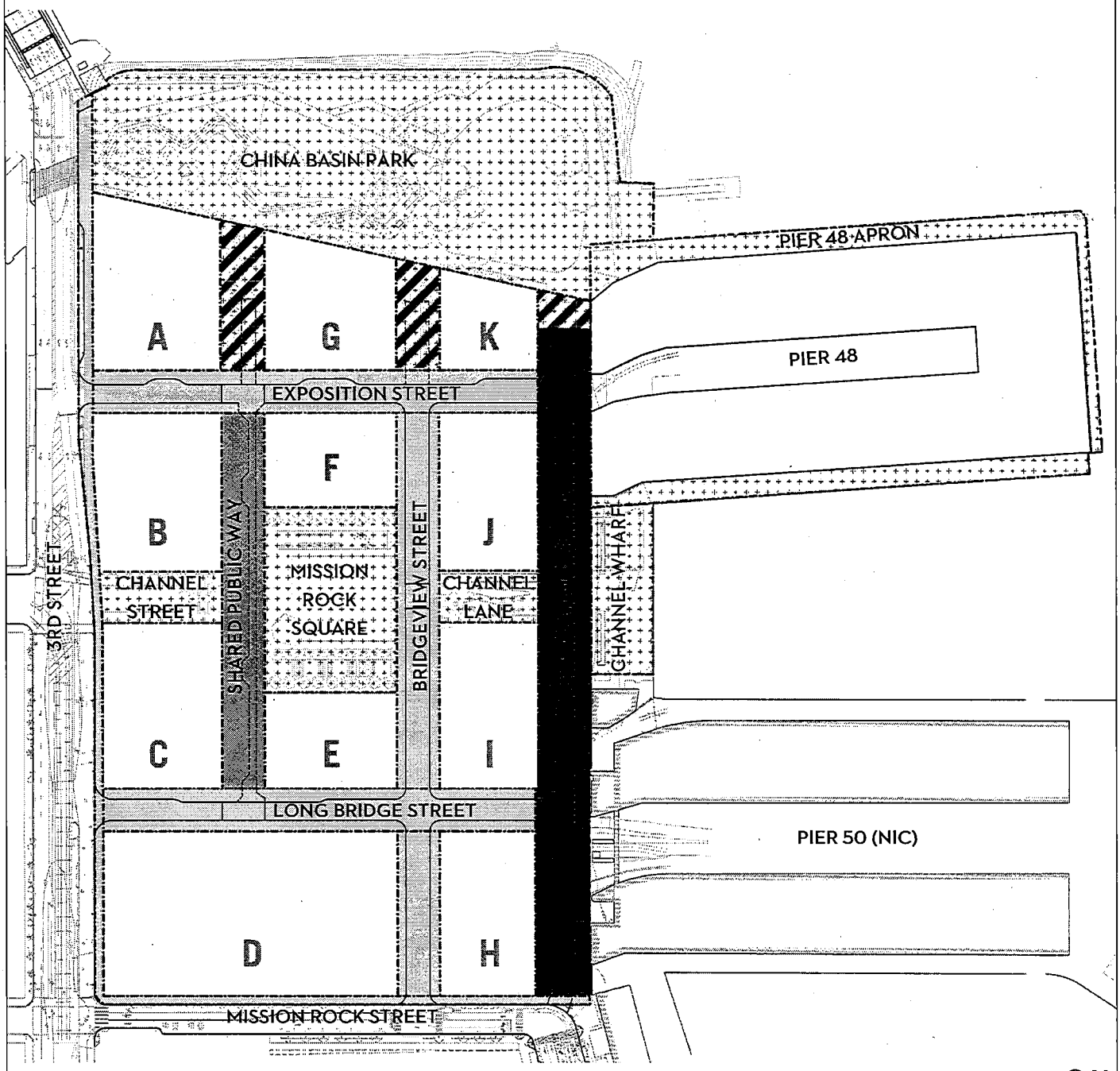


FIGURE 8.1: PUBLIC REALM PLAN

N

Shared Public Way
- *Pedestrian access permitted across entire ROW; vehicular traffic permitted in Shared Zone only*
- *Traffic volumes anticipated not to exceed 100 cars per hour; one-way northbound traffic*
- *Flush curb on both sides of vehicular zone*

Working Waterfront (Terry A Francois Boulevard)
- *Pedestrian access permitted across entire ROW; vehicular traffic permitted in Shared Zone only*
- *Traffic volumes anticipated not to exceed 100 cars per hour; two-way traffic*
- *Flush curb on both sides of vehicular zone*

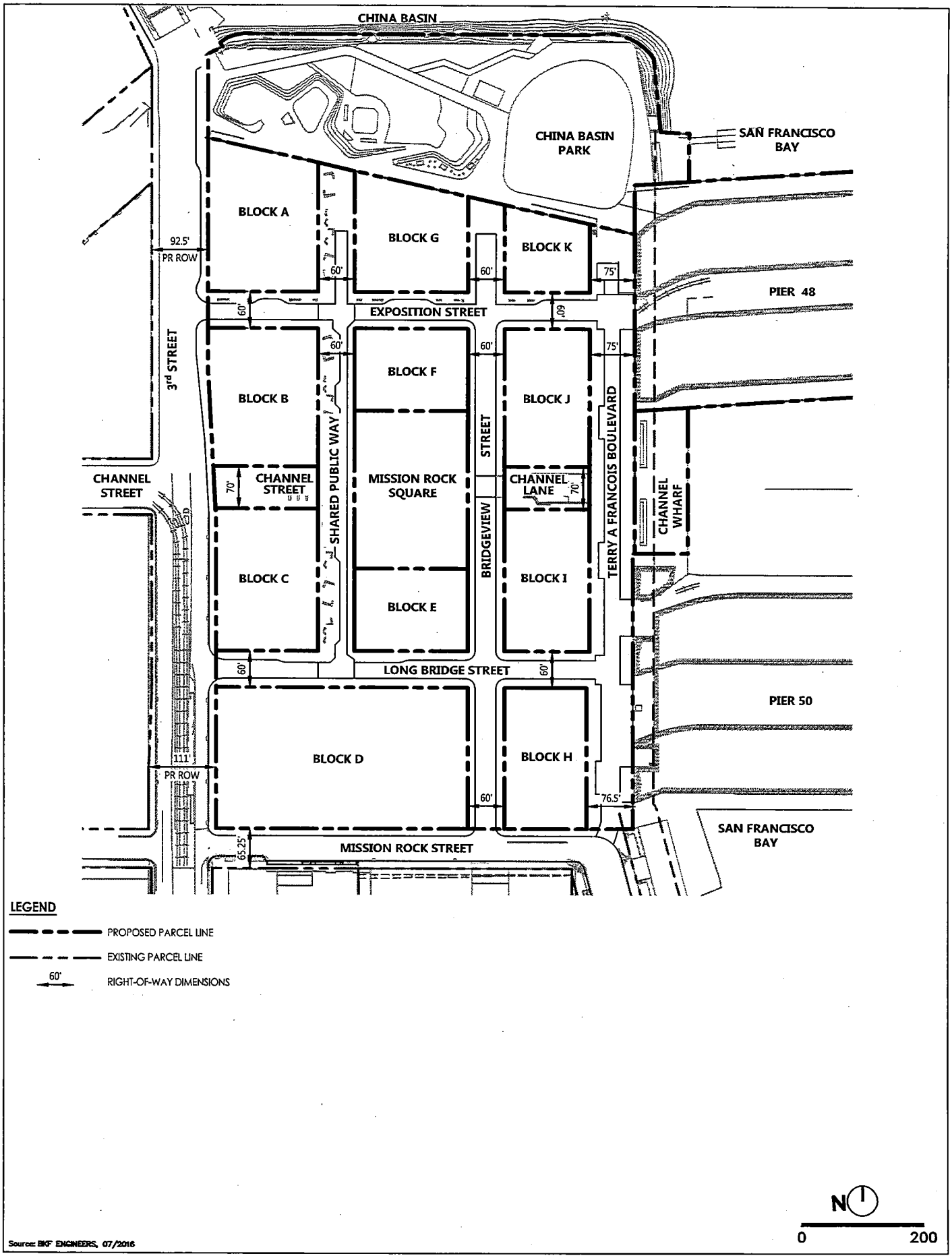
Vehicular/Neighborhood Street
- *Two-way street with curb-separated sidewalk*
- *Must include bicycle facilities or sharrows*
- *Loading and service access provided in dedicated areas*

Paseo (Open Space within R.O.W.)
- *Non-vehicular street connection; accommodates emergency vehicle access*

Open Space (Shown for reference only)

Proposed Boundary

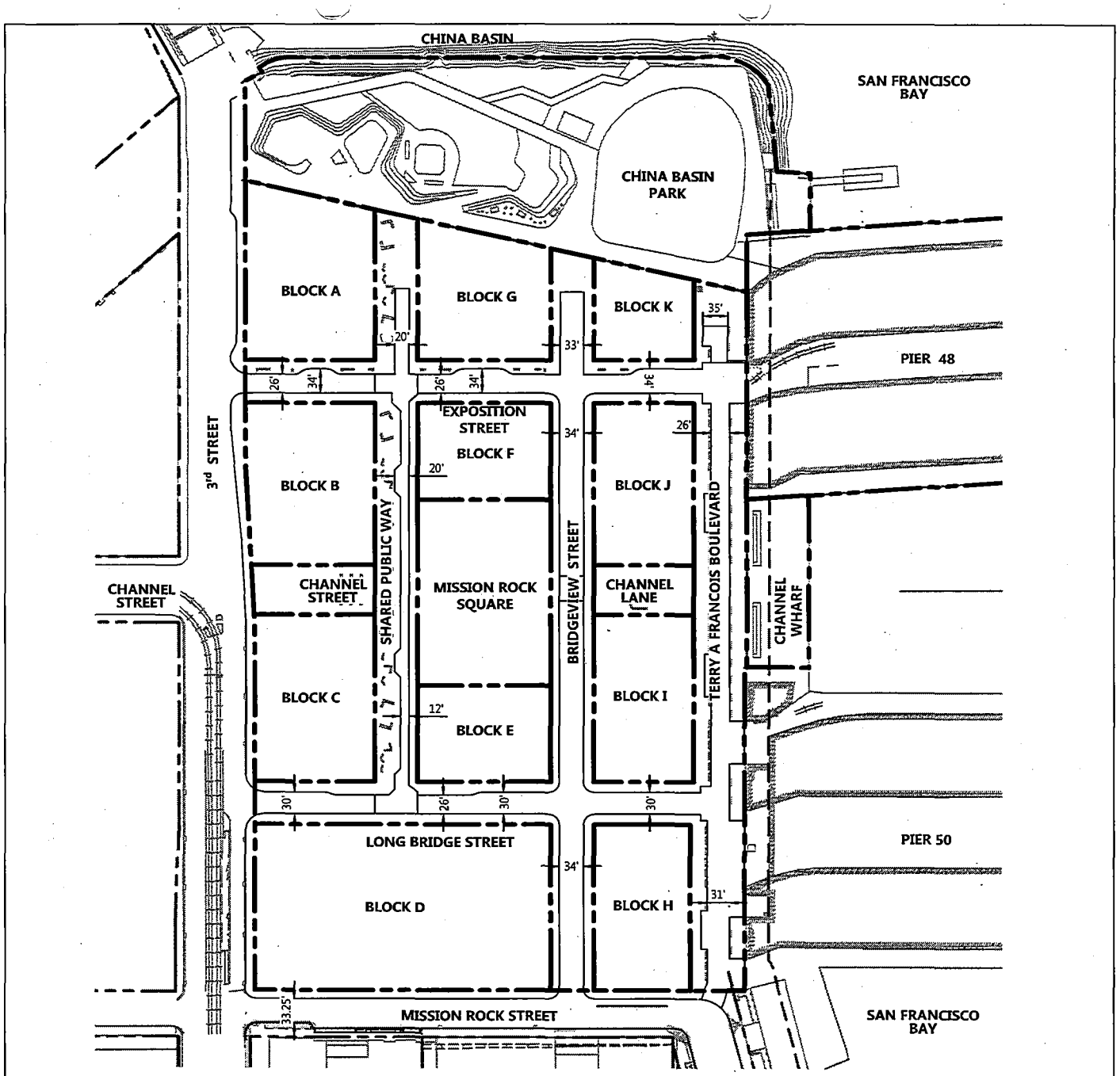
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2016\080026_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.2 Conceptual Site Plan & Street Layout.dwg
PLOT DATE: 07-15-17 PLOTTED BY: PELI

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.2 - CONCEPTUAL SITE PLAN & STREET LAYOUT**



LEGEND

PROPOSED PARCEL LINE

EXISTING PARCEL LINE

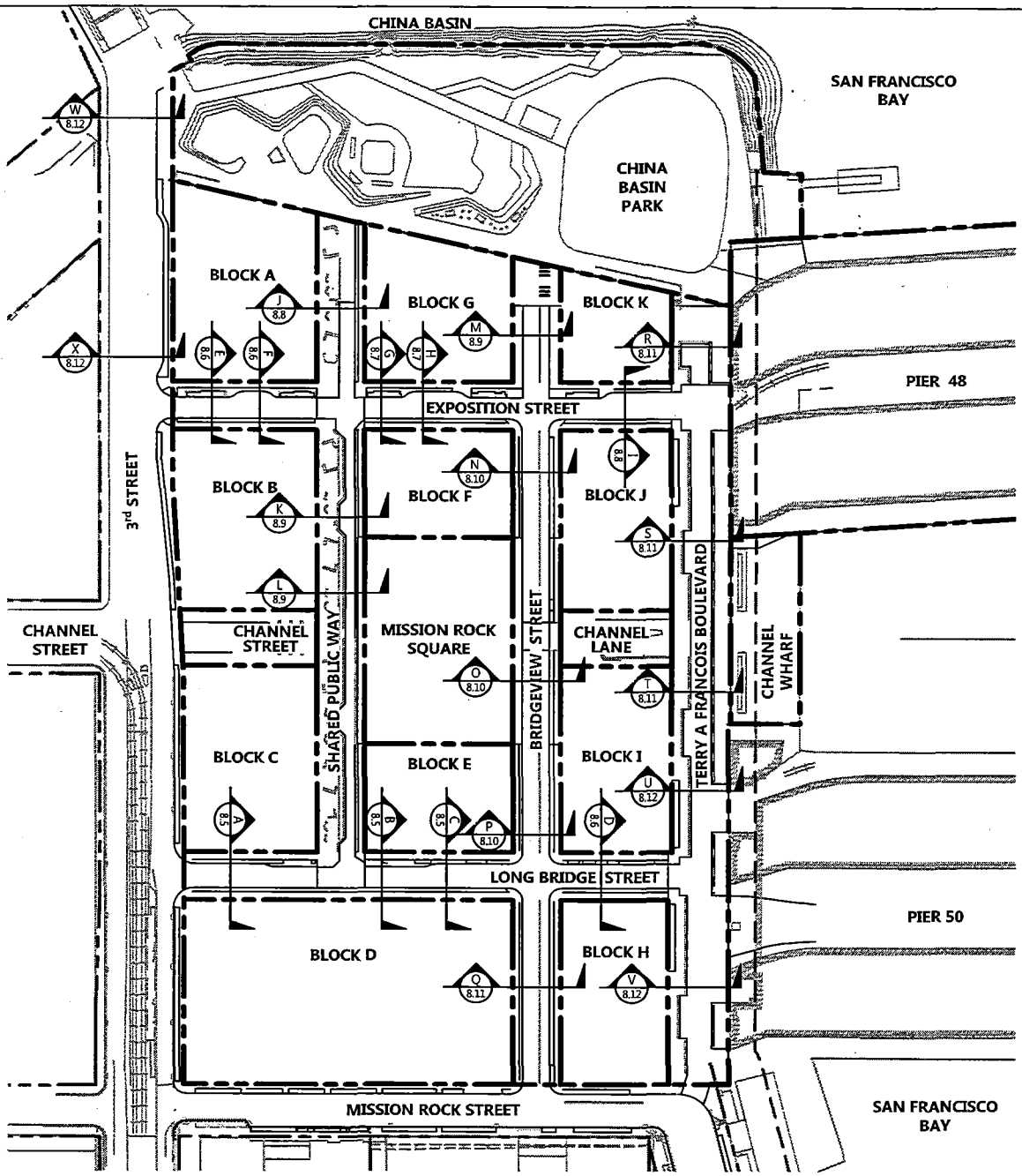
N

0 200

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2008\080806_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.3 Roadway Dimensions.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FEL1

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.3 - ROADWAY DIMENSIONS**



LEGEND

PROPOSED PARCEL LINE

EXISTING PARCEL LINE

SECTION LOCATION

NOTES

SEE FIGURES 8.5 - 8.12 FOR TYPICAL STREET CROSS SECTIONS.

Source: BKF ENGINEERS, 07/2016

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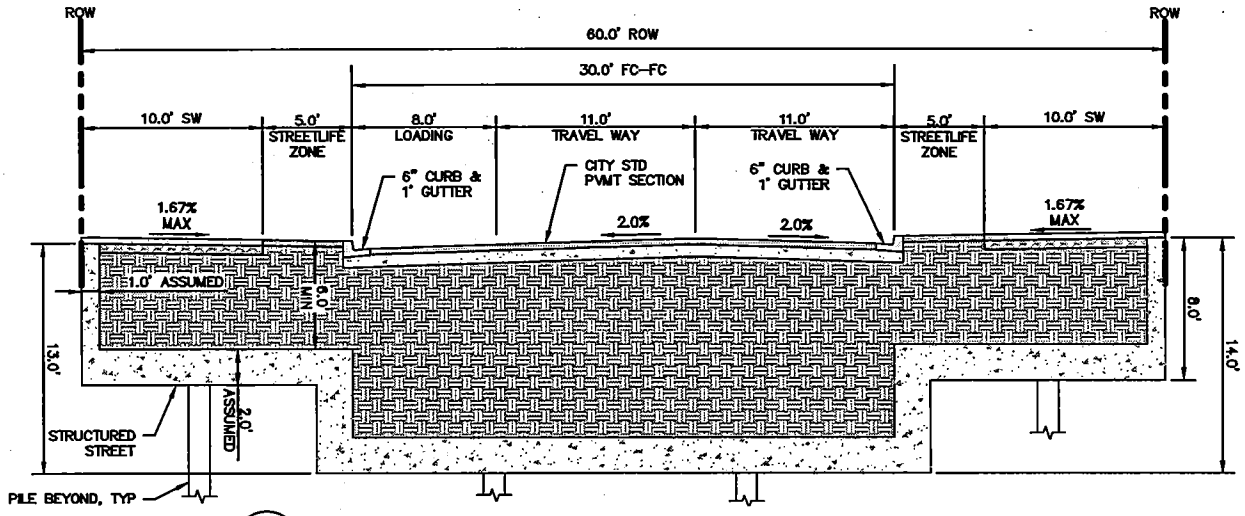
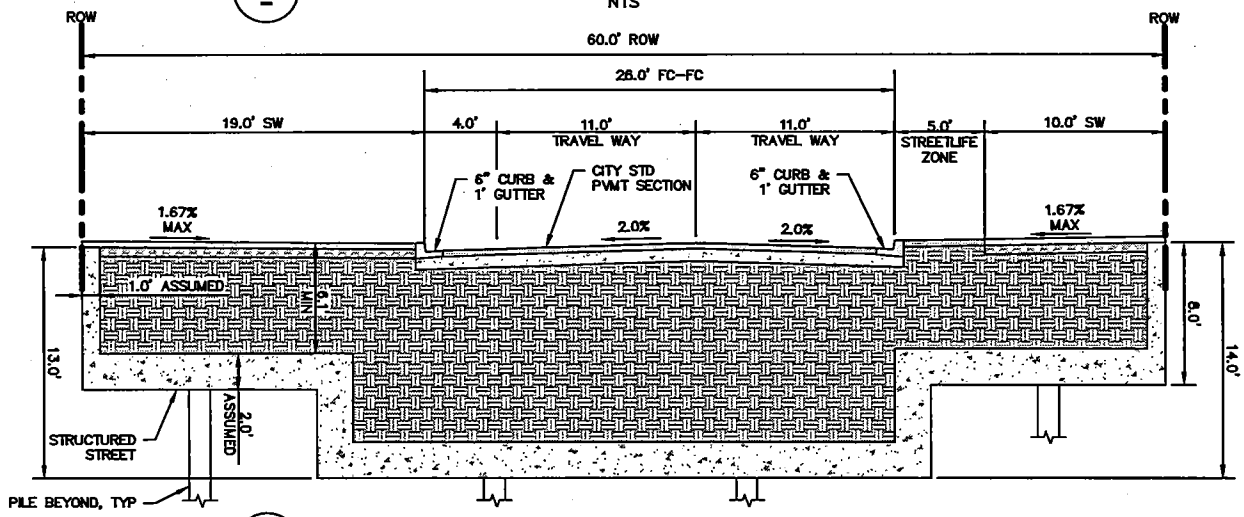
0 200

DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.4 Plan View & Cross Section Locations.dwg
PLOT DATE: 07-15-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.4 - PLAN VIEW & CROSS SECTION LOCATIONS**



A
-
LONG BRIDGE STREET
NTS



B
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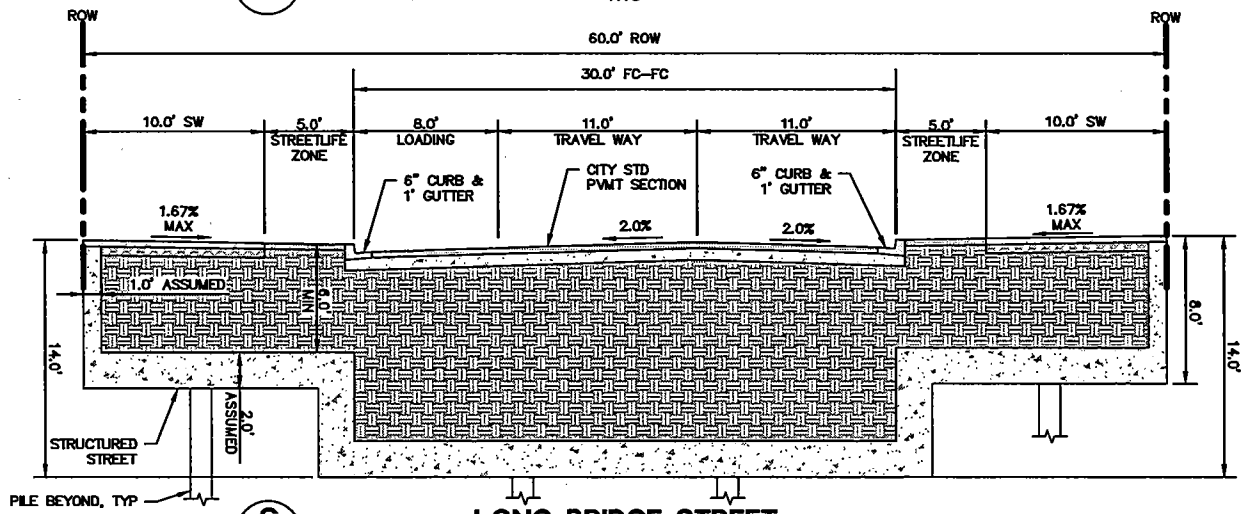
LONG BRIDGE STREET
NTS



C
-
LONG BRIDGE STREET
NTS

LEGEND

AC	ASPHALT CONCRETE		
APPROX	APPROXIMATE		
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION		
EX	EXISTING		
FC	FACE OF CURB	ROW	RIGHT OF WAY
MIN	MINIMUM	STD	STANDARD
PCC	PORTLAND CONCRETE CEMENT	SW	SIDEWALK
PVMT	PAVEMENT	TYP	TYPICAL

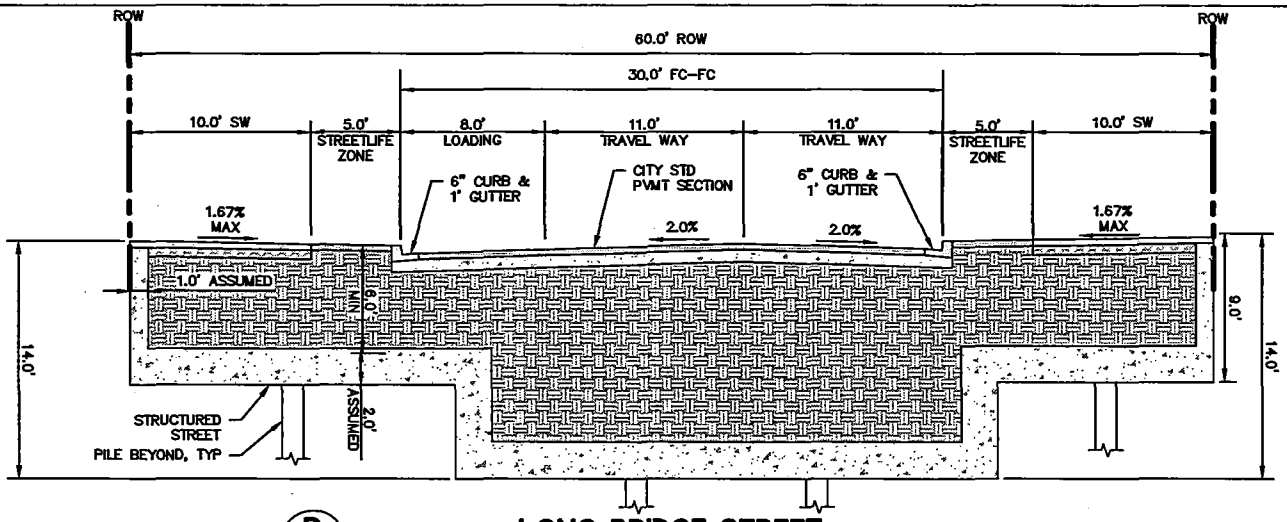
NOTES

1. STREETLIFE ZONE MAY INCLUDE LANDSCAPE ELEMENTS, STREET LIGHT, BIORETENTION AREAS, AND PAVEMENT.
2. DIMENSION SHOWN ARE FROM FACE OF CURB TO FACE OF CURB.

Source: BKF ENGINEERS, 07/2015

DRAWING NAME: \\BKF-SF\vol4\2008\08006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.5-8.12 Typical Street Cross Sections.dwg
PLOT DATE: 07-15-17 PLOTTED BY: FELI

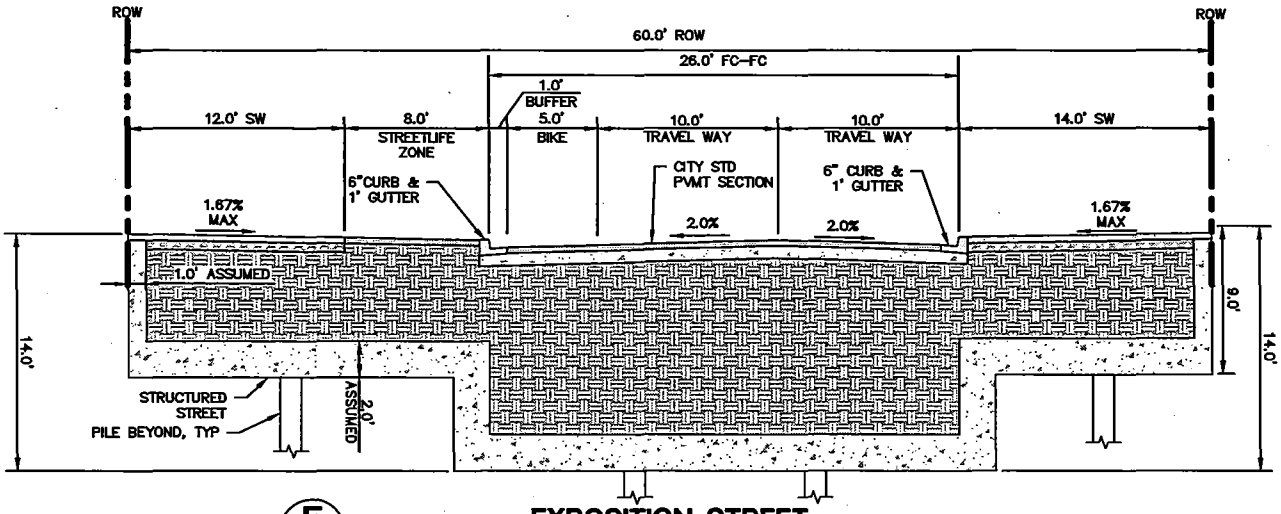
MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.5 - TYPICAL STREET CROSS SECTIONS**



D

LONG BRIDGE STREET

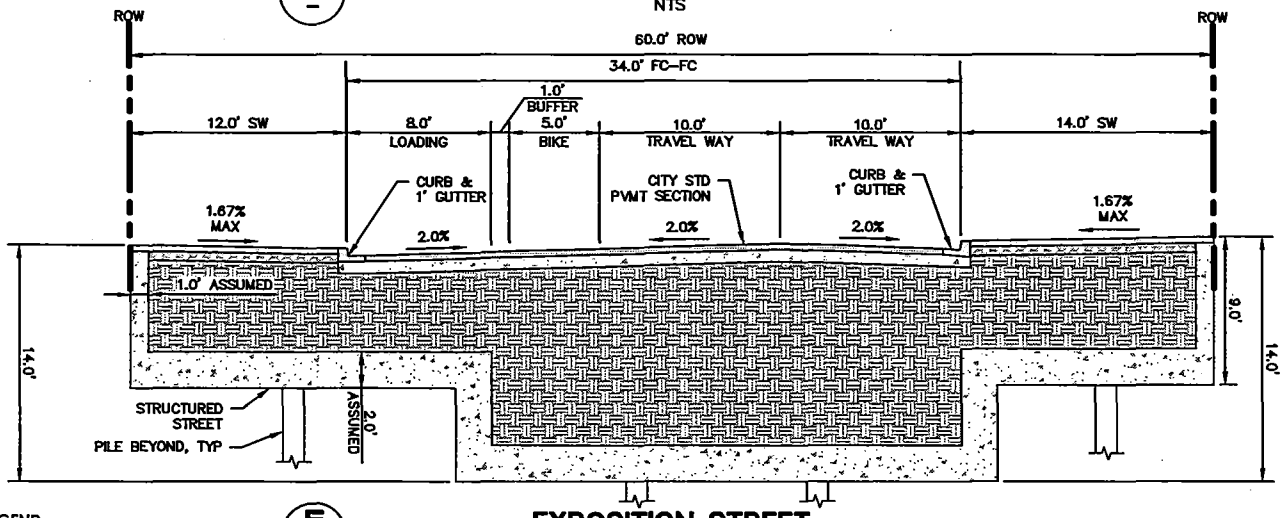
NTS



E

EXPOSITION STREET

NTS



F

EXPOSITION STREET

NTS

LEGEND

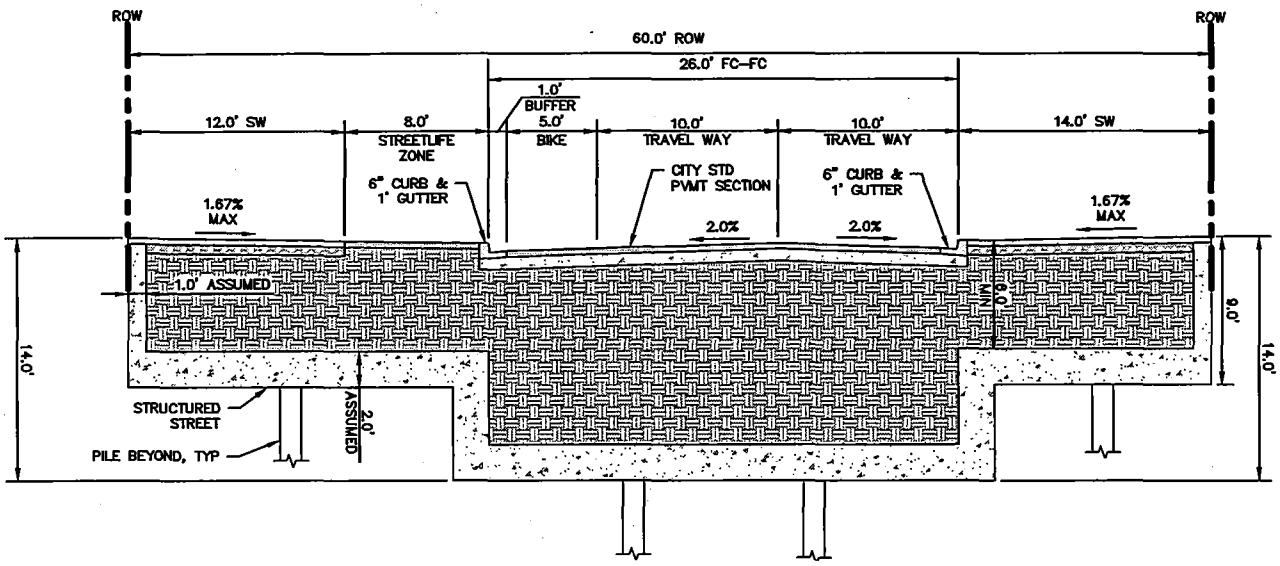
AC	ASPHALT CONCRETE		
APPROX	APPROXIMATE		
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION		
EX	EXISTING		
FC	FACE OF CURB	ROW	RIGHT OF WAY
MIN	MINIMUM	STD	STANDARD
PCC	PORTLAND CONCRETE CEMENT	SW	SIDEWALK
PVMT	PAVEMENT	TYP	TYPICAL

Source: BKF ENGINEERS, 07/2016

NOTES

1. STREETLIFE ZONE MAY INCLUDE LANDSCAPE ELEMENTS, STREET LIGHT, BIORETENTION AREAS, AND PAVEMENT.
2. DIMENSION SHOWN ARE FROM FACE OF CURB TO FACE OF CURB.

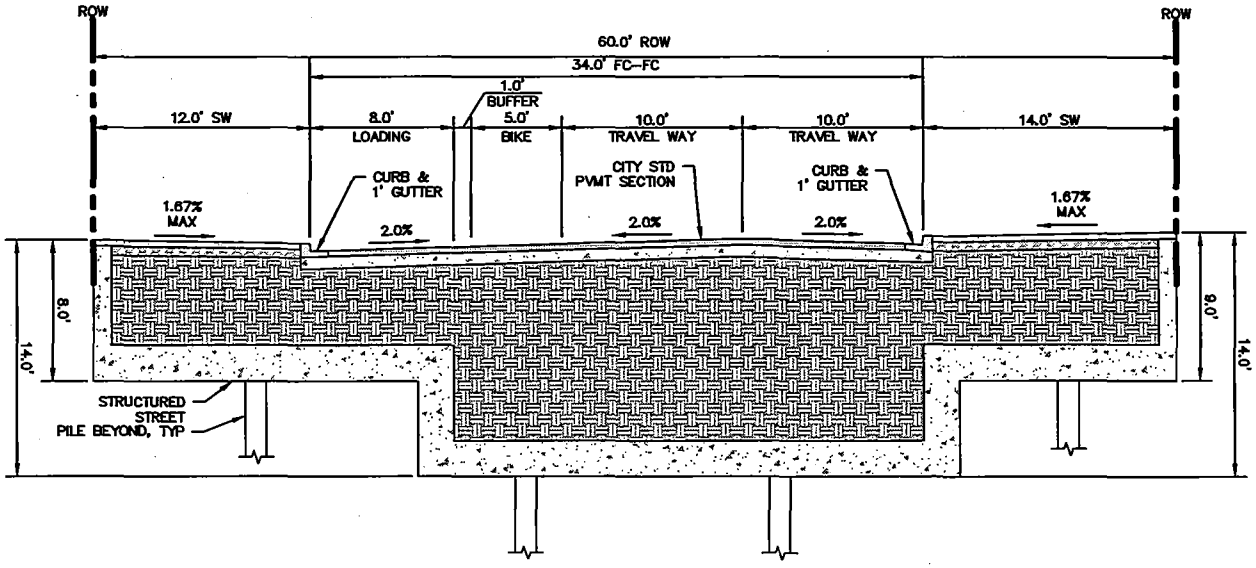
DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.5-8.12 Typical Street Cross Sections.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI



G

EXPOSITION STREET

NTS



H

EXPOSITION STREET

NTS

LEGEND

AC	ASPHALT CONCRETE	ROW	RIGHT OF WAY
APPROX	APPROXIMATE	STD	STANDARD
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION	SW	SIDEWALK
		TYP	TYPICAL
EX	EXISTING		
FC	FACE OF CURB		
MIN	MINIMUM		
PCC	PORTLAND CONCRETE CEMENT		
PVMT	PAVEMENT		

Source: BKF ENGINEERS, 07/2016

NOTES

1. STREETLIFE ZONE MAY INCLUDE LANDSCAPE ELEMENTS, STREET LIGHT, BIORETENTION AREAS, AND PAVEMENT.
2. DIMENSION SHOWN ARE FROM FACE OF CURB TO FACE OF CURB.

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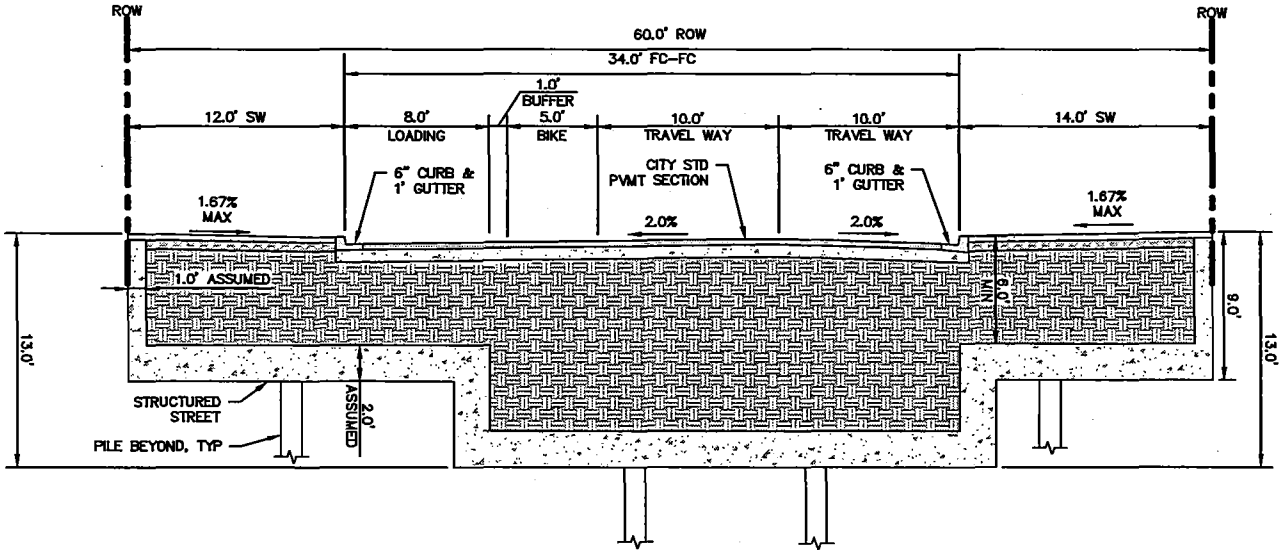
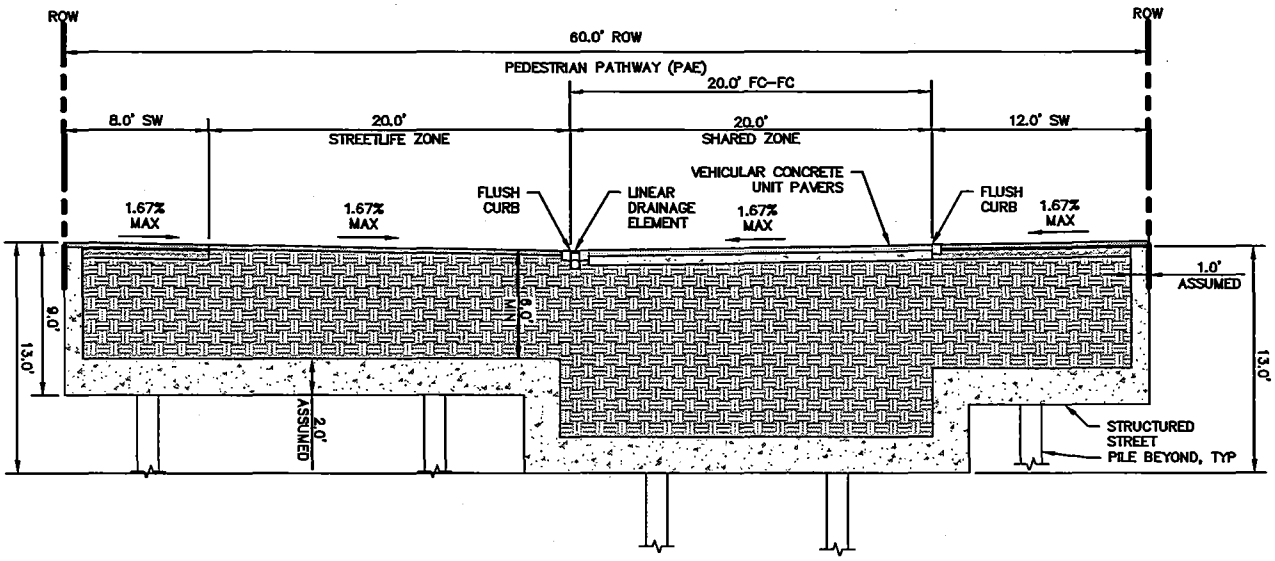
PLOT DATE: 07-13-17 PLOTTED BY: FELI



I — EXPOSITION STREET

NTS



J — SHARED PUBLIC WAY

NTS

LEGEND

AC	ASPHALT CONCRETE	ROW	RIGHT OF WAY
APPROX	APPROXIMATE	STD	STANDARD
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION	SW	SIDEWALK
		TYP	TYPICAL
EX	EXISTING		
FC	FACE OF CURB		
MIN	MINIMUM		
PCC	PORTLAND CONCRETE CEMENT		
PVMT	PAVEMENT		

Source: BKF ENGINEERS, 07/2016

NOTES

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2. DIMENSION SHOWN ARE FROM FACE OF CURB TO FACE OF CURB.

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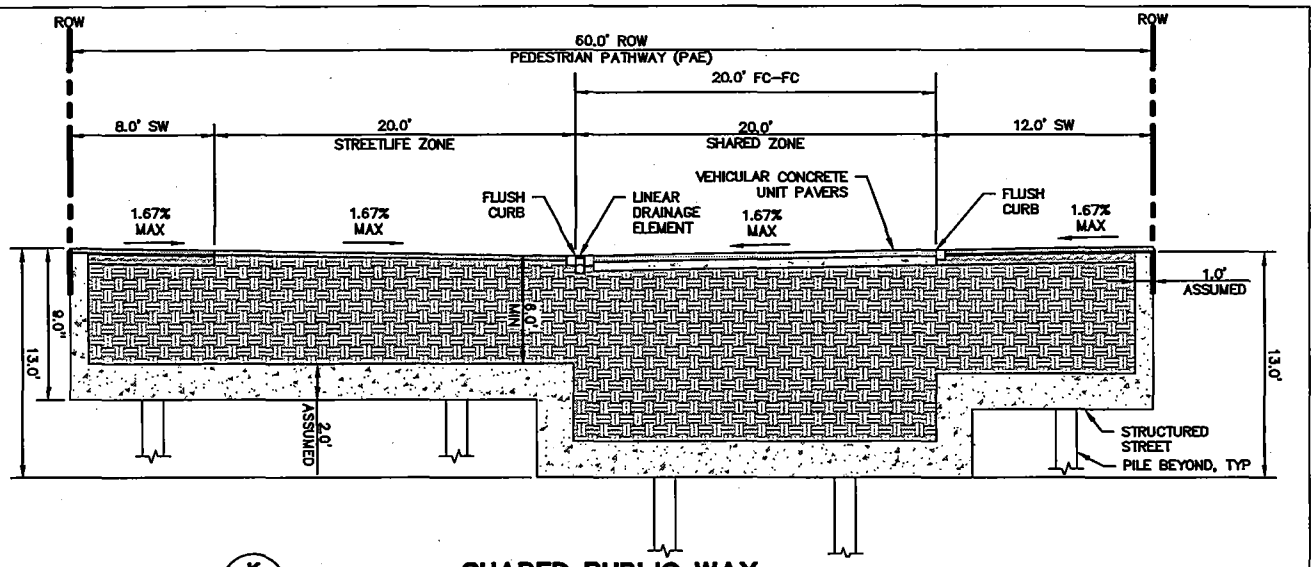
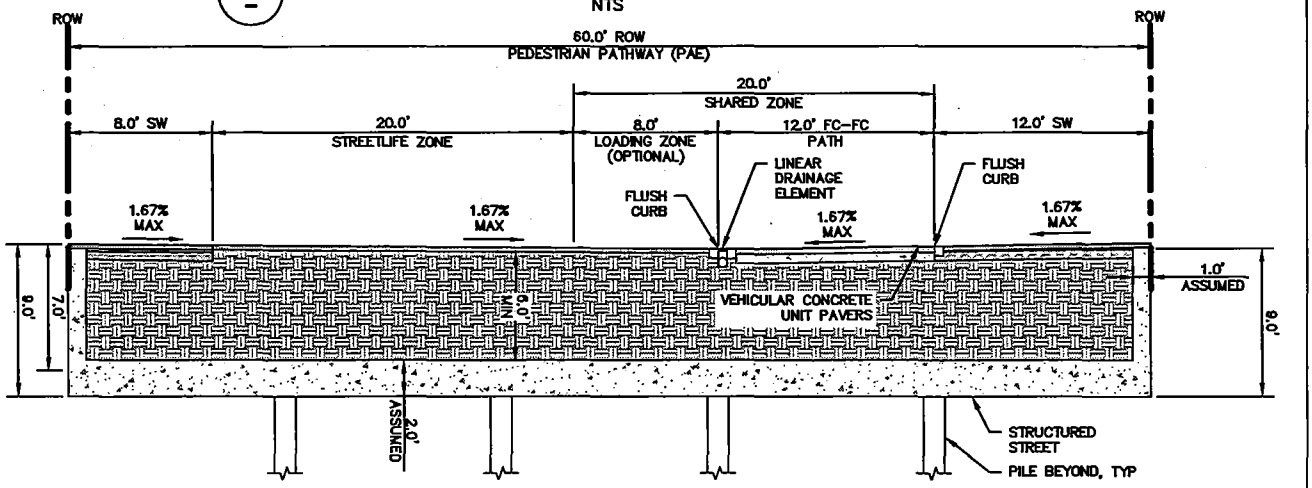


K

SHARED PUBLIC WAY

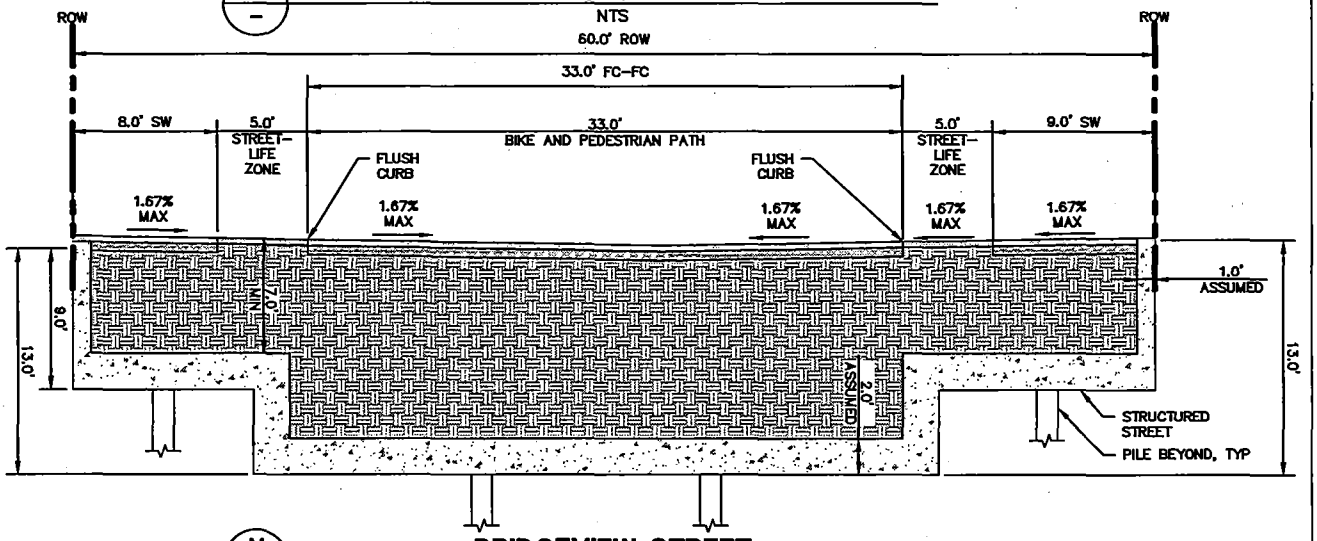
NTS



L

SHARED PUBLIC WAY

NTS



M

BRIDGEVIEW STREET

NTS

LEGEND

AC	ASPHALT CONCRETE		
APPROX	APPROXIMATE		
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION		
EX	EXISTING		
FC	FACE OF CURB	ROW	RIGHT OF WAY
MIN	MINIMUM	STD	STANDARD
PCC	PORTLAND CONCRETE CEMENT	SW	SIDEWALK
PVMT	PAVEMENT	TYP	TYPICAL

Source: BKF ENGINEERS, 07/2016

NOTES

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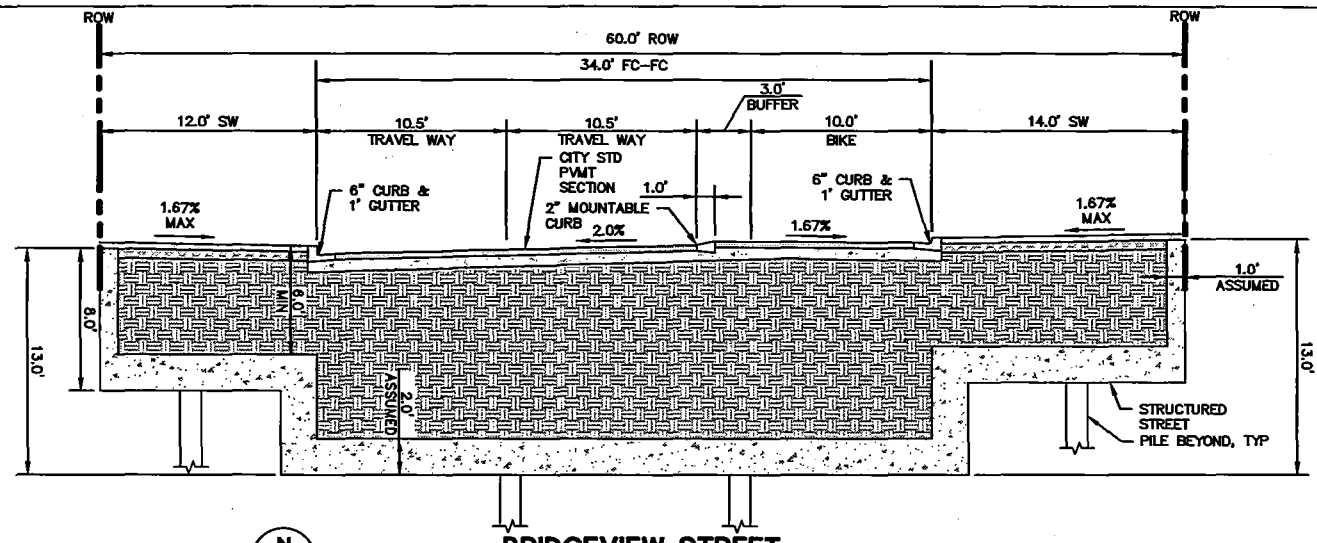
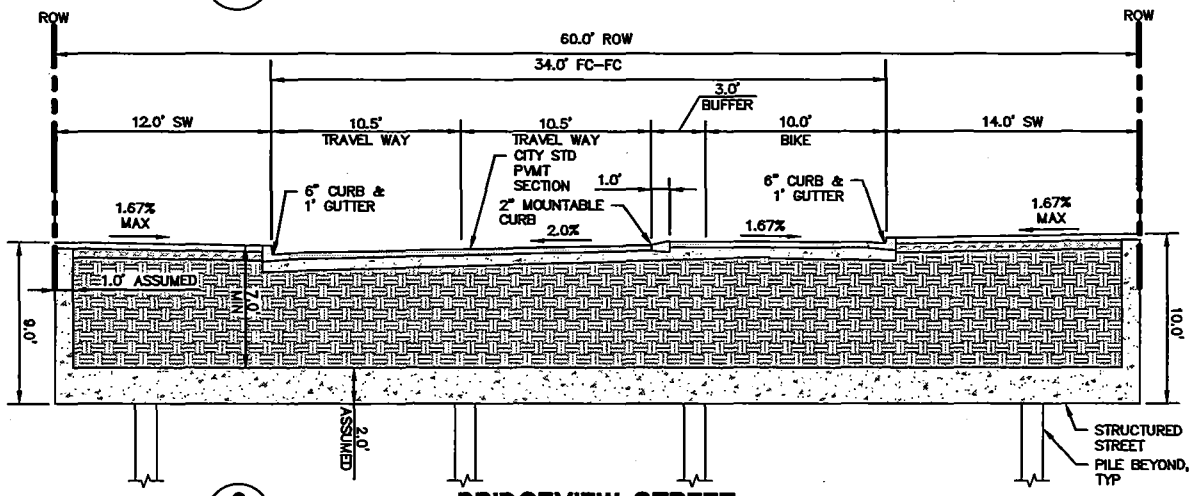
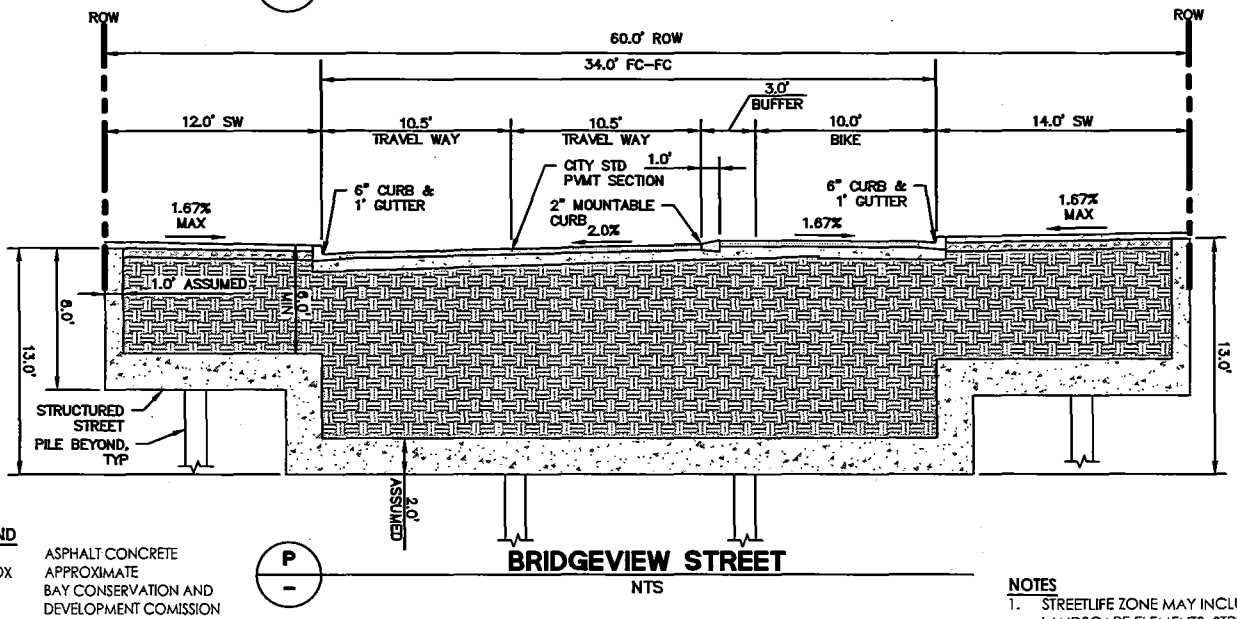
DRAWING NAME: \\BKF-SF\vol4\2016\080106_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.5-8.12 Typical Street Cross Sections.dwg
PLOT DATE: 11-15-17 PLOTTED BY: volk

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.9 - TYPICAL STREET CROSS SECTIONS**







LEGEND

AC	ASPHALT CONCRETE		
APPROX	APPROXIMATE		
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION		
EX	EXISTING		
FC	FACE OF CURB	ROW	RIGHT OF WAY
MIN	MINIMUM	STD	STANDARD
PCC	PORTLAND CONCRETE CEMENT	SW	SIDEWALK
PVMT	PAVEMENT	TYP	TYPICAL

Source: BKF ENGINEERS, 07/2016

NOTES

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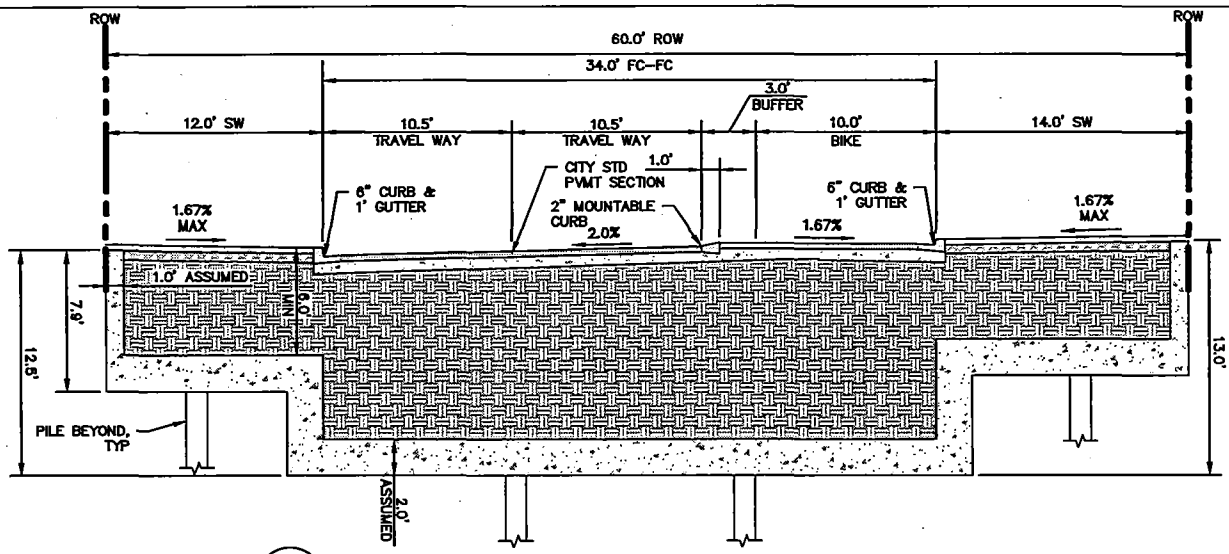
PLOT DATE: 07-13-17 PLOTTED BY: PELI

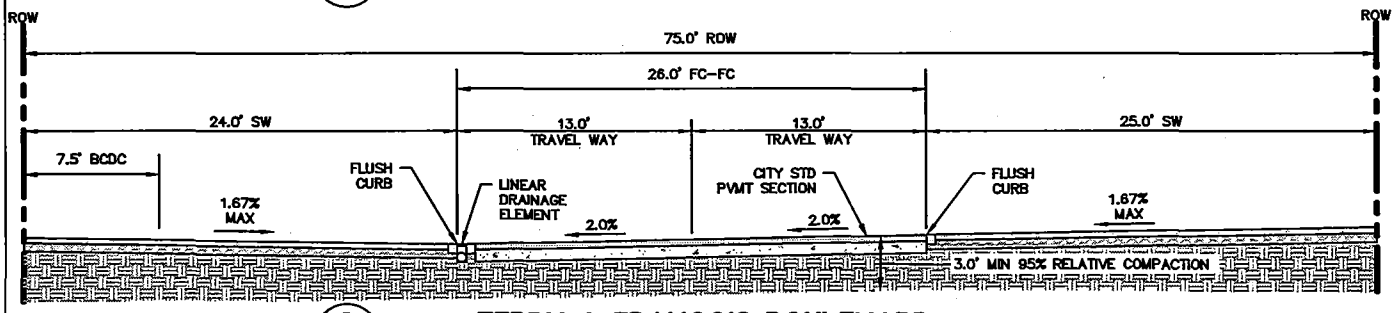
MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.10 - TYPICAL STREET CROSS SECTIONS**



Q

BRIDGEVIEW STREET

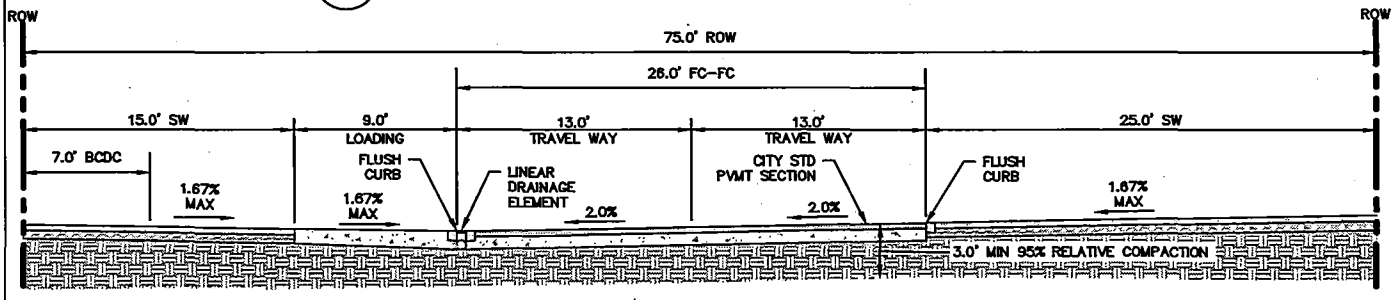
NTS



R

TERRY A FRANCOIS BOULEVARD

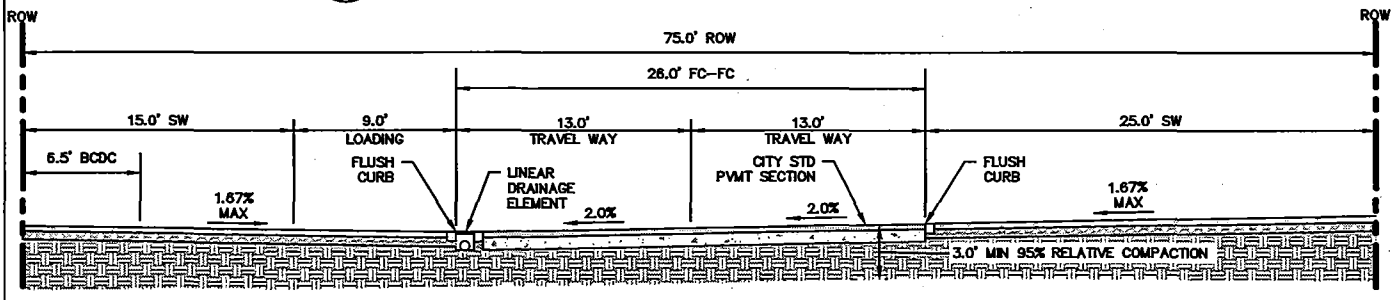
NTS



S

TERRY A FRANCOIS BOULEVARD

NTS



T

TERRY A FRANCOIS BOULEVARD

NTS

LEGEND

AC	ASPHALT CONCRETE		
APPROX	APPROXIMATE		
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION		
EX	EXISTING		
FC	FACE OF CURB	ROW	RIGHT OF WAY
MIN	MINIMUM	STD	STANDARD
PCC	PORTLAND CONCRETE CEMENT	SW	SIDEWALK
PVMT	PAVEMENT	TYP	TYPICAL

Source: BKF ENGINEERS, 07/2016

NOTES

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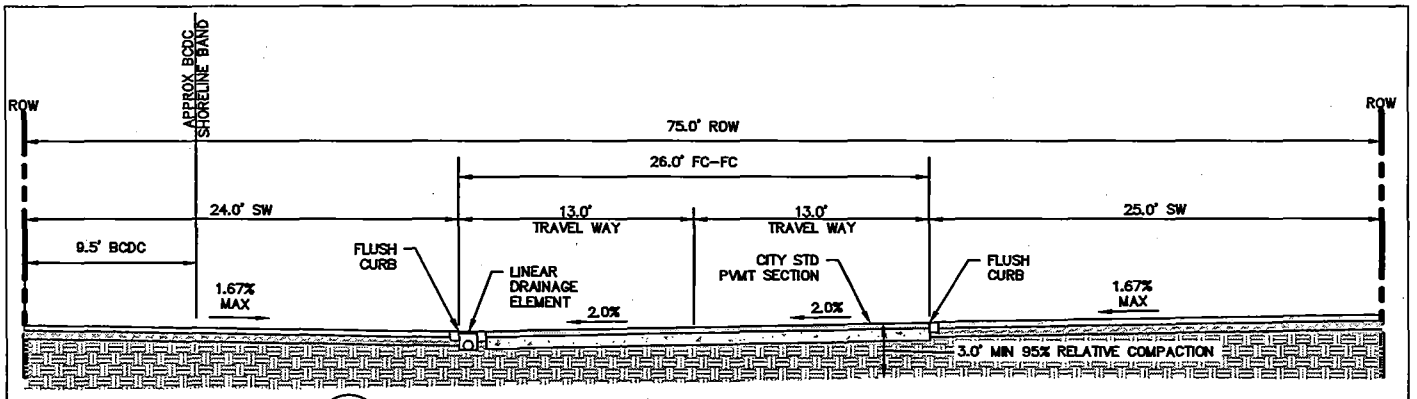
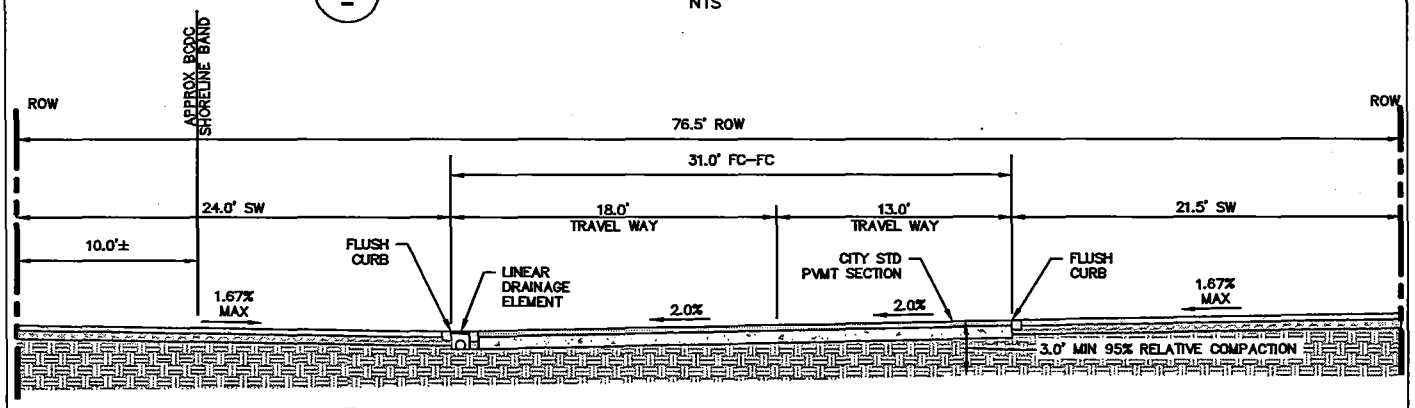
2. DIMENSION SHOWN ARE FROM FACE OF CURB TO FACE OF CURB.

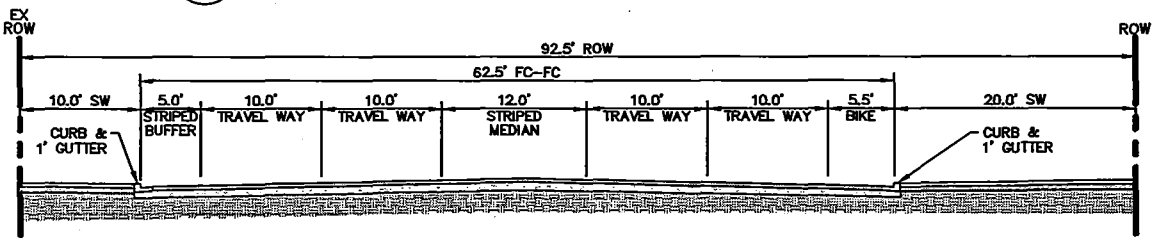
DRAWING NAME: \\BKF-SF\vol4\2008\000006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.5-8.12 Typical Street Cross Sections.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FEL1



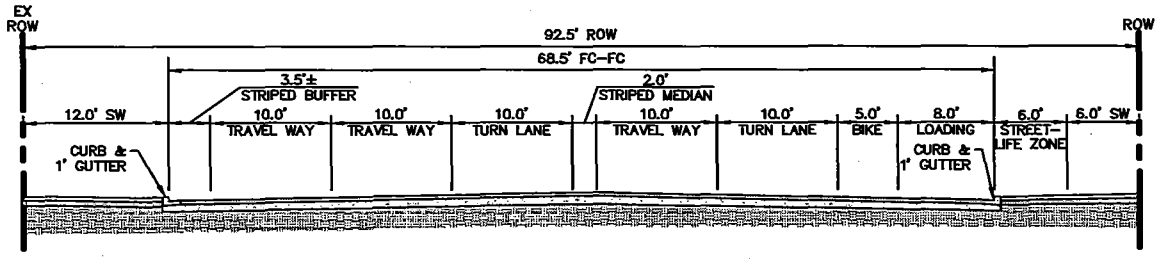
U — TERRY A FRANCOIS BOULEVARD
NTS



V — TERRY A FRANCOIS BOULEVARD
NTS



W — 3RD STREET
NTS



X — 3RD STREET
NTS

LEGEND

AC	ASPHALT CONCRETE	ROW	RIGHT OF WAY
APPROX	APPROXIMATE	STD	STANDARD
BCDC	BAY CONSERVATION AND DEVELOPMENT COMISSION	SW	SIDEWALK
		TYP	TYPICAL
EX	EXISTING		
FC	FACE OF CURB		
MIN	MINIMUM		
PCC	PORTLAND CONCRETE CEMENT		
PVMT	PAVEMENT		

Source: BKF ENGINEERS, 07/2016

NOTES

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2. DIMENSION SHOWN ARE FROM FACE OF CURB TO FACE OF CURB.

DRAWING NAME: \\DNS-SF\vol4\2009\090006_Alameda Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.5-8.12 Typical Street Cross Sections.dwg
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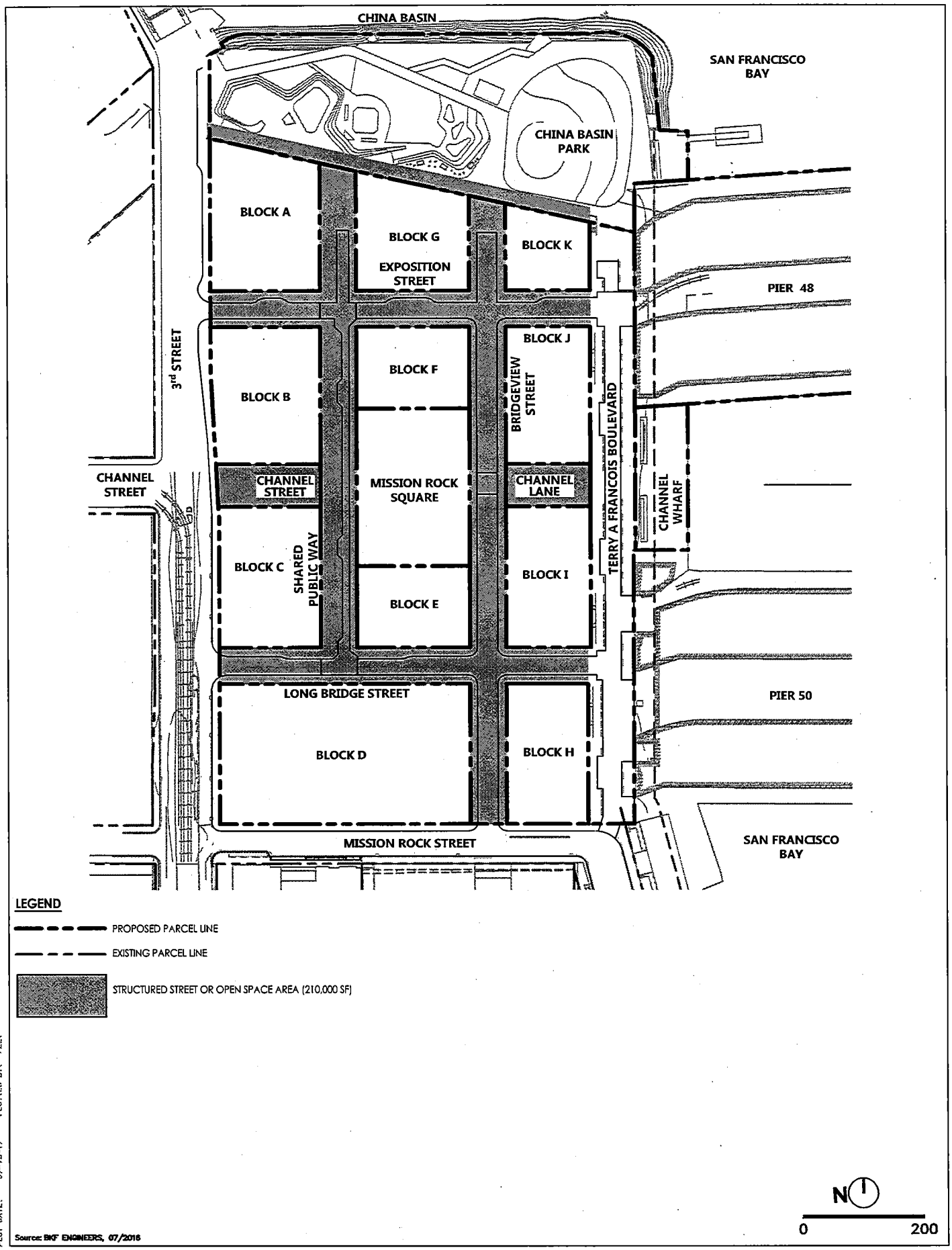
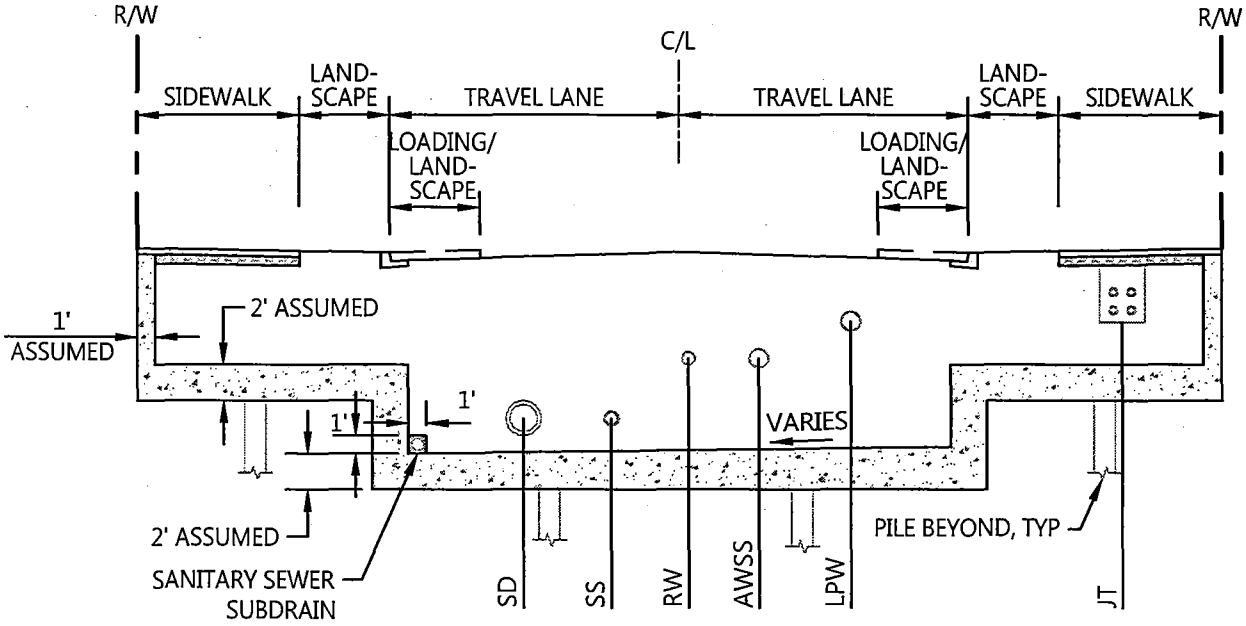


DRAWING NAME: \\BKF-SF\vol4\2018\000096\Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.13 Structured Streets Limits.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.13 - STREET & OPEN SPACE LOCATIONS ON STRUCTURE**



TYPICAL STRUCTURED STREET SECTION
NTS

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\FAX\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.14 Typical Structured Sheets.dwg
PLOT DATE: 07-13-17 PLOTTED BY: Dayid

FIGURE 8.15: PEDESTRIAN CIRCULATION + ACCESSIBILITY

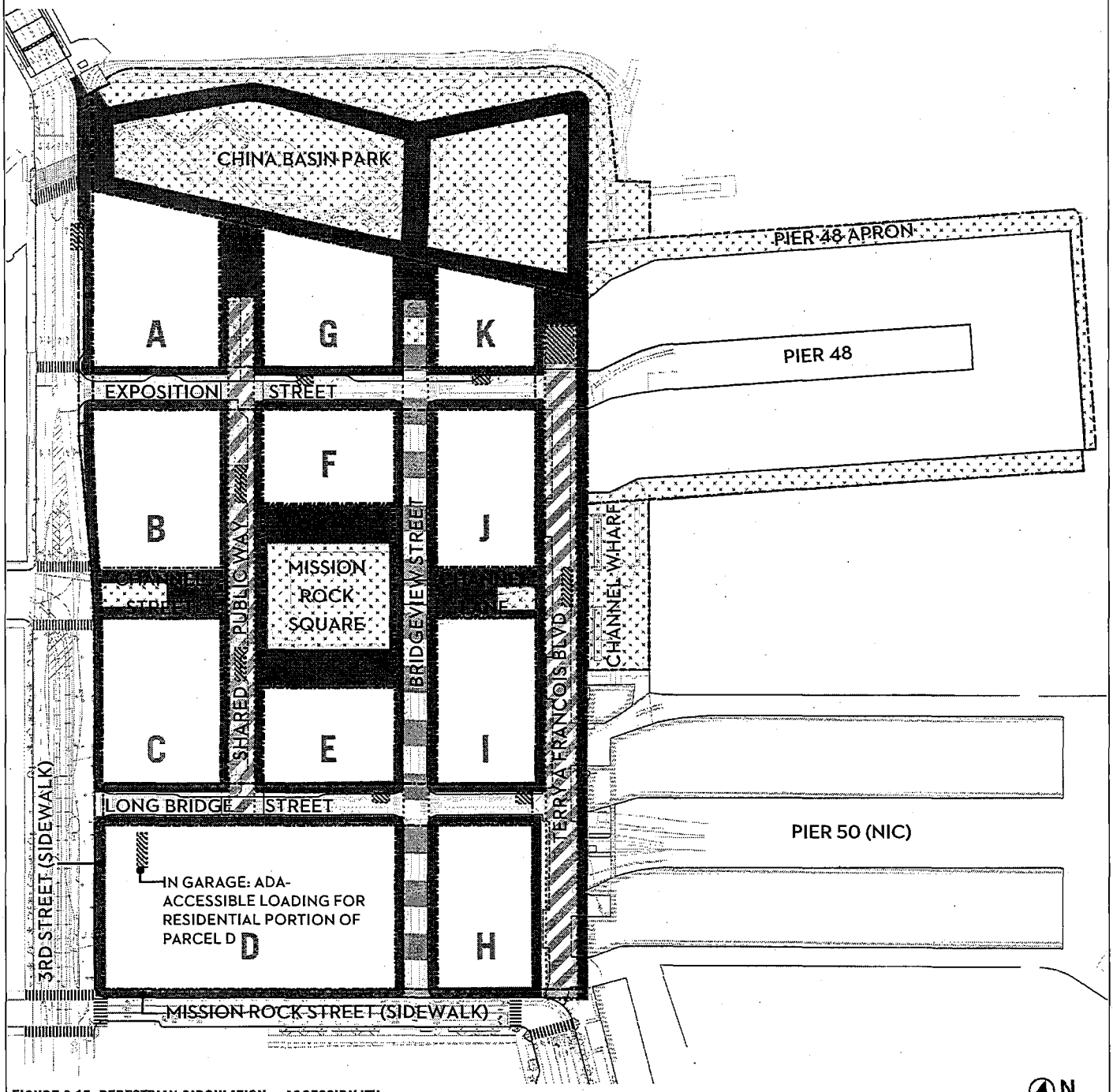


FIGURE 8.15: PEDESTRIAN CIRCULATION + ACCESSIBILITY

- < 5% Path of Travel (all sidewalks)
  - *Accessible path of travel to all potential building entrance locations*
- Accessible Loading Stall/Dedicated Passenger Loading
  - *Delineated drop-off area within ROW*
  - *Located in central areas*
  - *Curb ramps where required by curb condition*
- Shared Street with Flush Curb
  - *Delineated drop-off areas as noted*
  - *Entire vehicular area can be used for paratransit drop-off*
- Vehicular Street with Reduced-Height Curb
  - *4" curb accessible by paratransit vehicles for drop-off*
- Open Space (Shown for reference only)

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.16: VEHICULAR CIRCULATION

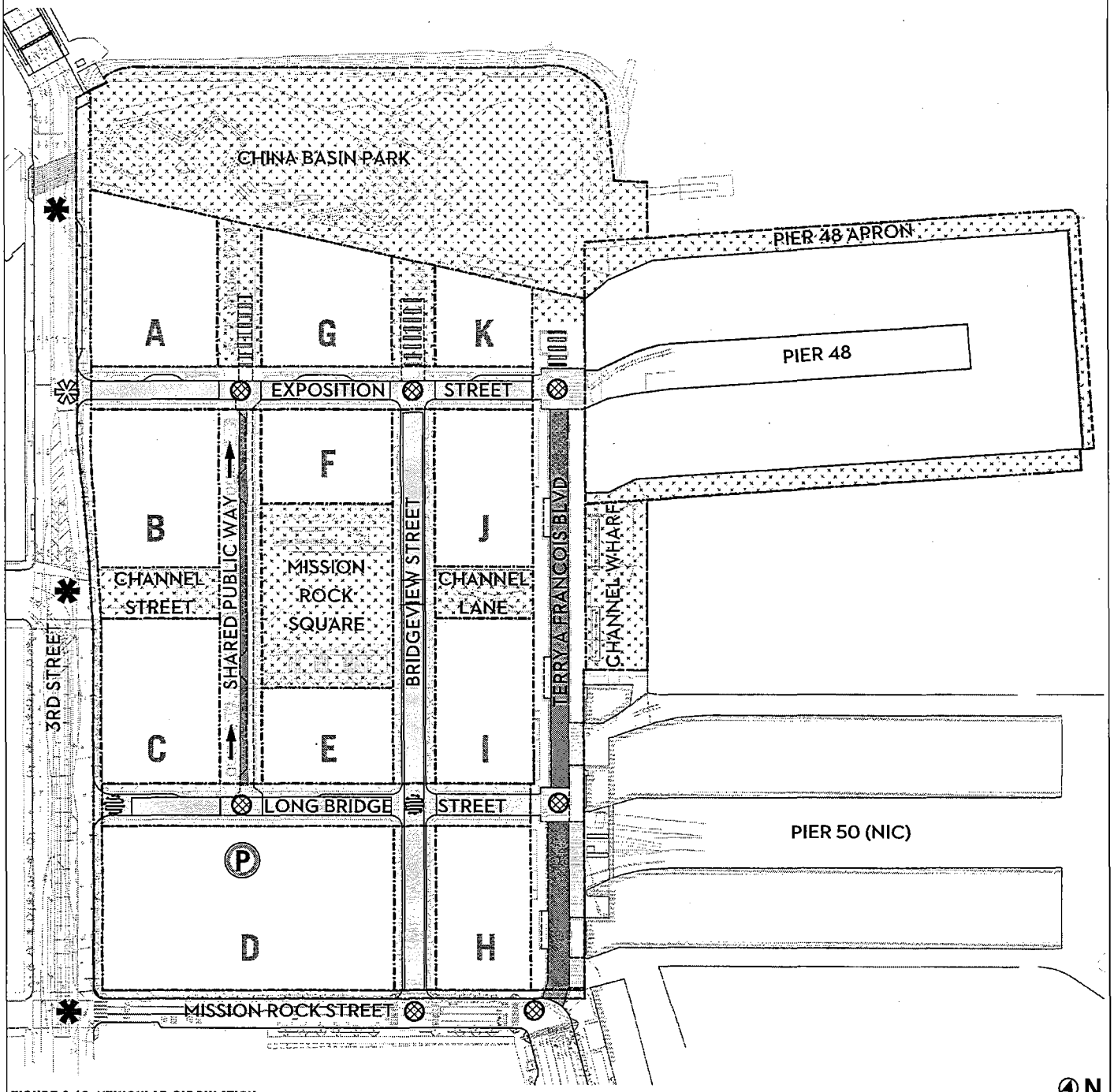


FIGURE 8.16: VEHICULAR CIRCULATION

Shared Street (No Street Parking)	Shared Site Parking Location
2-Way Street (No Street Parking)	Stop Sign: All-Way
Paseo with Emergency Vehicle Access	Stop Sign: At Through Streets
Open Space (Shown for reference only)	Existing Signalized Intersection
Direction of 1-Way Traffic	Proposed Signalized Intersection

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.17: BICYCLE CIRCULATION + FACILITIES

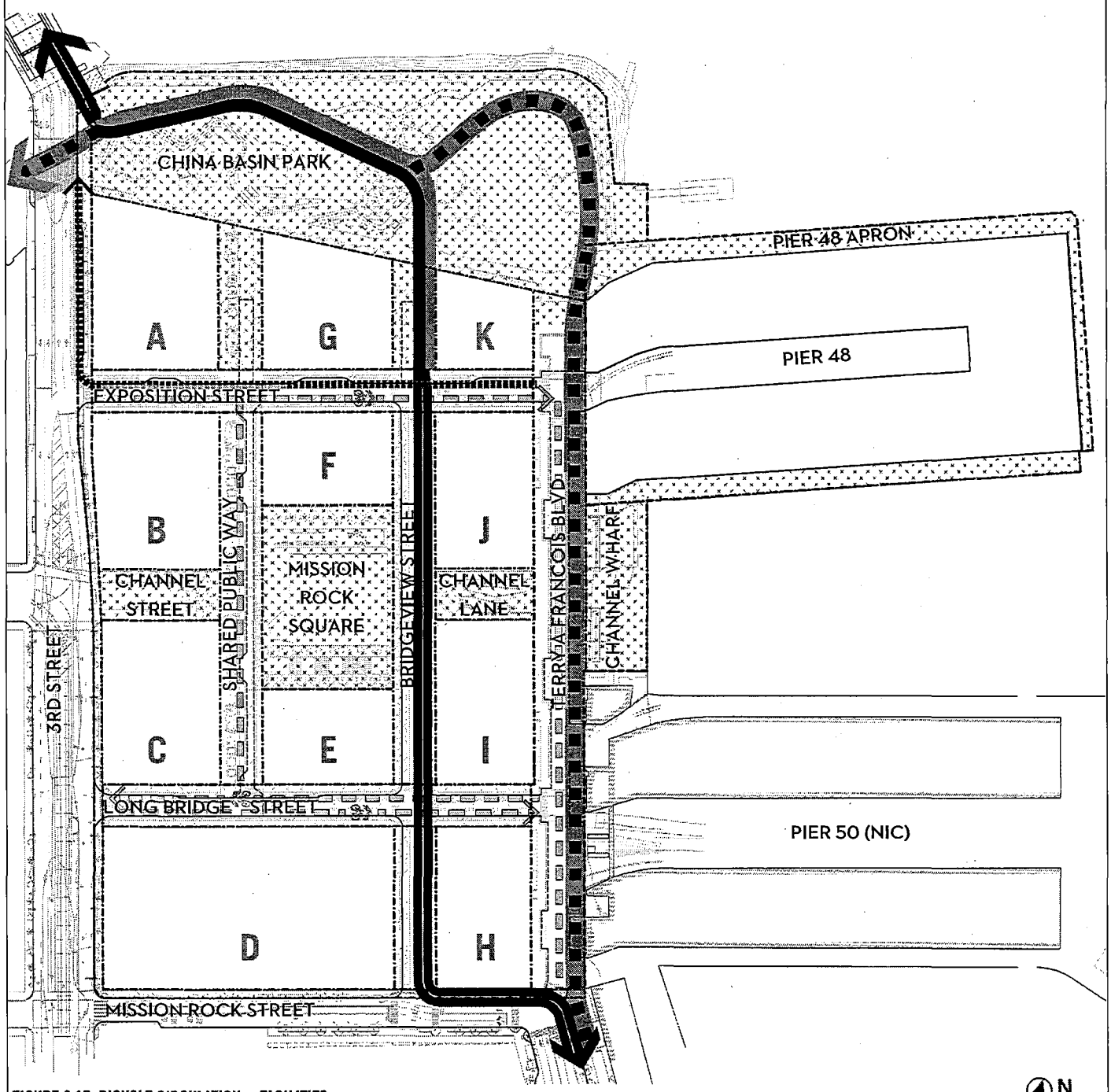


FIGURE 8.17: BICYCLE CIRCULATION + FACILITIES

- Blue Greenway: China Basin Park
  - *Primary N-S Bicycle Connection: Multi-Use Trail*
- Blue Greenway: Terry A Francois Blvd and China Basin Park
  - *Multi-Use Trail*
- Protected Cycle Track: Bridgeview + Mission Rock Streets
  - *Primary N-S Bicycle Connection*
- Painted Bike Lane
- Sharrows / Shared Travelway
- Open Space (Shown for reference only)

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.18: LOADING, SERVICING, + PARKING

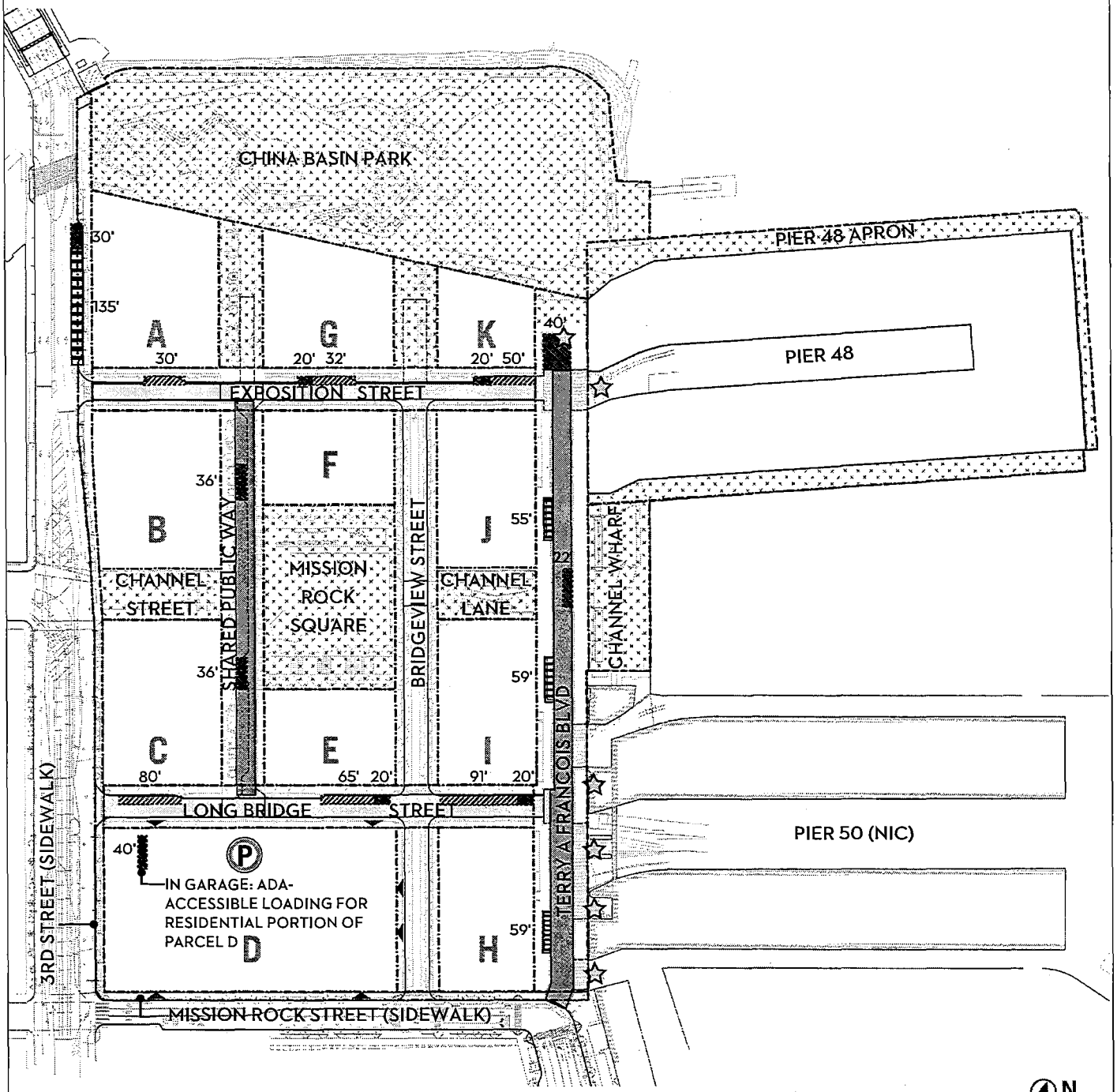
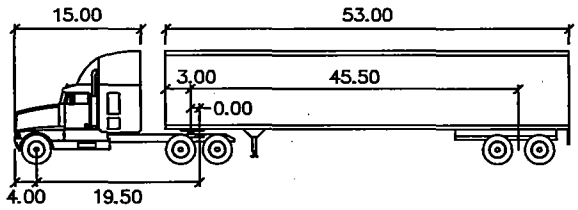


FIGURE 8.18: SERVICING AND LOADING

- Service Street
- Shared Street (Flush Curb)
- Commercial Delivery Zone (Length as Noted)
- Accessible Loading (Length as Noted)
- Time-Limited Commercial Delivery Zone (Accessible Loading All Other Times)
- Open Space (Shown for reference only)
- Large Truck/Vehicle Access
- Garage Driveway Location
- Shared Parking Facility

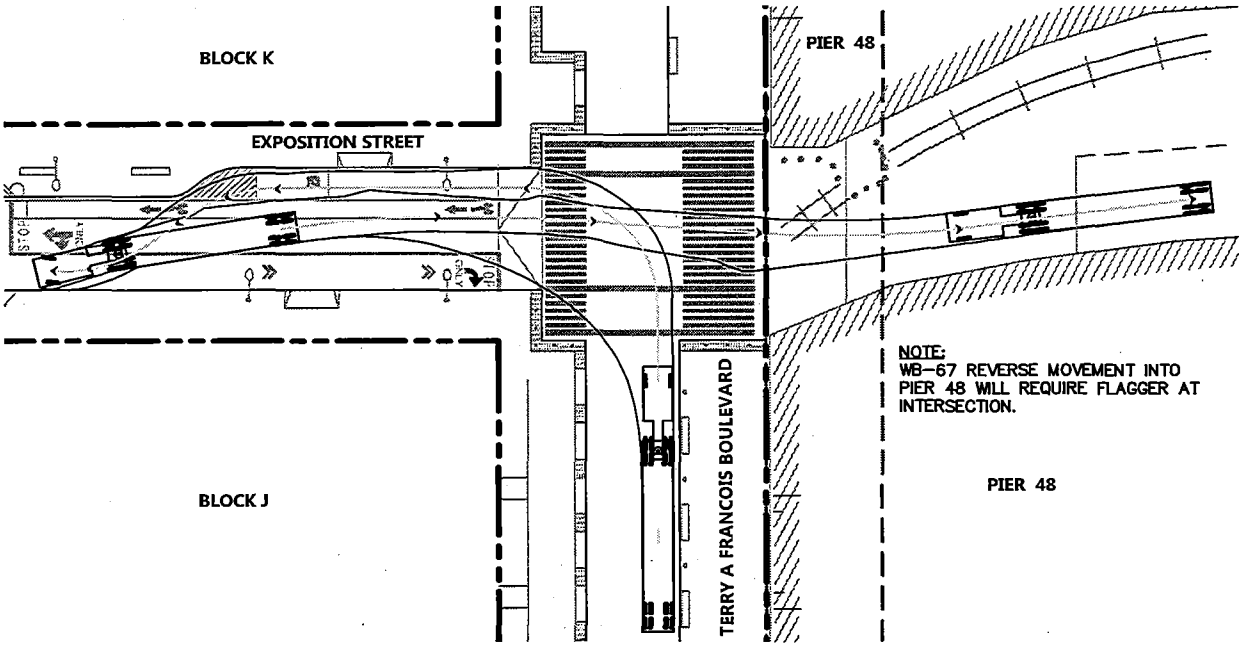
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016



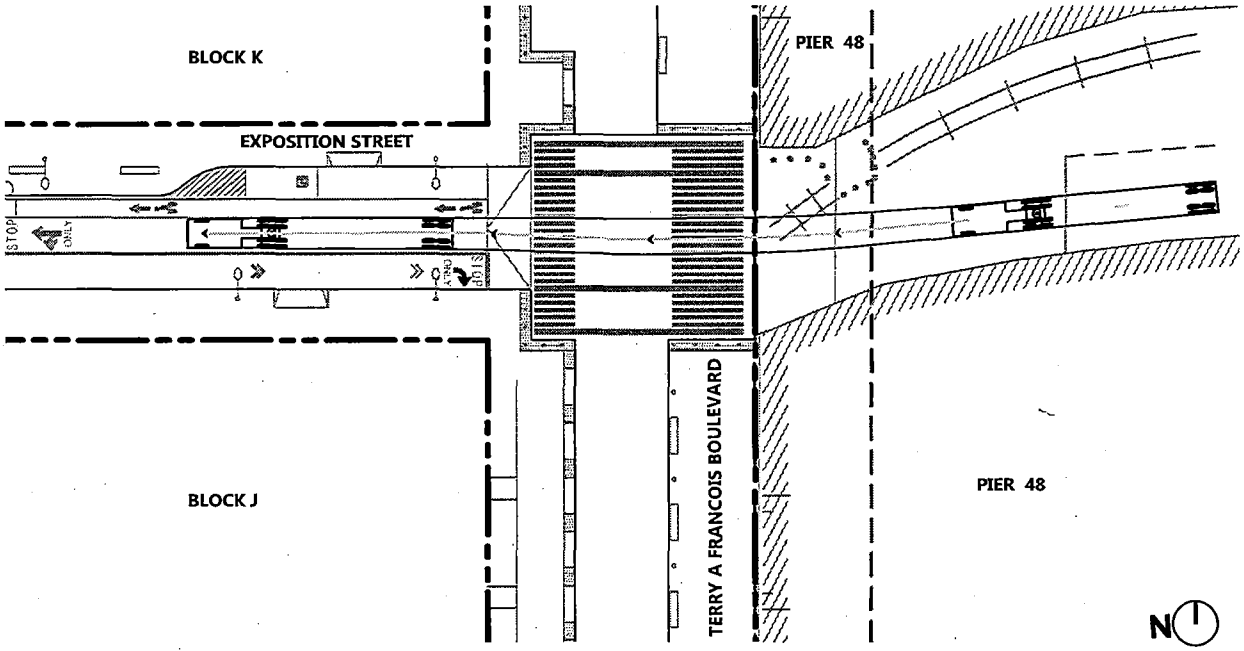
WB–67

	feet		feet
Tractor Width	: 8.00	Lock to Lock Time	: 6.0
Trailer Width	: 8.50	Steering Angle	: 28.4
Tractor Track	: 8.00	Articulating Angle	: 75.0
Trailer Track	: 8.50		

WB-67 TRUCK TEMPLATE



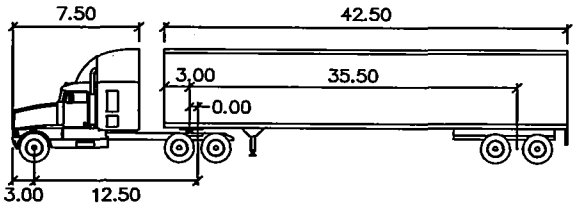
WB-67 TRUCK ENTERING PIER 48



WB-67 TRUCK EXITING PIER 48

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\bkf-sf\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.18-20 Pier Turning.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI



WB–50

	feet		feet
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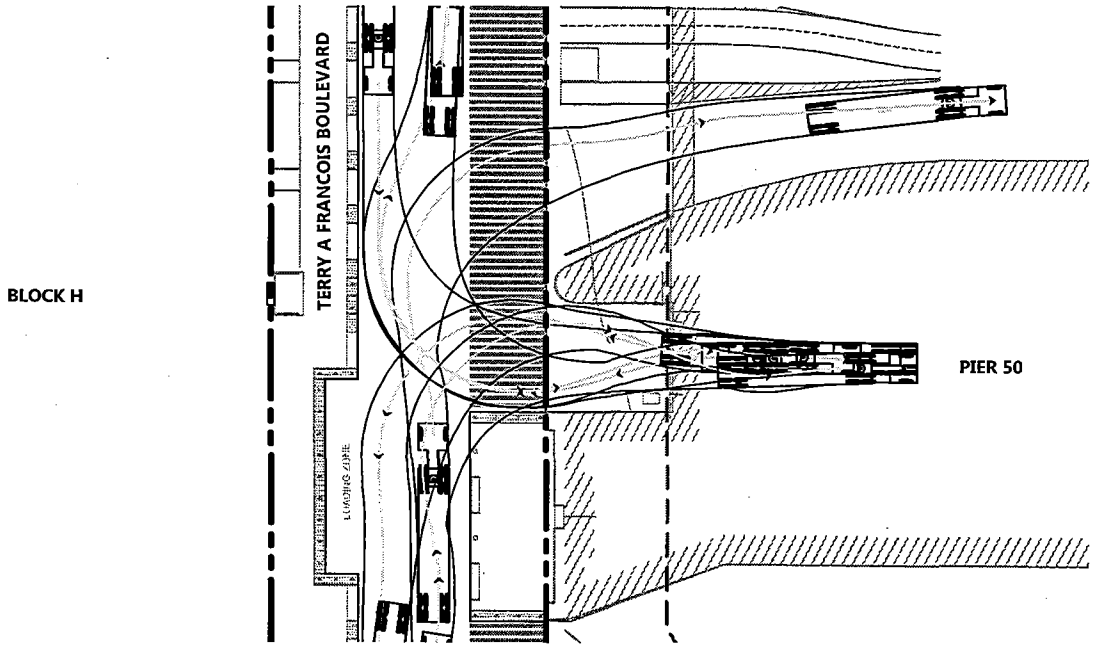
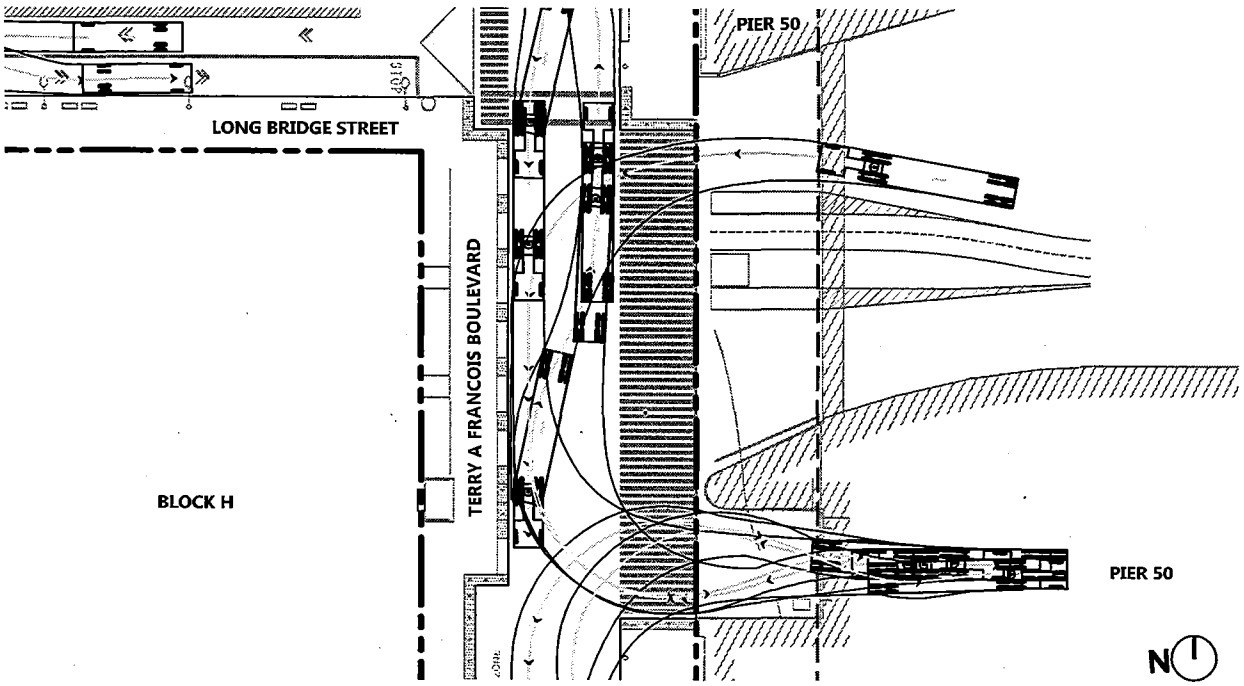
Trailer Width	: 8.50	Steering Angle	: 17.7
Tractor Track	: 8.00	Articulating Angle	: 70.0
Trailer Track	: 8.50		

WB-50 TRUCK TEMPLATE



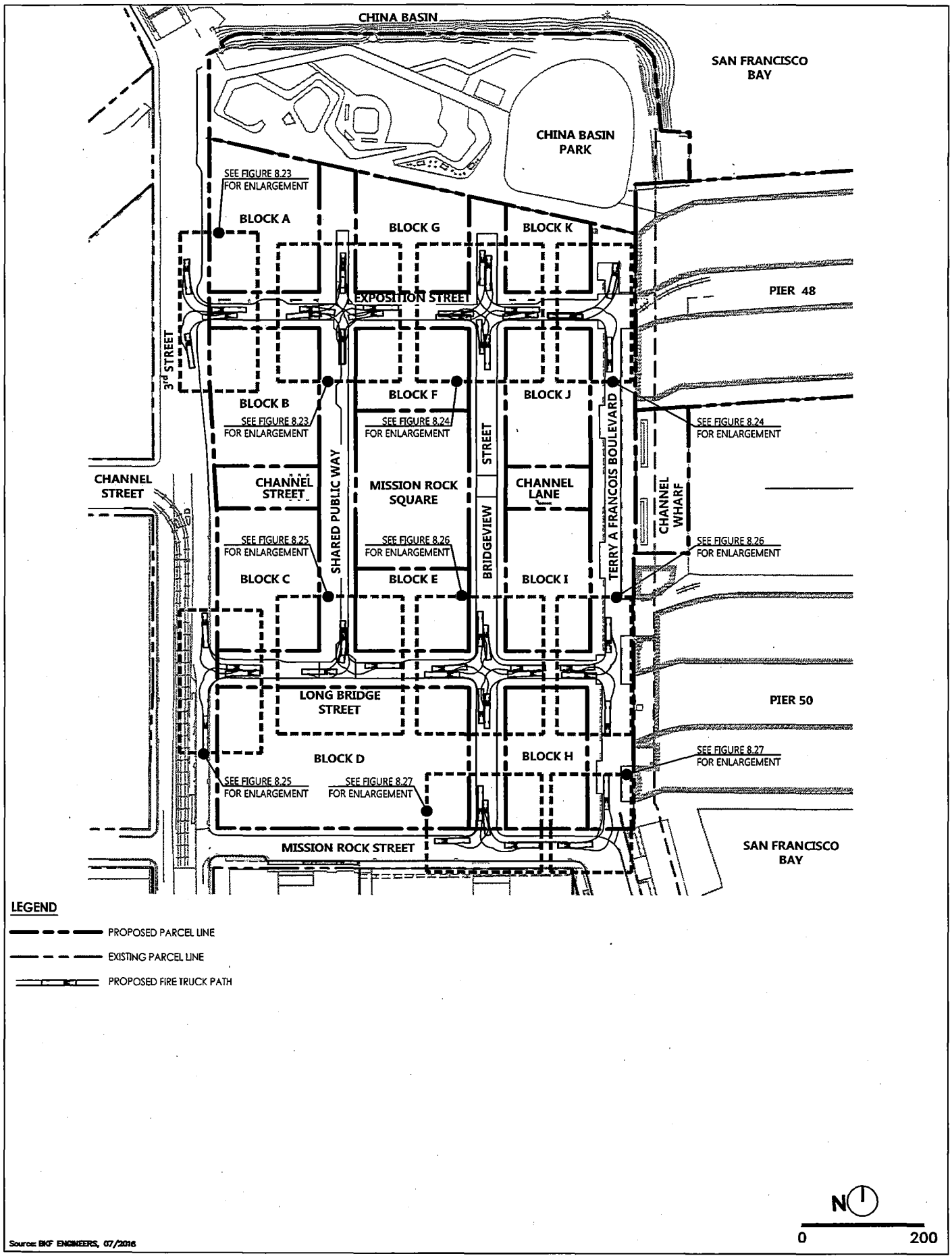
WB-50 TRUCK ENTERING PIER 50



WB-50 TRUCK EXITING PIER 50

Source: BKF ENGINEERS, 07/2016

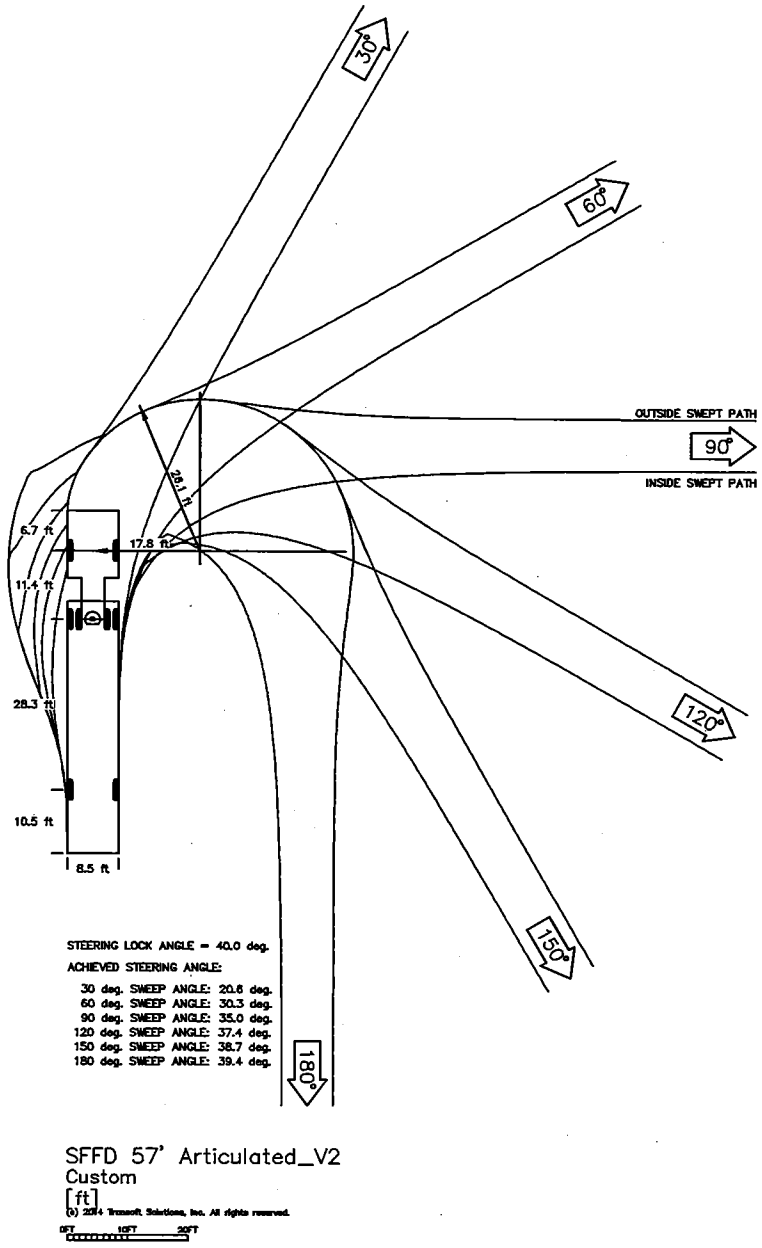
DRAWING NAME: \\BKF-SF\vol4\2020\090906_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.18-20 Pier Turning.dwg
PLOT DATE: 07-13-17 PLOTTED BY: Boyo



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2008\000006.Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.21 Conceptual Fire Truck Turning Analysis.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI

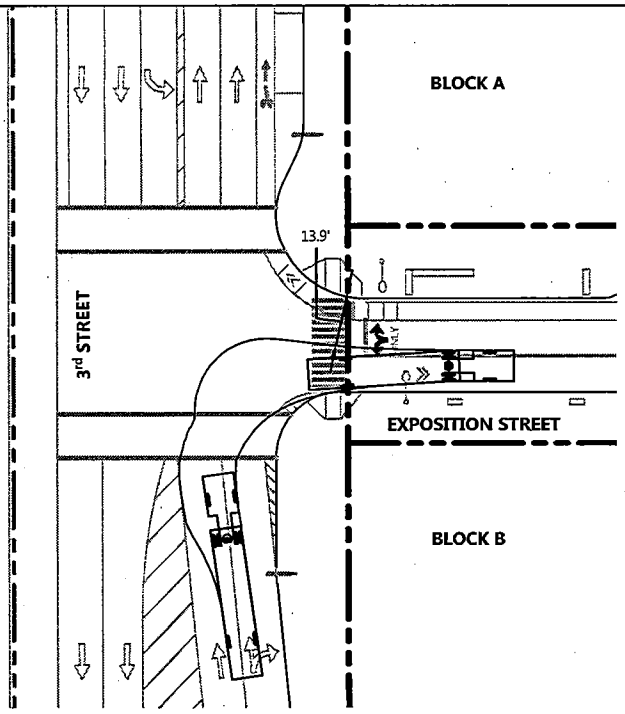
MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.21 - CONCEPTUAL FIRE TRUCK TURNING ANALYSIS**



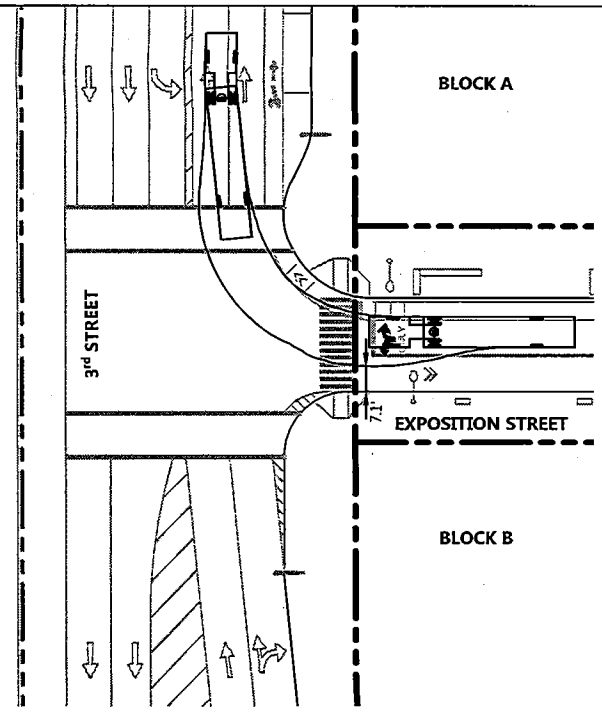
Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF5-SV\vol4\2000\0P0000_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.22 Truck Turning Template.dwg
PLOT DATE: 07-15-17 PLOTTED BY: FEL.I

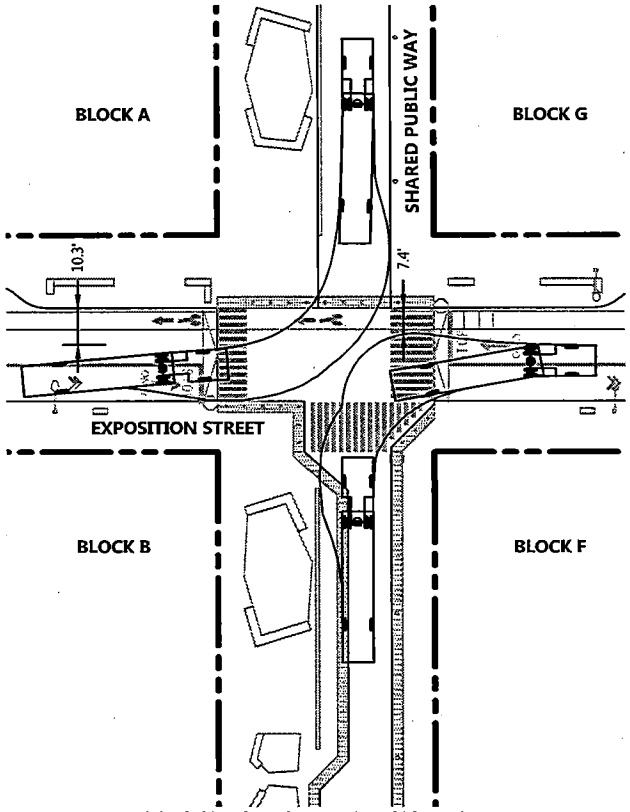
MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.22 - TRUCK TURNING TEMPLATE**



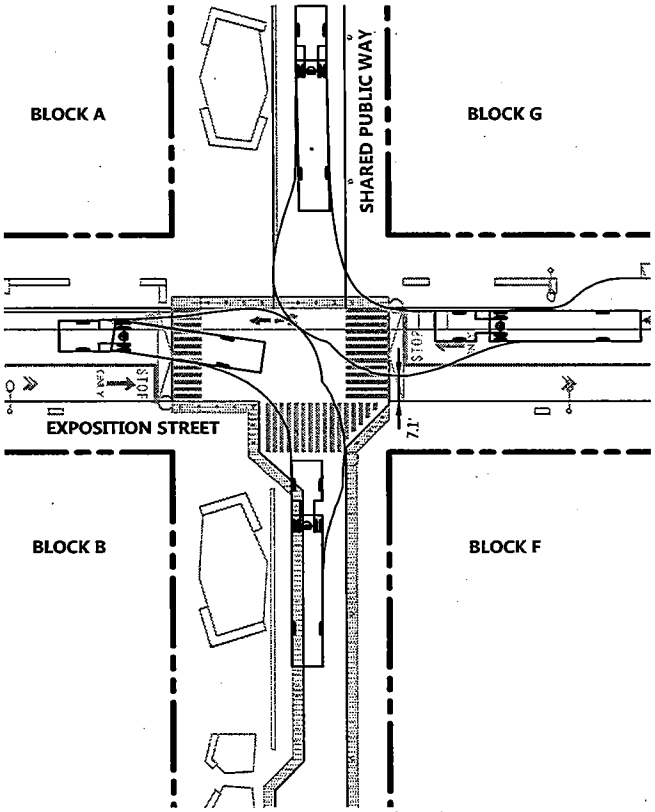
EXPOSITION STREET & 3rd STREET INTERSECTION (NW-SE)



EXPOSITION STREET & 3rd STREET INTERSECTION (NE-SW)



EXPOSITION STREET & SHARED PUBLIC WAY INTERSECTION (NW - SE)



EXPOSITION STREET & SHARED PUBLIC WAY INTERSECTION (NE-SW)

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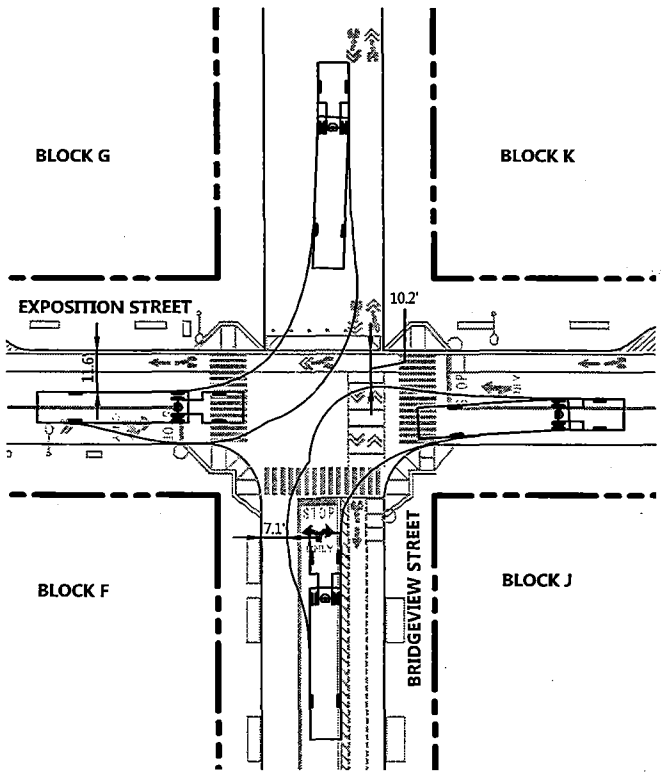
Source: BKF ENGINEERS, 07/2016

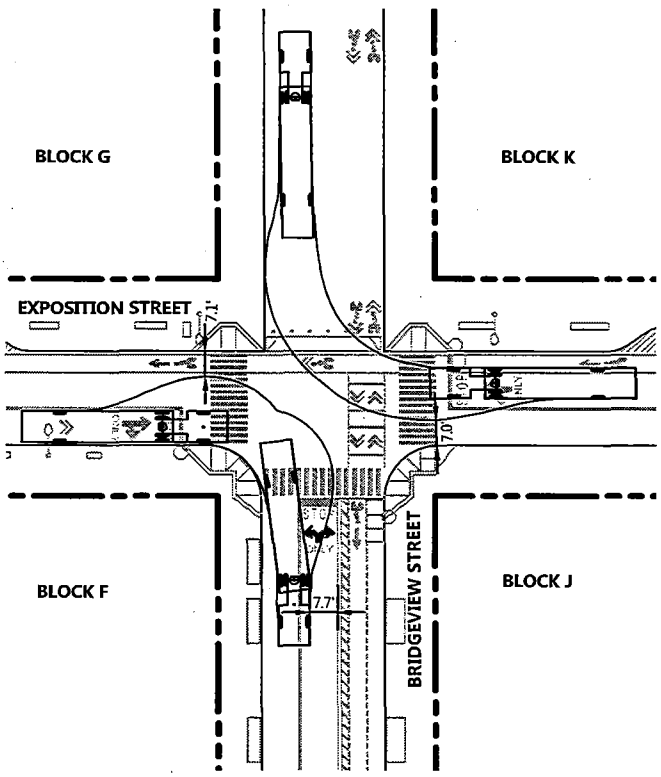
DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.23-8.27 Truck Turning Enlargements.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN

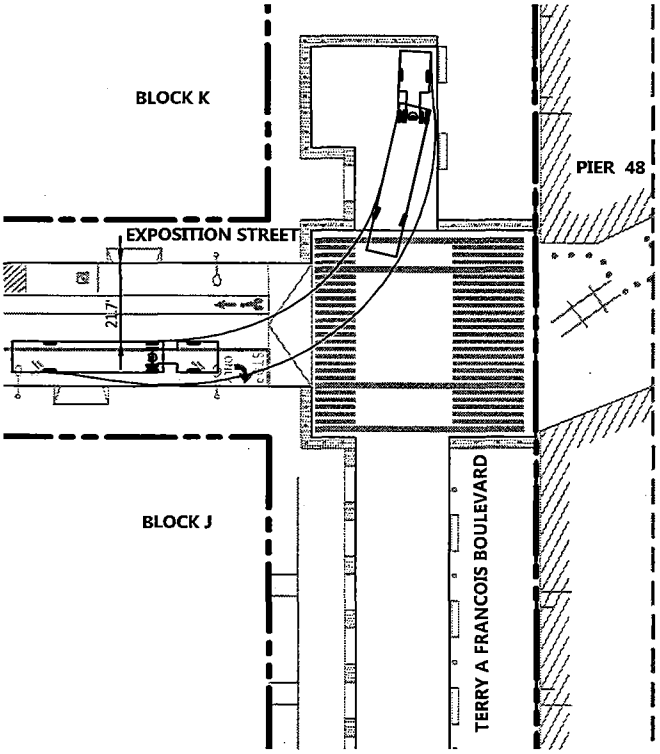
FIGURE 8.23 - TRUCK TURNING ENLARGEMENTS



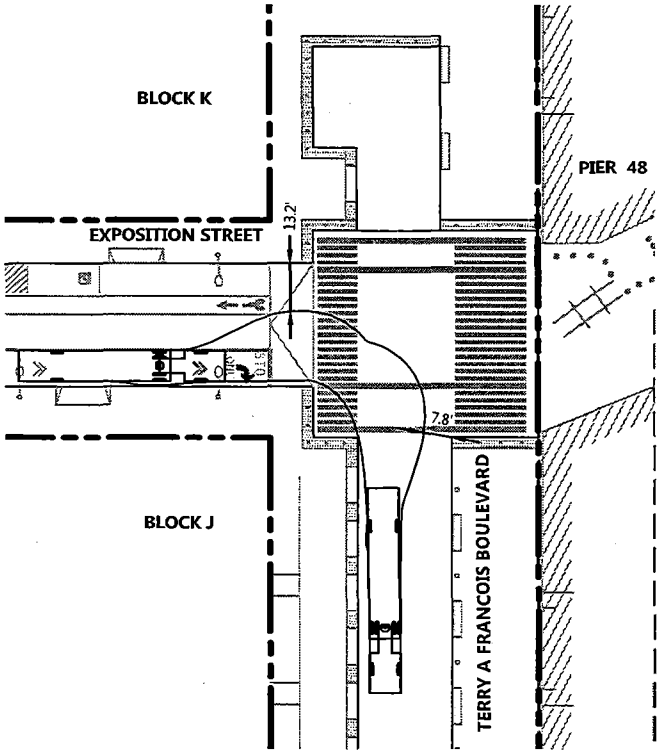
EXPOSITION STREET & BRIDGEVIEW STREET INTERSECTION (NW-SE)



EXPOSITION STREET & BRIDGEVIEW STREET INTERSECTION (NE-SW)



EXPOSITION STREET & TERRY A FRANCOIS BOULEVARD INTERSECTION (NW-SE)



EXPOSITION STREET & TERRY A FRANCOIS BOULEVARD INTERSECTION (NE-SW)

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Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2001\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.23-8.27 Truck Turning Enlargements.dwg
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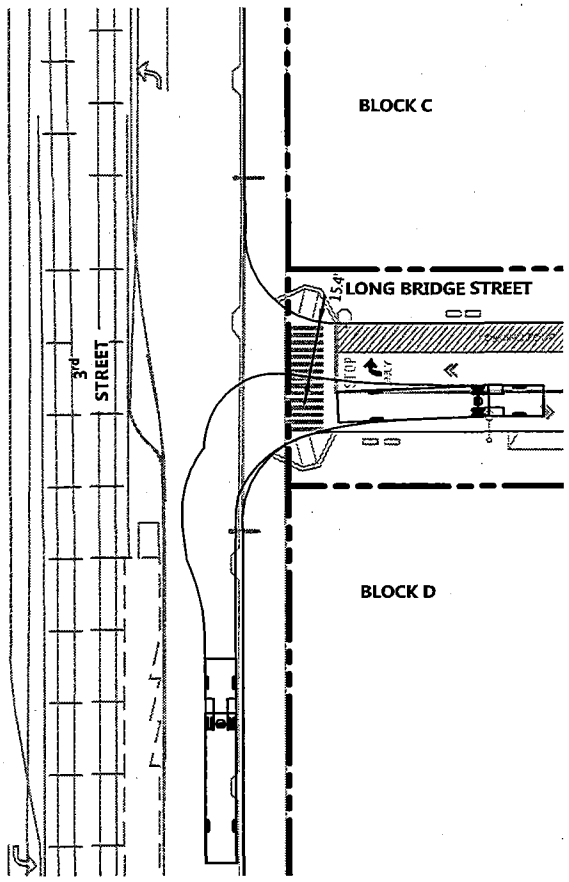
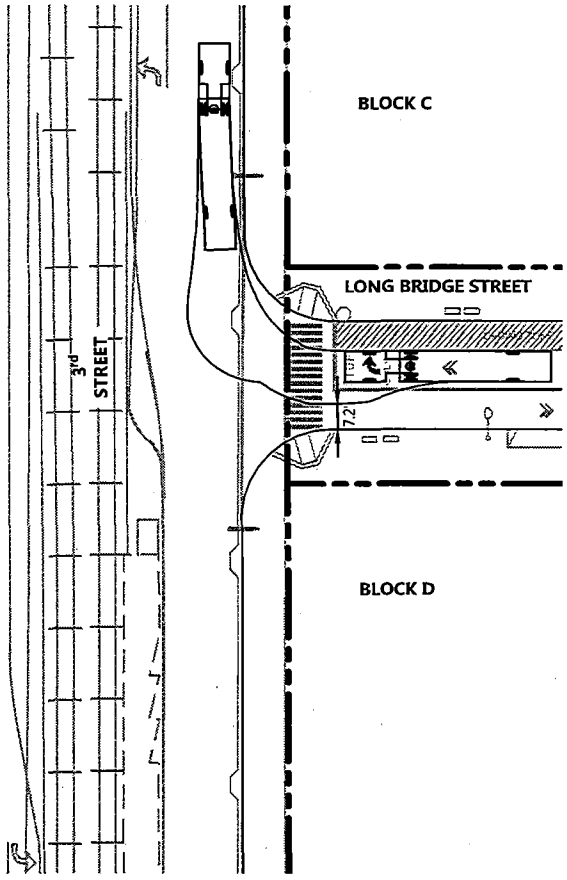
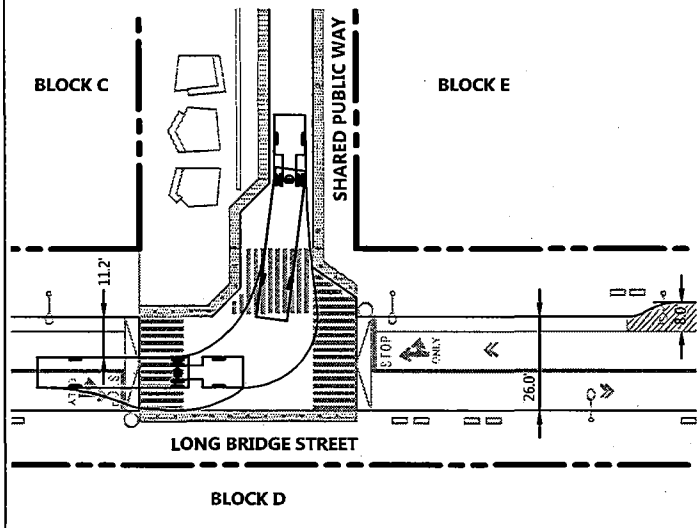


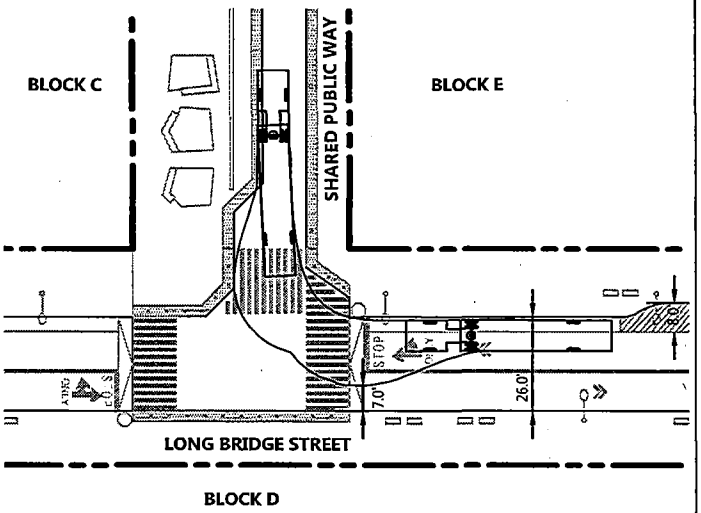
LONG BRIDGE STREET & 3rd STREET INTERSECTION (NW-SE)



LONG BRIDGE STREET & 3rd STREET INTERSECTION (NE-SW)



LONG BRIDGE STREET & SHARED PUBLIC WAY INTERSECTION (NW-SE)



LONG BRIDGE STREET & SHARED PUBLIC WAY INTERSECTION (NE-SW)

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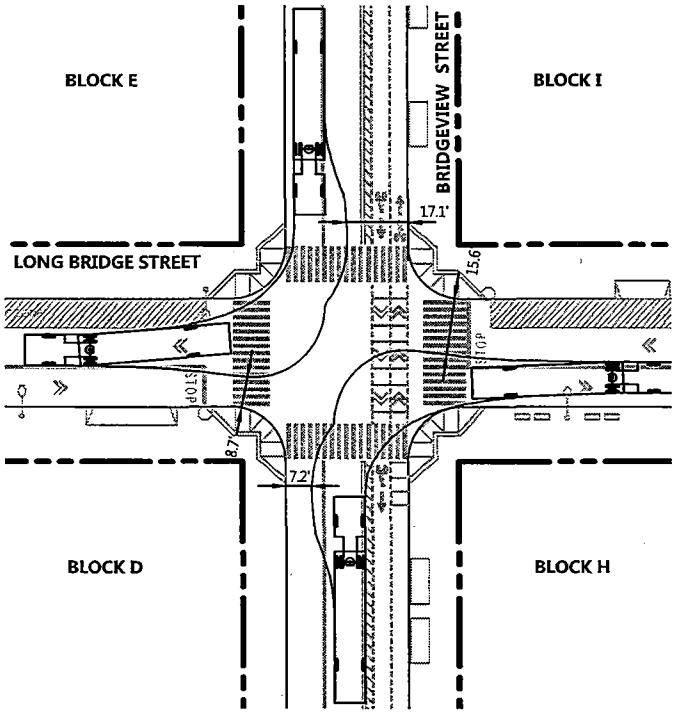
Source: BKF ENGINEERS, 07/2016

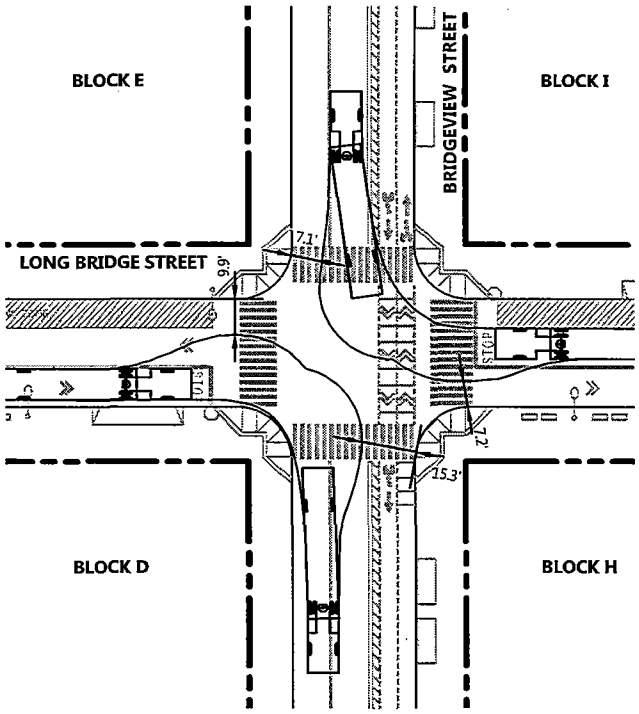
DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.23-8.27 Truck Turning Enlargements.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN

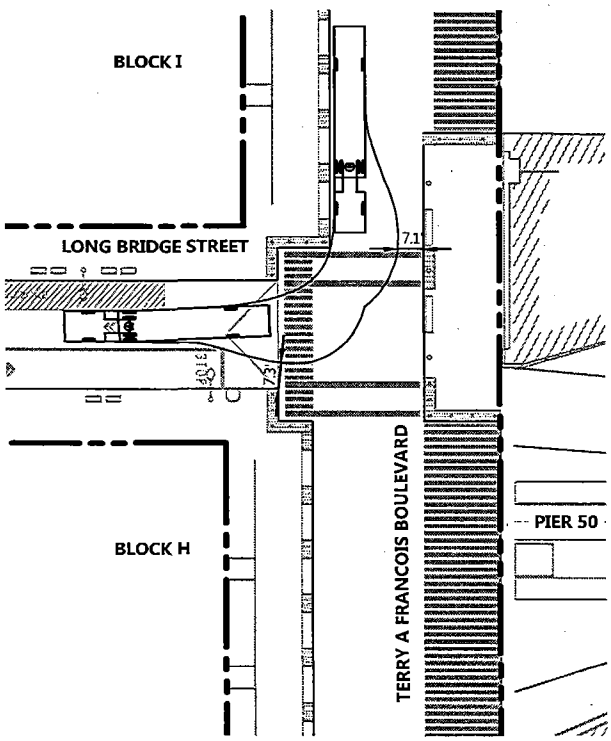
FIGURE 8.25 - TRUCK TURNING ENLARGEMENTS



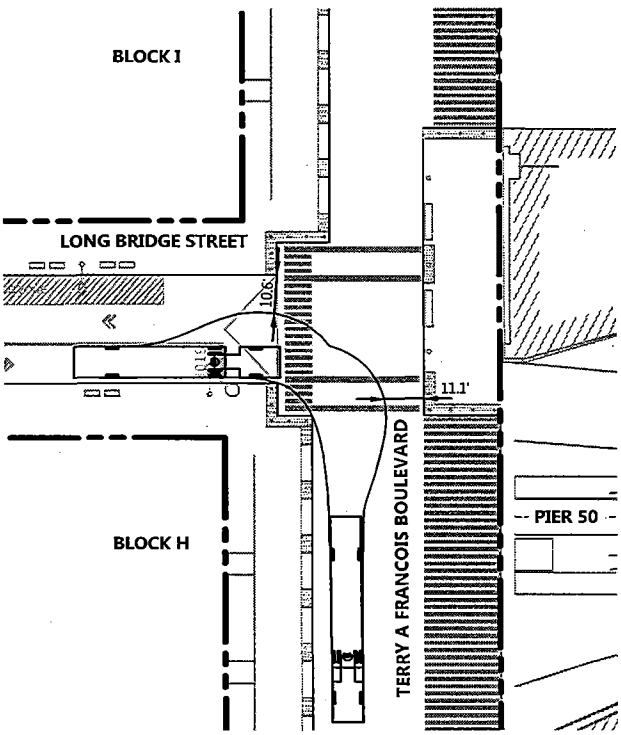
LONG BRIDGE STREET & BRIDGEVIEW STREET INTERSECTION (NW-SE)



LONG BRIDGE STREET & BRIDGEVIEW STREET INTERSECTION (NE-SW)



LONG BRIDGE STREET & TERRY A FRANCOIS BOULEVARD INTERSECTION (NW-SE)



LONG BRIDGE STREET & TERRY A FRANCOIS BOULEVARD INTERSECTION (NE-SW)

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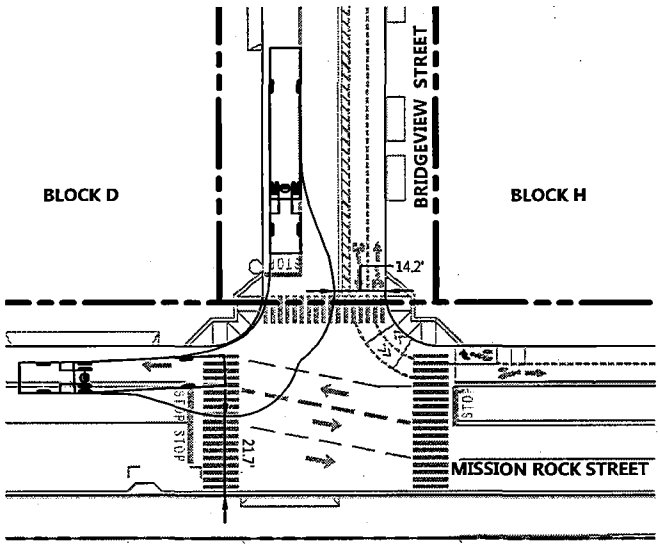
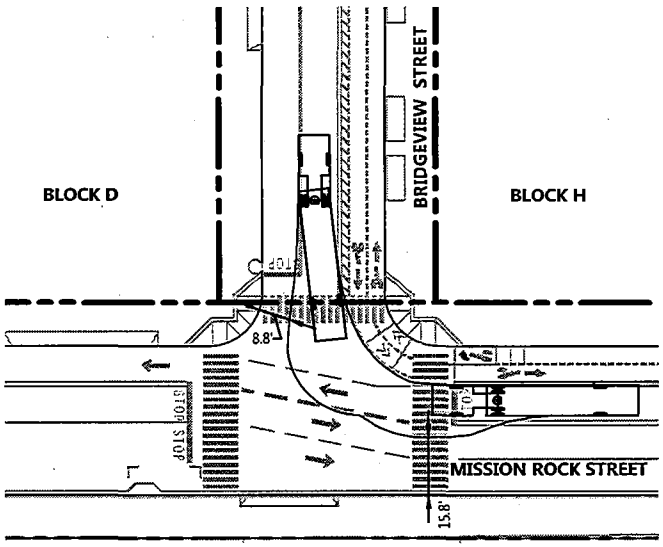
Source: BKF ENGINEERS, 07/2016

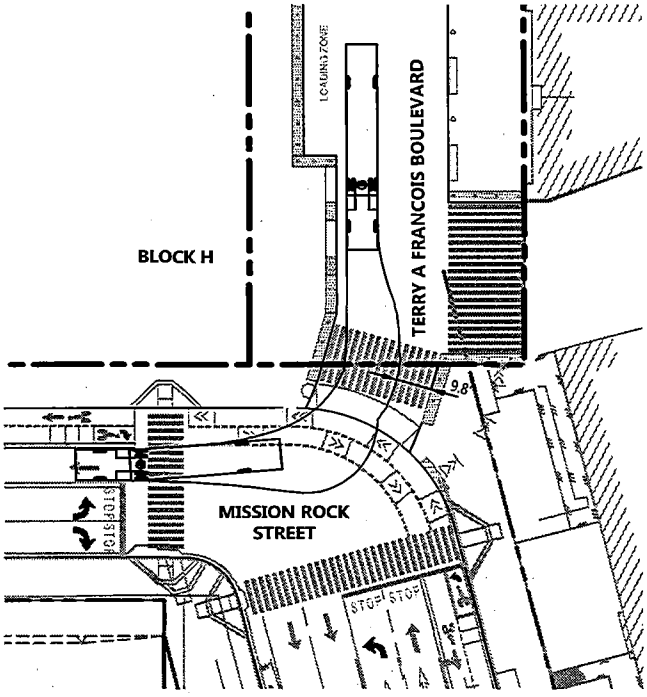
DRAWING NAME: \\BKF-SF\vol4\2000\090006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.23-8.27 Truck Turning Enlargements.dwg
PLOT DATE: 07-15-17 PLOTTED BY: PEL1



MISSION ROCK STREET & BRIDGEVIEW STREET INTERSECTION (NW-SE)



MISSION ROCK STREET & BRIDGEVIEW STREET INTERSECTION (NE-SW)



MISSION ROCK STREET & TERRY A FRANCOIS BOULEVARD INTERSECTION (NW-SE)

Source: BKF ENGINEERS, 07/2016

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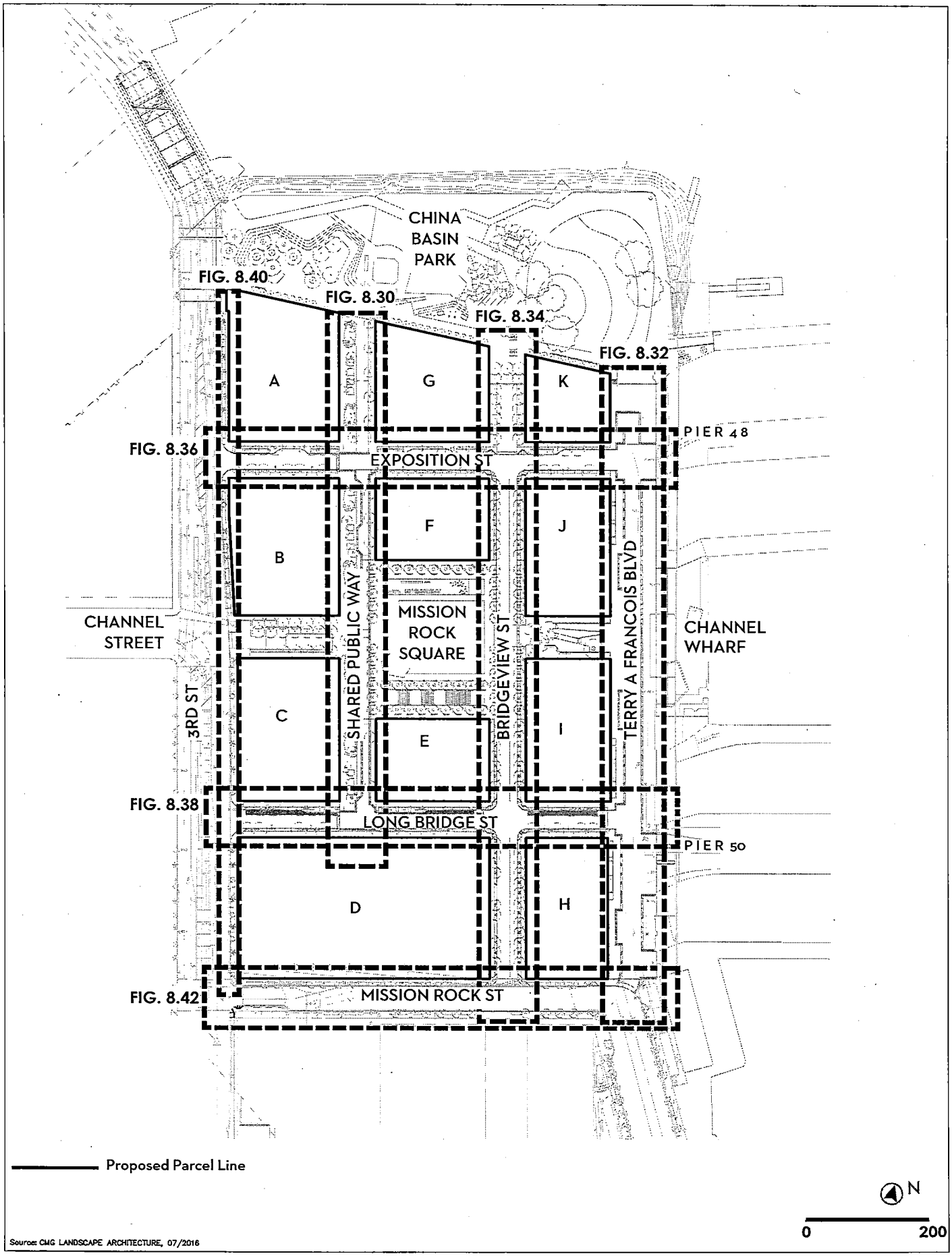
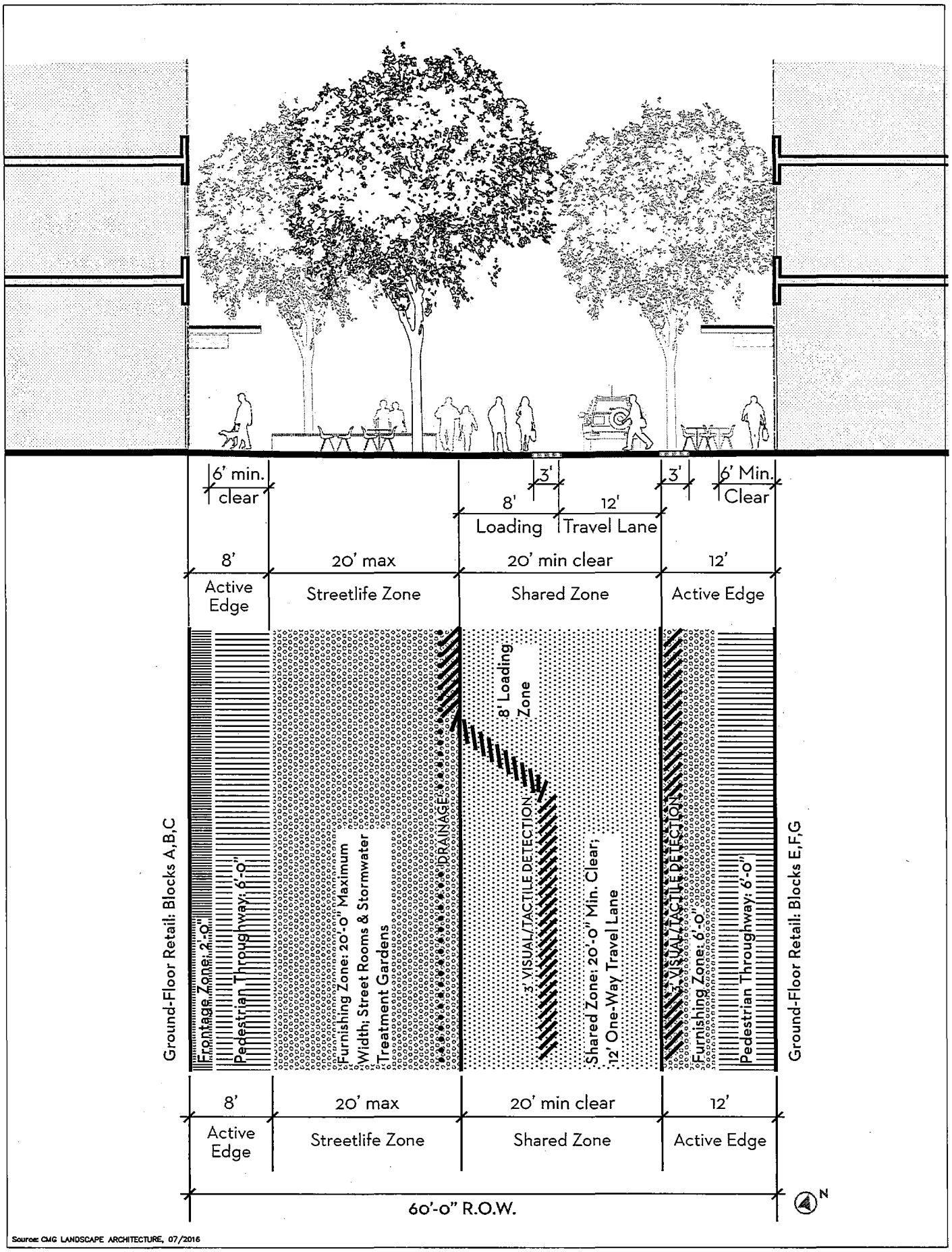
DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.23-8.27 Truck Turning Enlargements.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.28 STREET DESIGN KEY PLAN



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

MISSION ROCK INFRASTRUCTURE PLAN - DRAFT

FIGURE 8.29 SHARED PUBLIC WAY

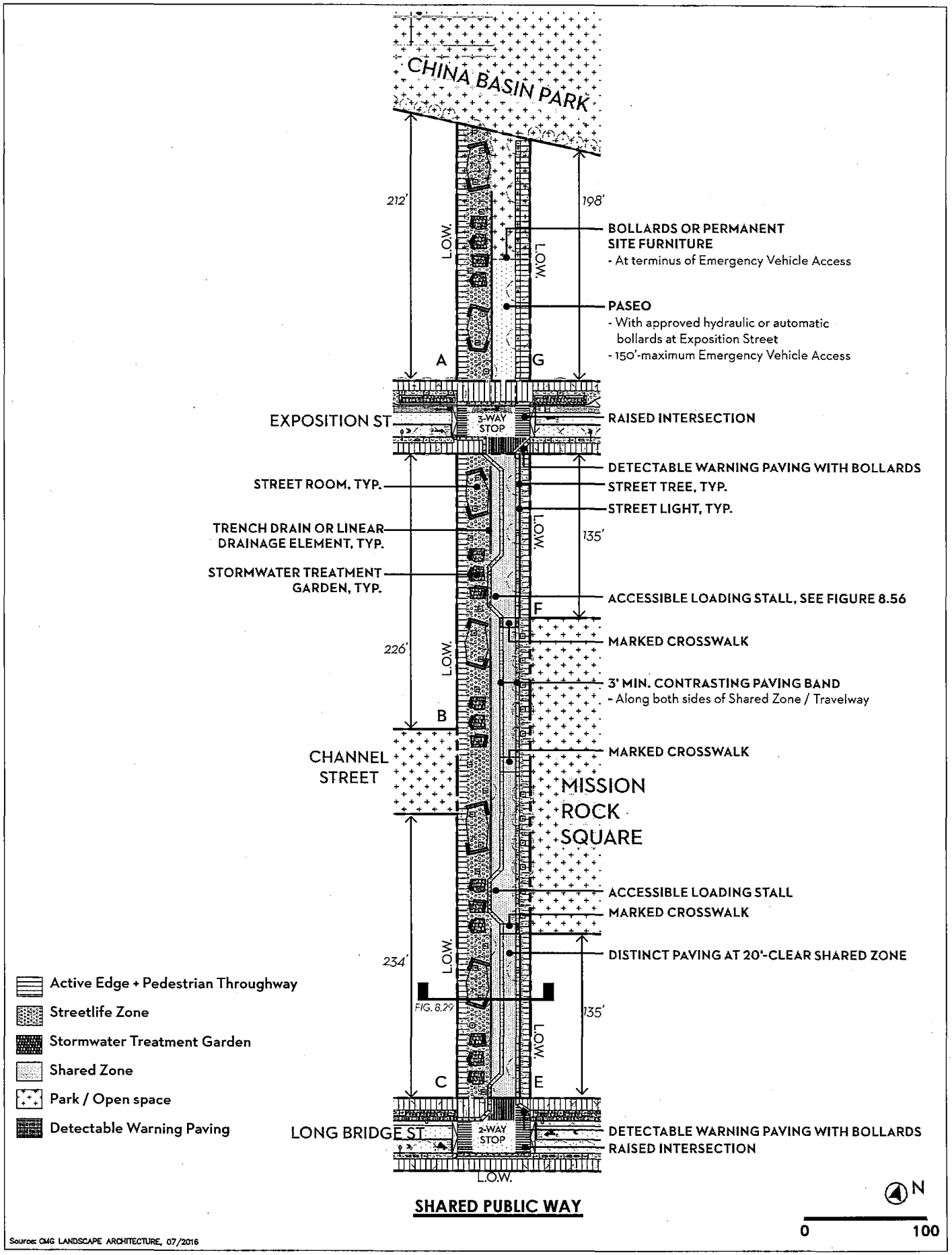
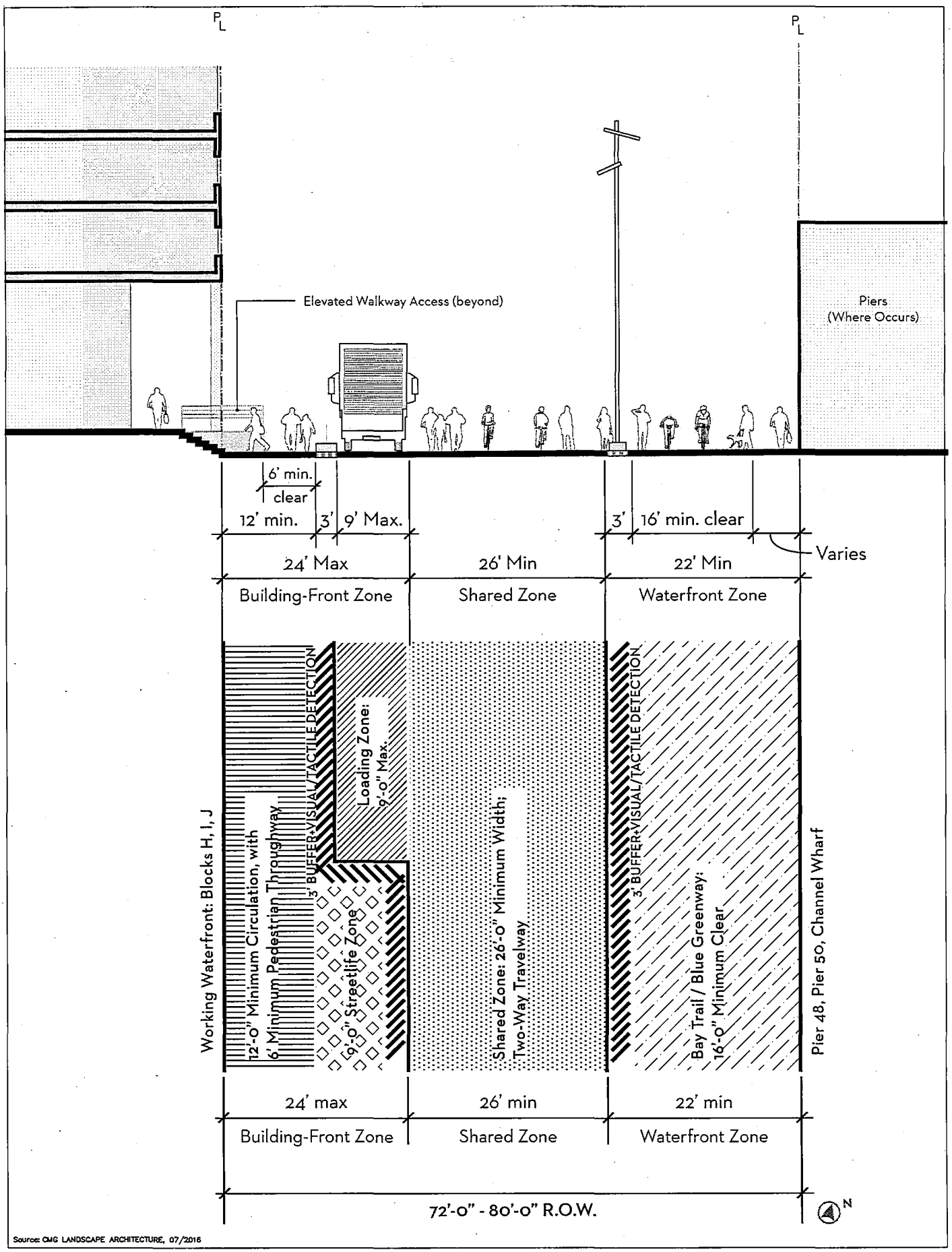


FIGURE 8.30 SHARED PUBLIC WAY PLAN



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

MISSION ROCK INFRASTRUCTURE PLAN - DRAFT

FIGURE 8.31 TERRY A FRANCOIS BLVD

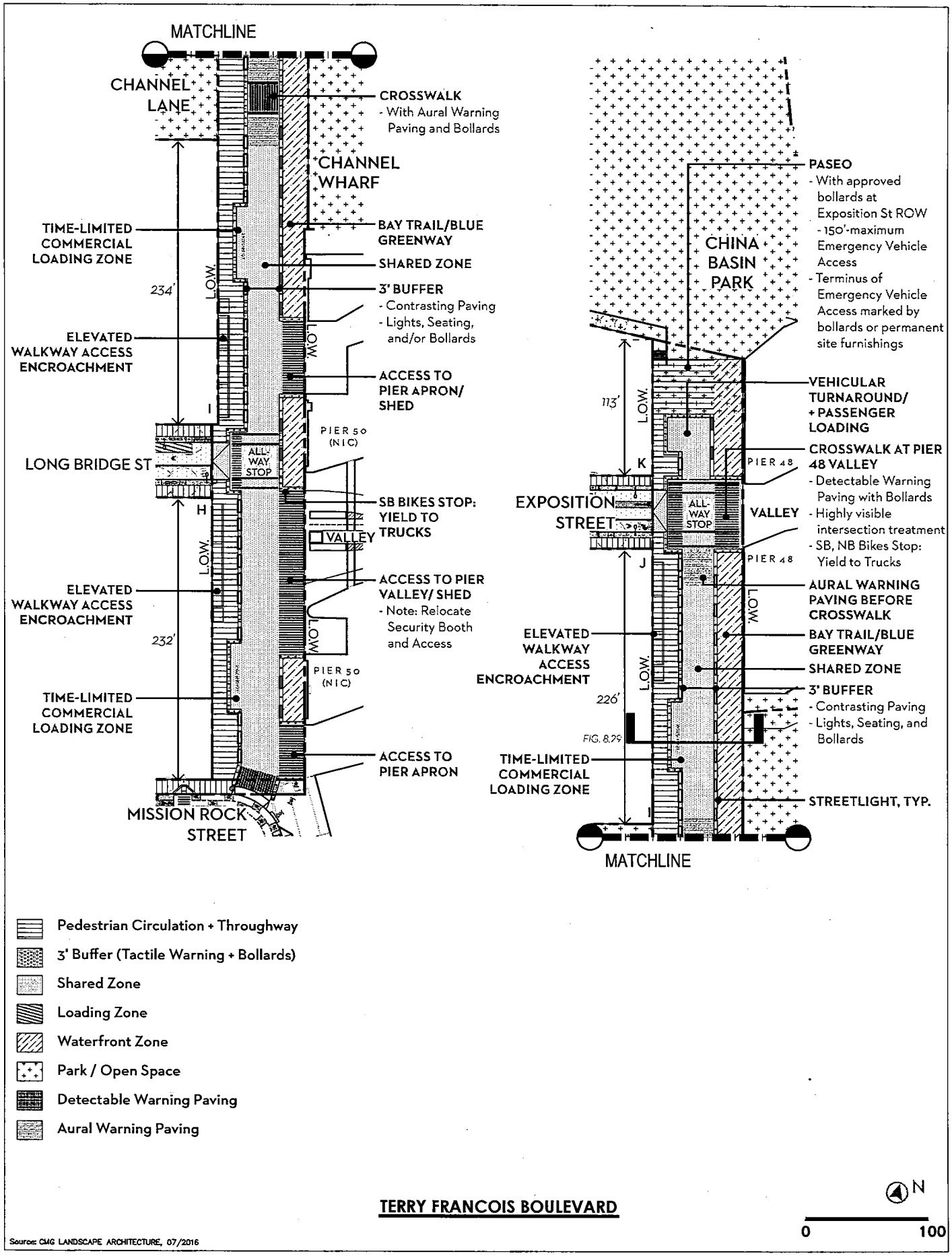
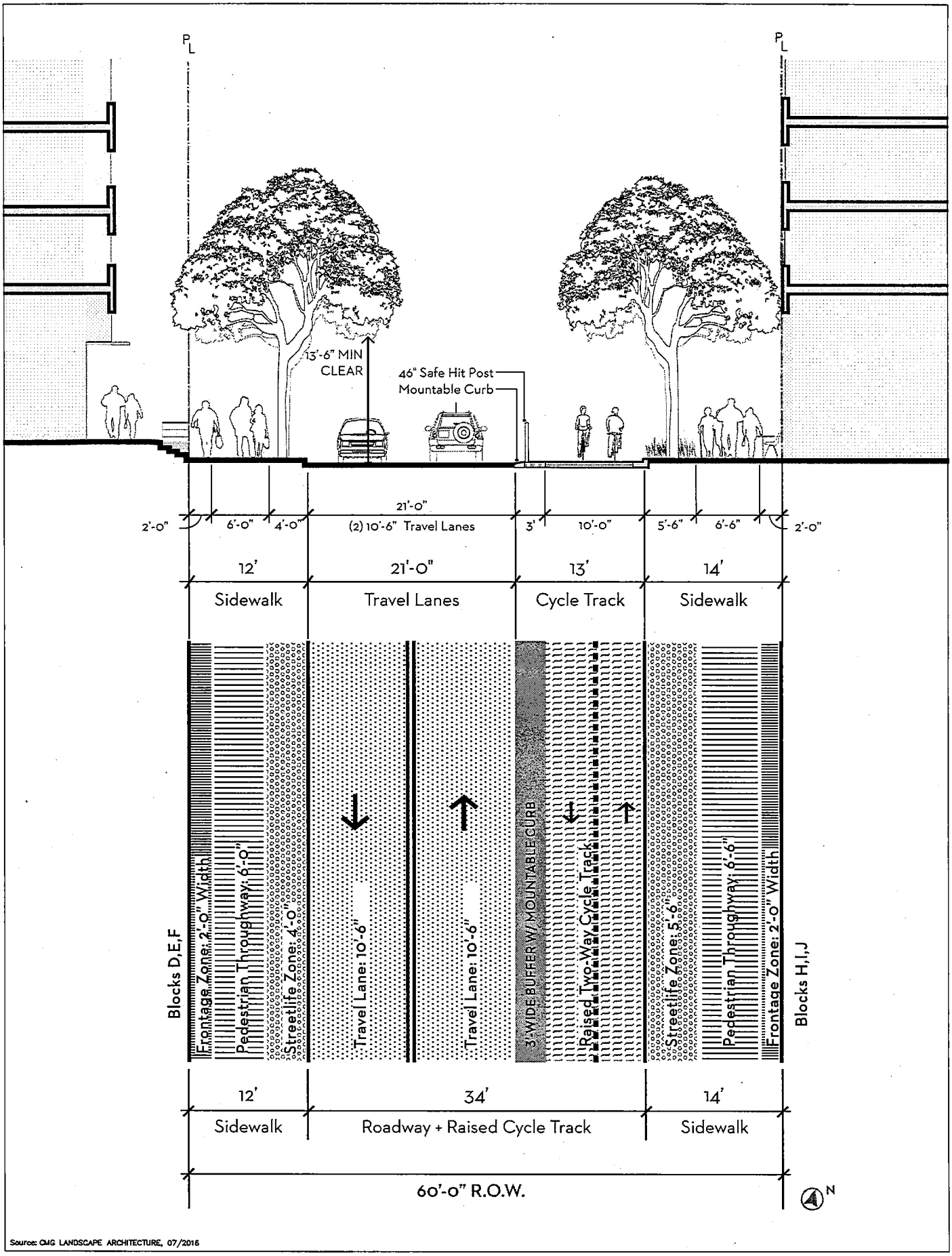
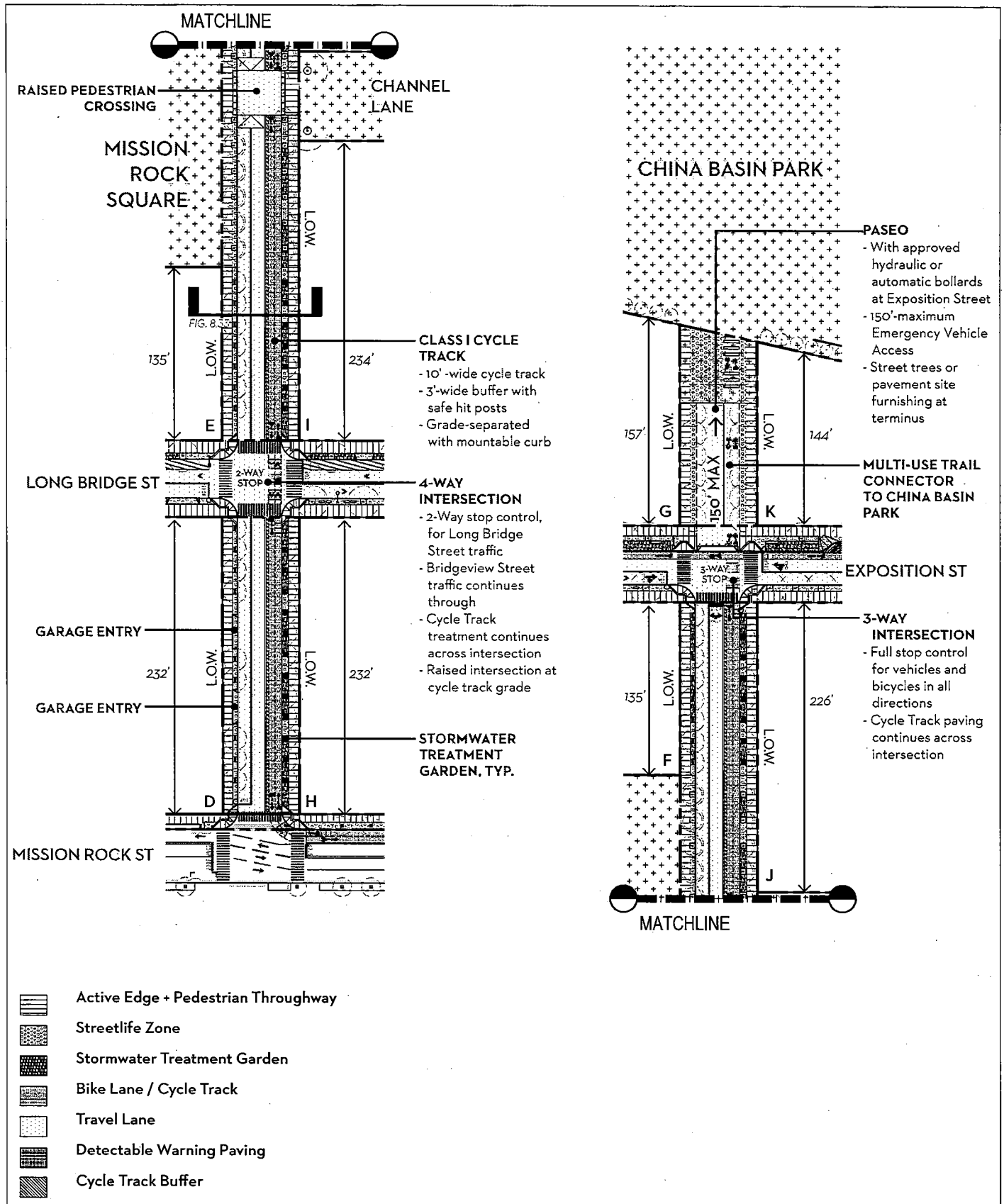


FIGURE 8.32 TERRY A FRANCOIS BOULEVARD PLAN



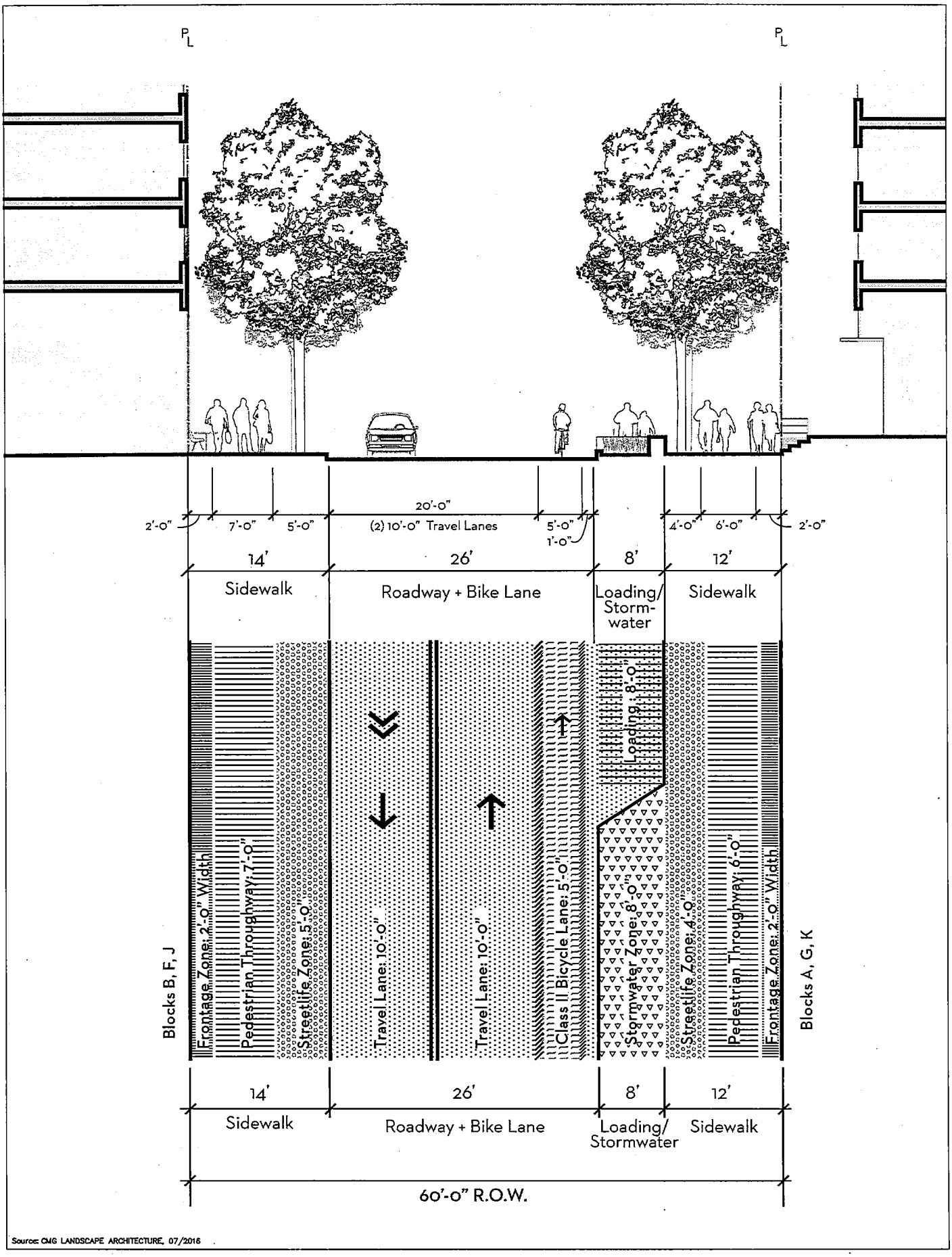
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.33 BRIDGEVIEW STREET



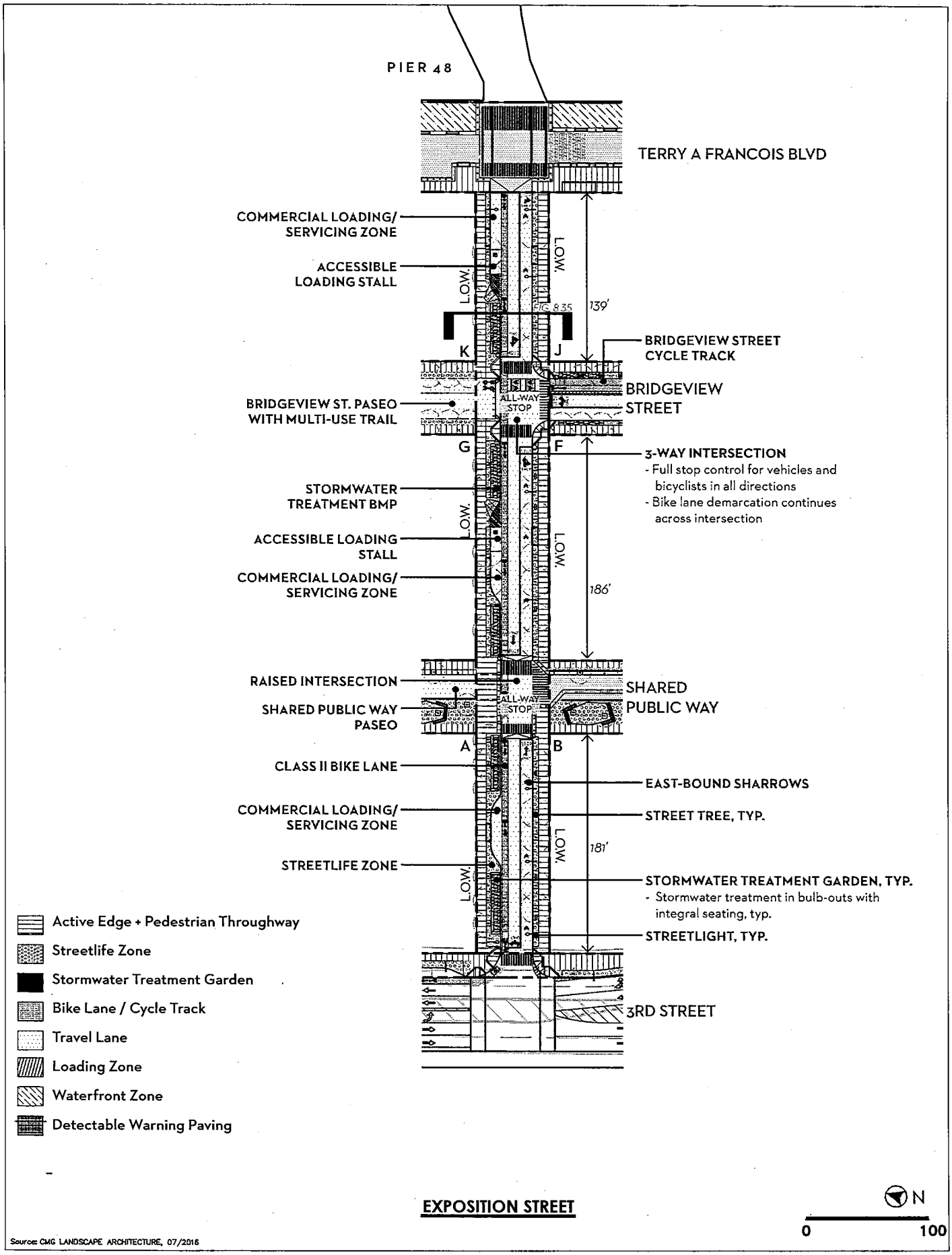
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.34 BRIDGEVIEW STREET PLAN



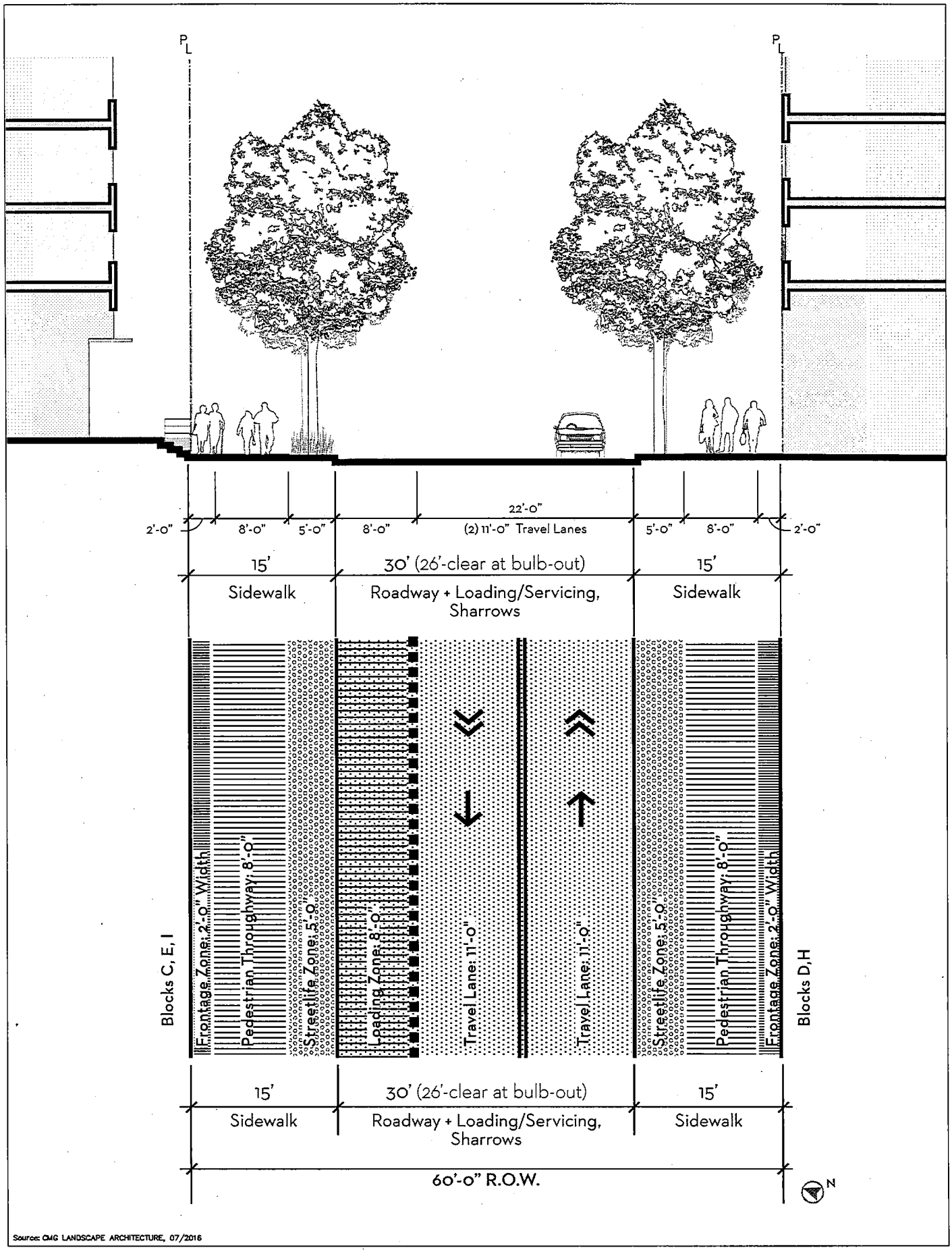
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.35 EXPOSITION STREET



MISSION ROCK INFRASTRUCTURE PLAN - DRAFT

FIGURE 8.36 EXPOSITION STREET PLAN



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.37 LONG BRIDGE STREET

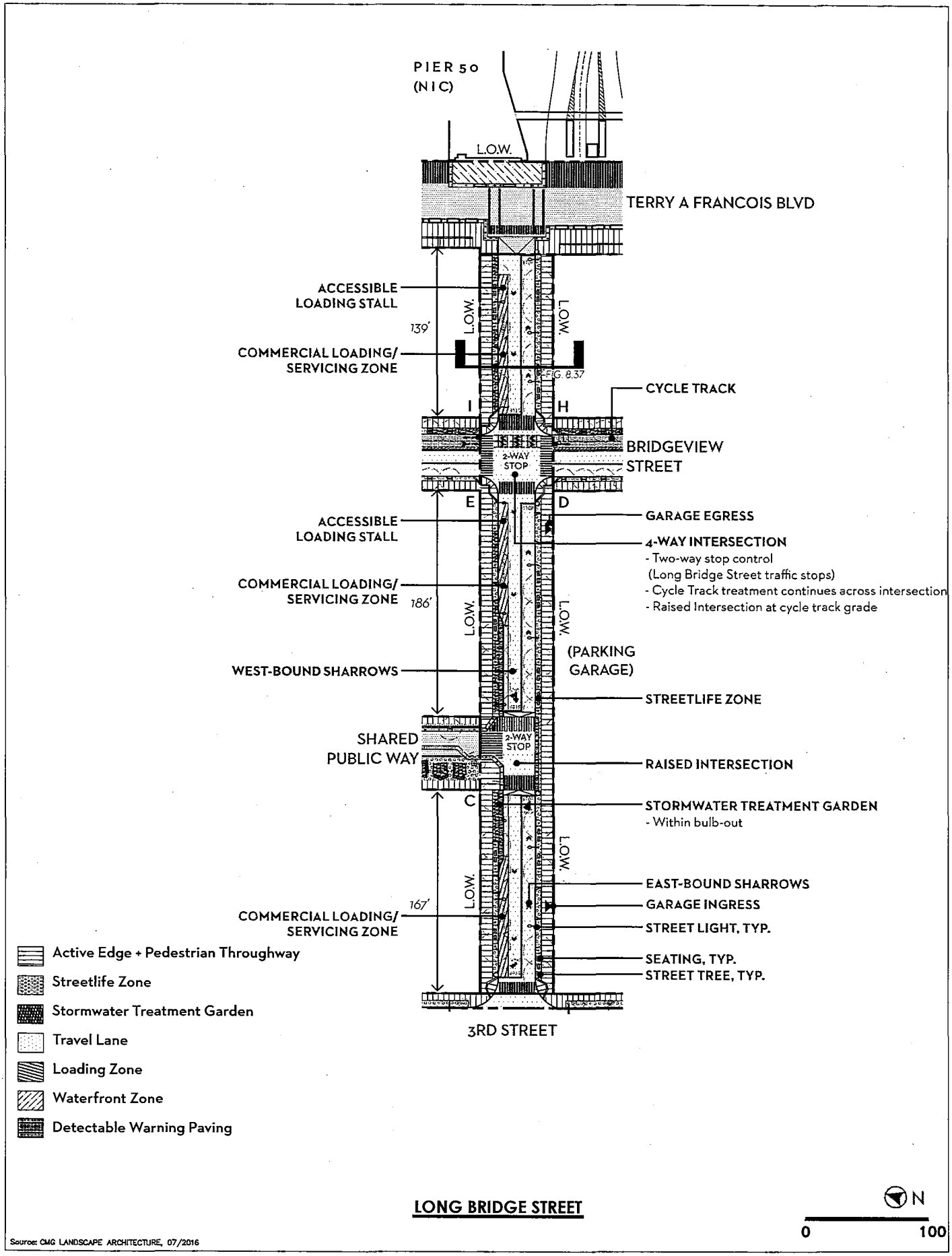
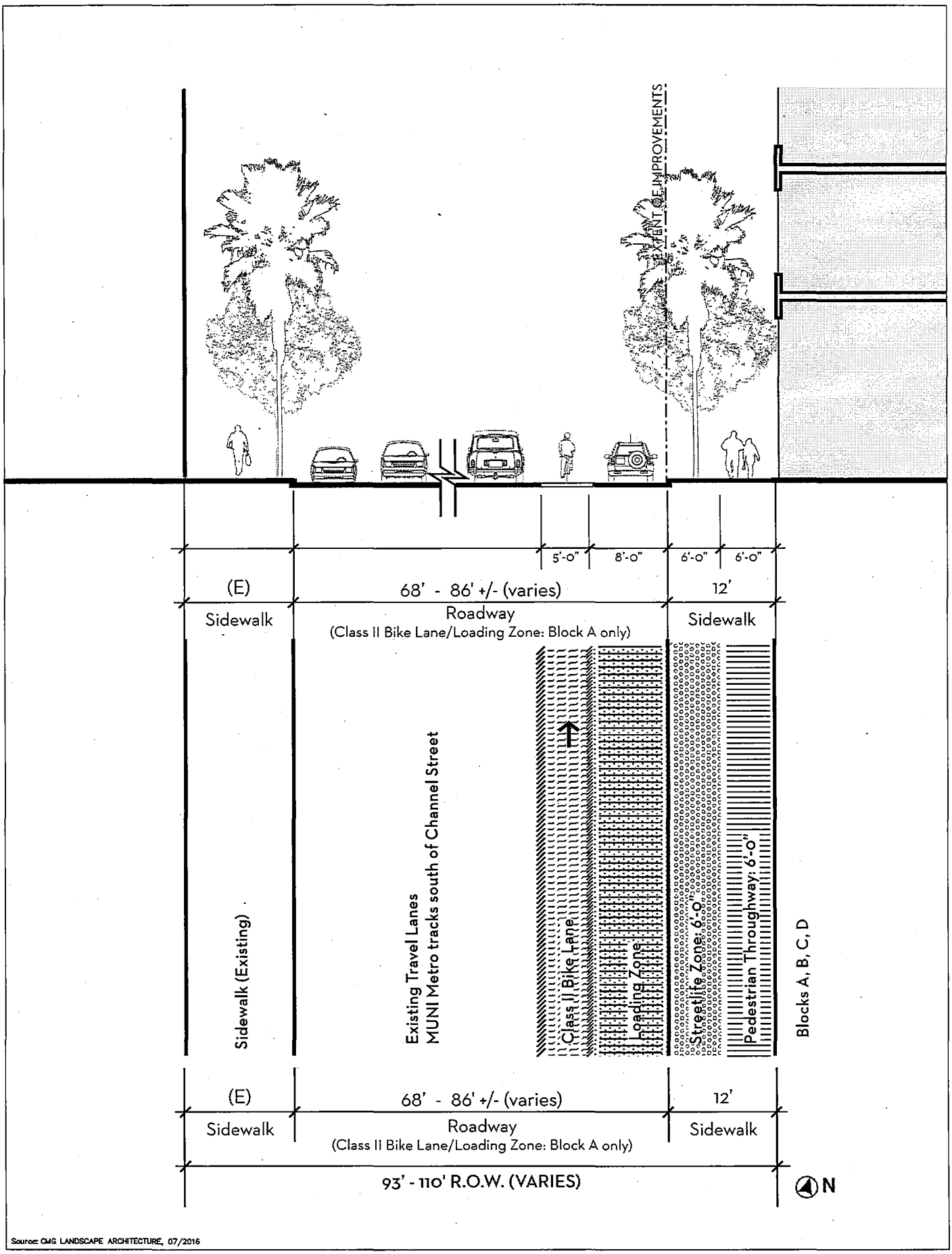


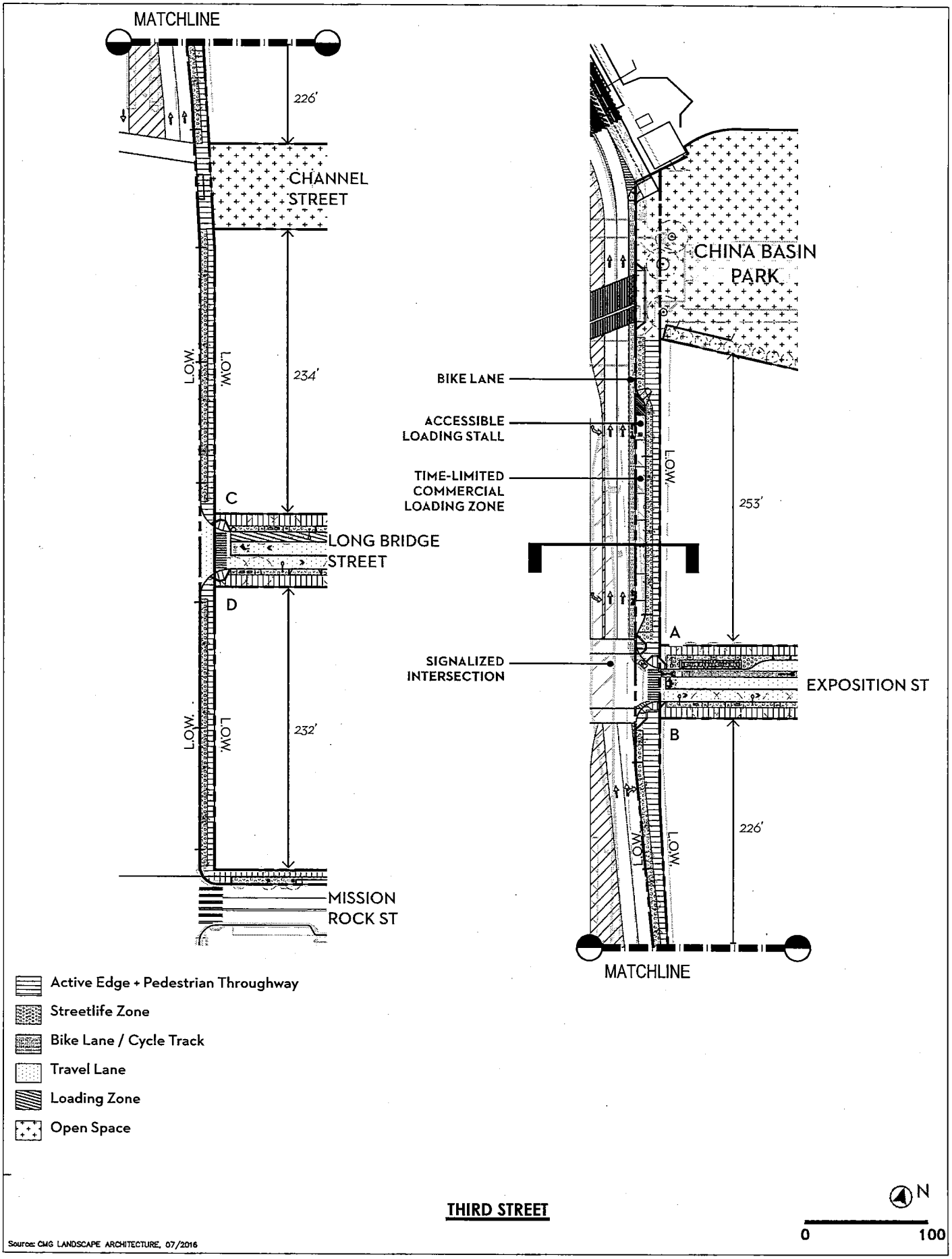
FIGURE 8.38 LONG BRIDGE STREET PLAN



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

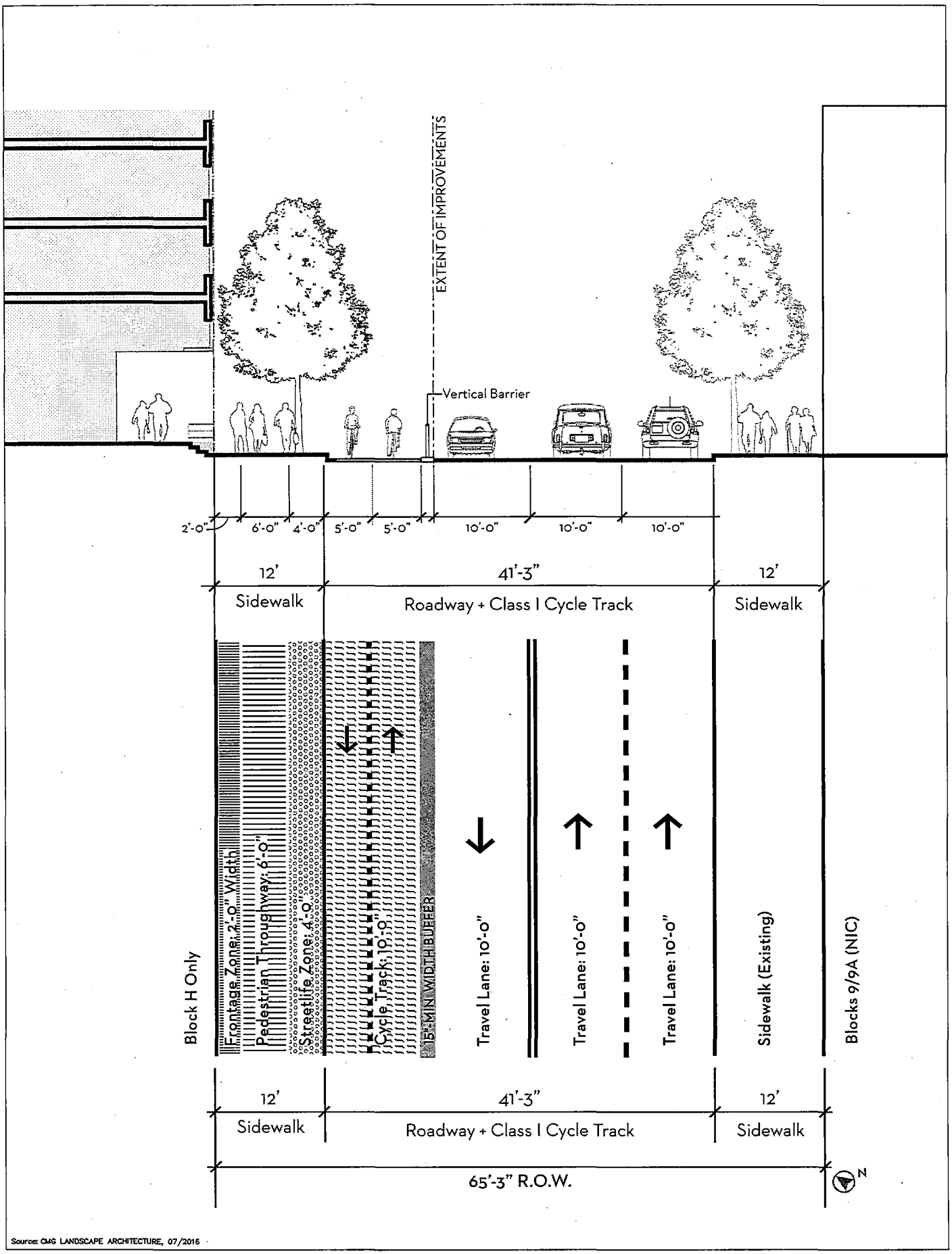
MISSION ROCK INFRASTRUCTURE PLAN - DRAFT

FIGURE 8.39 3RD STREET



MISSION ROCK INFRASTRUCTURE PLAN - DRAFT

FIGURE 8.40 3RD STREET PLAN



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.41 MISSION ROCK STREET

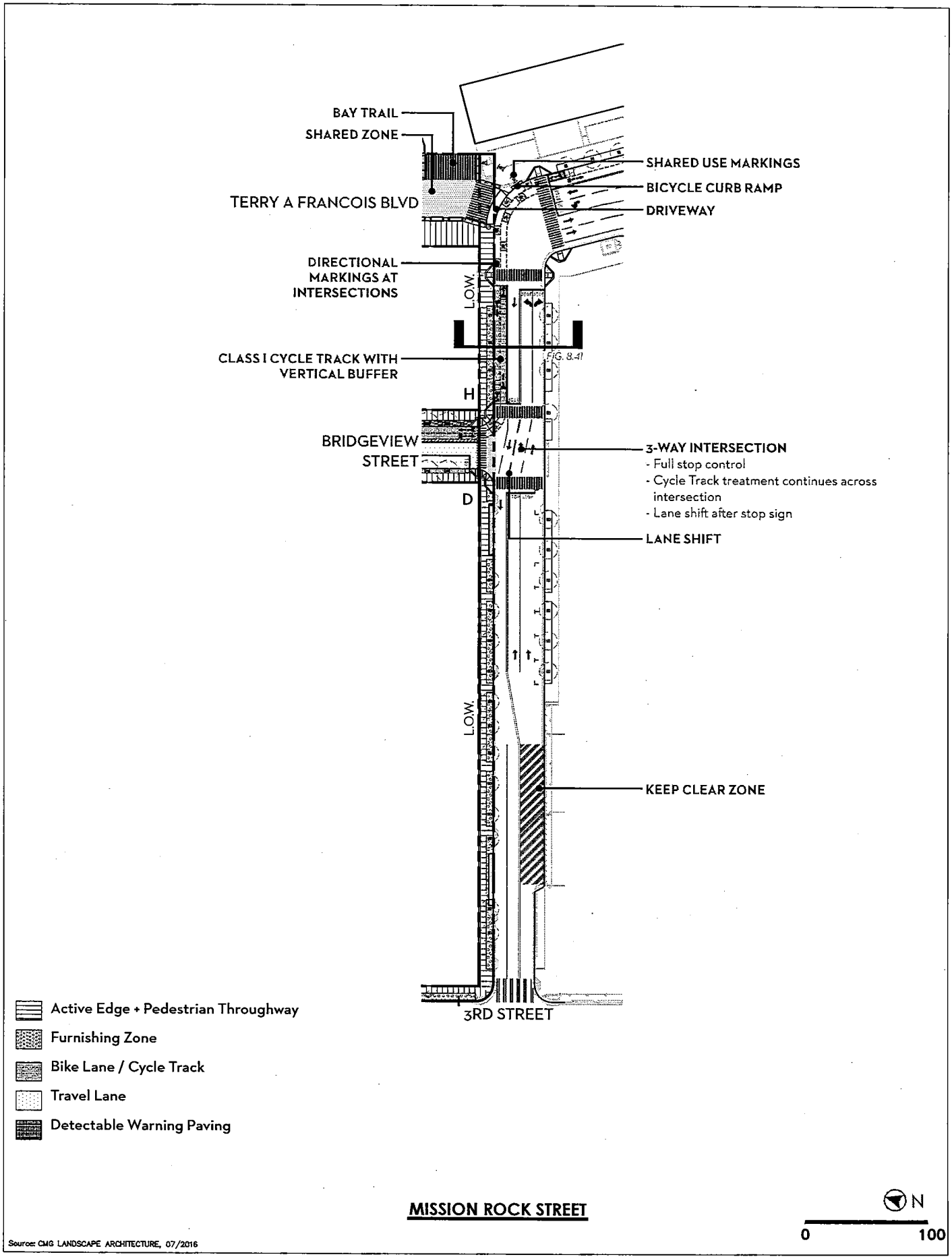
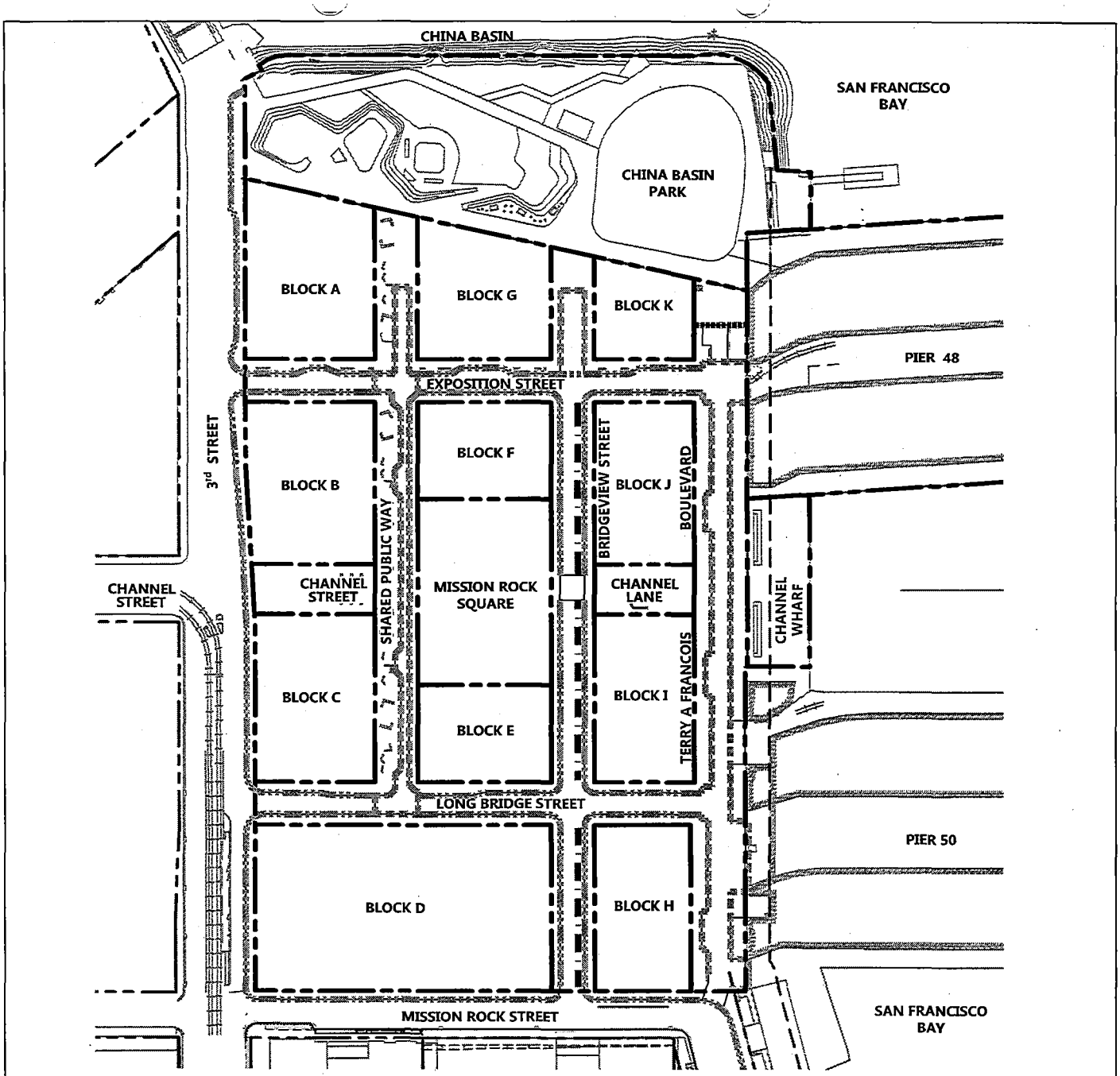


FIGURE 8.42 MISSION ROCK STREET PLAN



LEGEND

- PROPOSED PARCEL LINE
- EXISTING PARCEL LINE
- FLUSH CURB OR CURBLESS
- 6" CURB
- 6" CURB & GUTTER
- MOUNTABLE CURB AT CYCLE TRACK

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Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2016\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.43 Curb Heights Plan.dwg
PLOT DATE: 07-15-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN

FIGURE 8.43 - CURB HEIGHTS PLAN

FIGURE 8.44: PAVING DIAGRAM

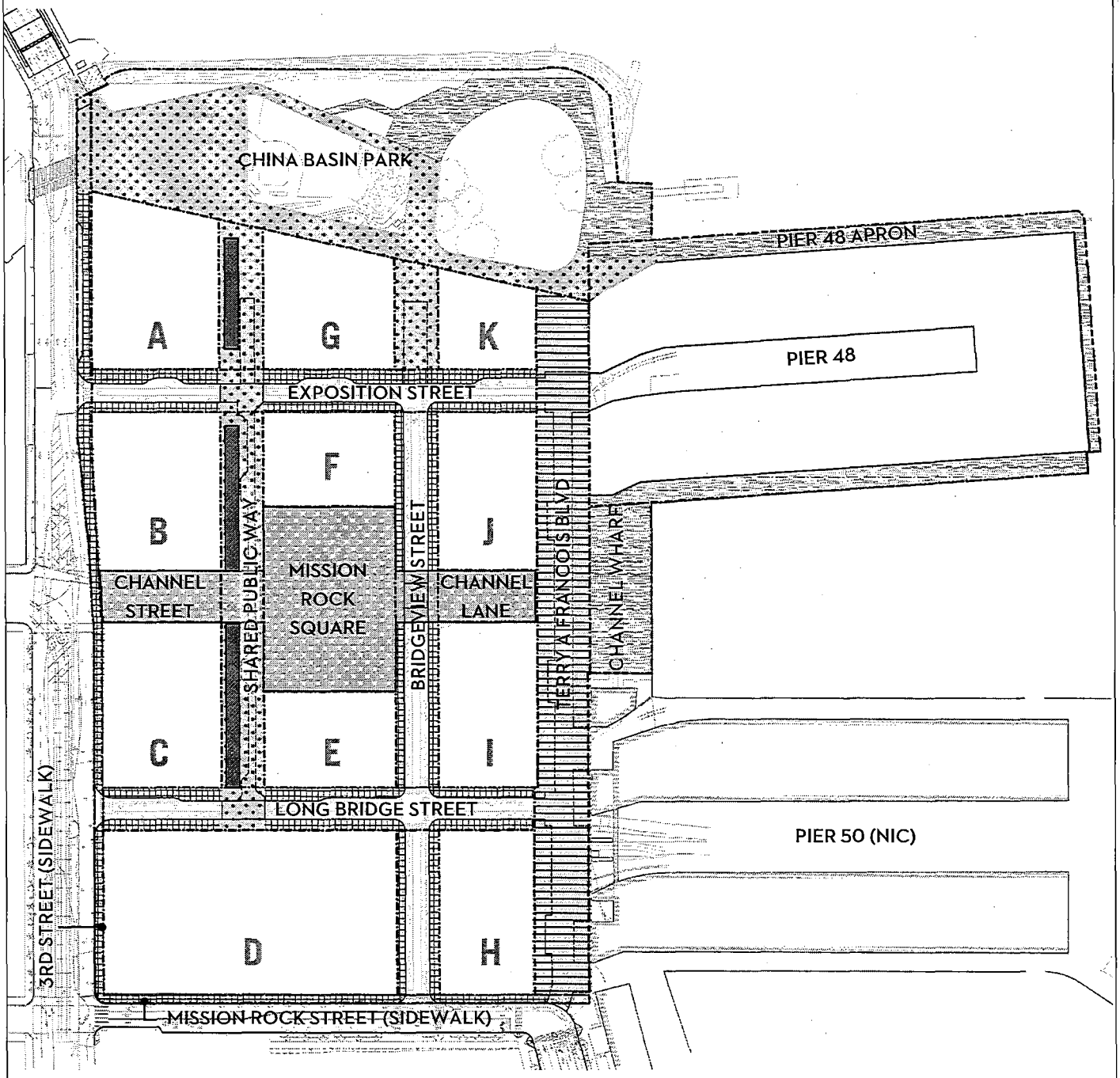

FIGURE 8.44: PAVING DIAGRAM (OPEN SPACES SHOWN FOR REFERENCE)

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- Sidewalk (DPW-Standard)
- Working Waterfront Paving: Terry Francois Blvd. (Non-DPW-Standard)
- Pedestrian-Scale Paving: Shared Public Way, Paseos + Open Spaces (Non-DPW-Standard)
- Special Paving (Non-DPW-Standard)
- Open Space: Mission Rock Square, Channel Street + Channel Lane
- Open Space: Waterfront Paving
- Proposed Boundary

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.45: PAVING ZONES BY STREET

SHARED PUBLIC WAY		
PAVING	STREET ZONE	DESCRIPTION
Active Edge	Pedestrian Throughway	Pedestrian Unit Pavers, with approved tree pit surfacing at trees.
	Furnishing Zone	
	Frontage Zone	
	Buffer at Shared Zone	Detectable Surface Paving: Alternate (non-DPW-Standard) tactile paving, with 70% visual contrast from adjacent paving and textured surface.
Streetlife Zone	Furnishing Zone	Pedestrian Unit Pavers, with approved tree pit surfacing at trees and special paving street rooms.
	Buffer at Shared Zone	Detectable Surface Paving: Alternate (non-DPW-Standard) tactile paving, with 70% visual contrast from adjacent paving and textured surface.
Shared Zone	Vehicular Travelway	Vehicular Unit Pavers
	Loading Zones	Vehicular Unit Pavers, with color contrast.
	Crosswalks	Textured Paving, contrasting from adjacent surfaces, with DPW-Standard detectable paving.
CURBS AND DRAINAGE		
Curb at Shared Zone		Curbless
Trench Drain		6" - 12" wide trench drain/linear drainage element, located outside of vehicular travelway.
TERRY A FRANCOIS BOULEVARD		
PAVING	STREET ZONE	DESCRIPTION
Building-Front Zone	Pedestrian Throughway	Pedestrian Unit Pavers or CIP Concrete Paving
	Streetlife Zone	
	Loading Zones	Vehicular Unit Pavers or CIP Concrete Paving.
	Buffer at Shared Zone	Detectable Surface Paving: Alternate (non-DPW-Standard) tactile paving, with 70% visual contrast from adjacent paving and textured surface.
Waterfront Zone	Blue Greenway	Pedestrian Unit Pavers or CIP Concrete Paving
	Buffer at Shared Zone	Detectable Surface Paving: Alternate (non-DPW-Standard) tactile paving, with 70% visual contrast from adjacent paving and textured surface.
Shared Zone	Vehicular Travelway	Vehicular Unit Pavers or CIP Concrete Paving
	Crosswalks	Textured Paving, contrasting from adjacent surfaces, with DPW-Standard detectable paving.
CURBS AND DRAINAGE		
Curb at Shared Zone		CIP Concrete Flush Curb
Trench Drain		6" - 12" wide Trench Drain, located outside of vehicular travelway.
BRIDGEVIEW STREET		
PAVING	STREET ZONE	DESCRIPTION
Sidewalk	Frontage Zone	DPW-Standard CIP Concrete or Pedestrian Unit Pavers
	Pedestrian Throughway	DPW-Standard CIP Concrete
	Streetlife Zone	Pedestrian Unit Pavers, with approved tree pit surfacing at trees.
Roadway	Raised Cycle Track	Painted Asphalt with contrasting buffer
	Travel Lanes	DPW-Standard Asphalt Concrete Paving
CURBS AND DRAINAGE		
Curb + Gutter, West Side		DPW-Standard, 6" Curb typical
Curb + Gutter, East Side		Non-DPW Standard 4" Vertical Curb
Curb at Raised Cycle Track		Mountable Curb

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.46: PAVING ZONES BY STREET

EXPOSITION STREET		
PAVING	STREET ZONE	DESCRIPTION
Sidewalk	Frontage Zone	DPW-Standard CIP Concrete or Pedestrian Unit Pavers
	Pedestrian Throughway	DPW-Standard CIP Concrete
	Streetlife Zone	Pedestrian Unit Pavers, with approved tree pit surfacing at trees
	Stormwater Treatment	Custom/Feature Flow-Through Planters with Understory Planting
Roadway	Travel Lanes	DPW-Standard Asphalt Concrete Paving
	Class II Bicycle Lane	Painted DPW-Standard Asphalt Concrete Paving
	Loading	DPW-Standard Asphalt Concrete Paving
CURBS AND DRAINAGE		
Curb + Gutter		DPW-Standard, 6" Curb typical

LONG BRIDGE STREET		
PAVING	STREET ZONE	DESCRIPTION
Sidewalk	Frontage Zone	DPW-Standard CIP Concrete or Pedestrian Unit Pavers
	Pedestrian Throughway	DPW-Standard CIP Concrete
	Streetlife Zone	Pedestrian Unit Pavers, with approved tree pit surfacing at trees
Roadway	Loading Zone	Painted DPW-Standard Asphalt Concrete Paving
	Travel Lanes	DPW-Standard Asphalt Concrete Paving
CURBS AND DRAINAGE		
Curb + Gutter		DPW-Standard, 6" Curb typical

MISSION ROCK STREET		
PAVING	STREET ZONE	DESCRIPTION
Sidewalk	Pedestrian Throughway	OCII / Mission Bay Standard CIP Concrete.
	Streetlife Zone	OCII / Mission Bay Standard Pedestrian Unit Pavers, with approved tree pit surfacing at trees
Roadway	Cycle Track	Painted Asphalt Concrete Paving
	Travel Lanes	DPW-Standard Asphalt Concrete Paving
CURBS AND DRAINAGE		
Curb + Gutter		DPW-Standard, 6" Curb typical. OCII / Mission Bay Standard
Raised Buffer at Cycle Track		6" high x 15" minimum width buffer, segmented to facilitate drainage

3RD STREET		
PAVING	STREET ZONE	DESCRIPTION
Sidewalk	Pedestrian Throughway	OCII / Mission Bay Standard CIP Concrete
	Streetlife Zone	OCII / Mission Bay Standard paving and approved tree pit surfacing at trees

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.47: URBAN FOREST

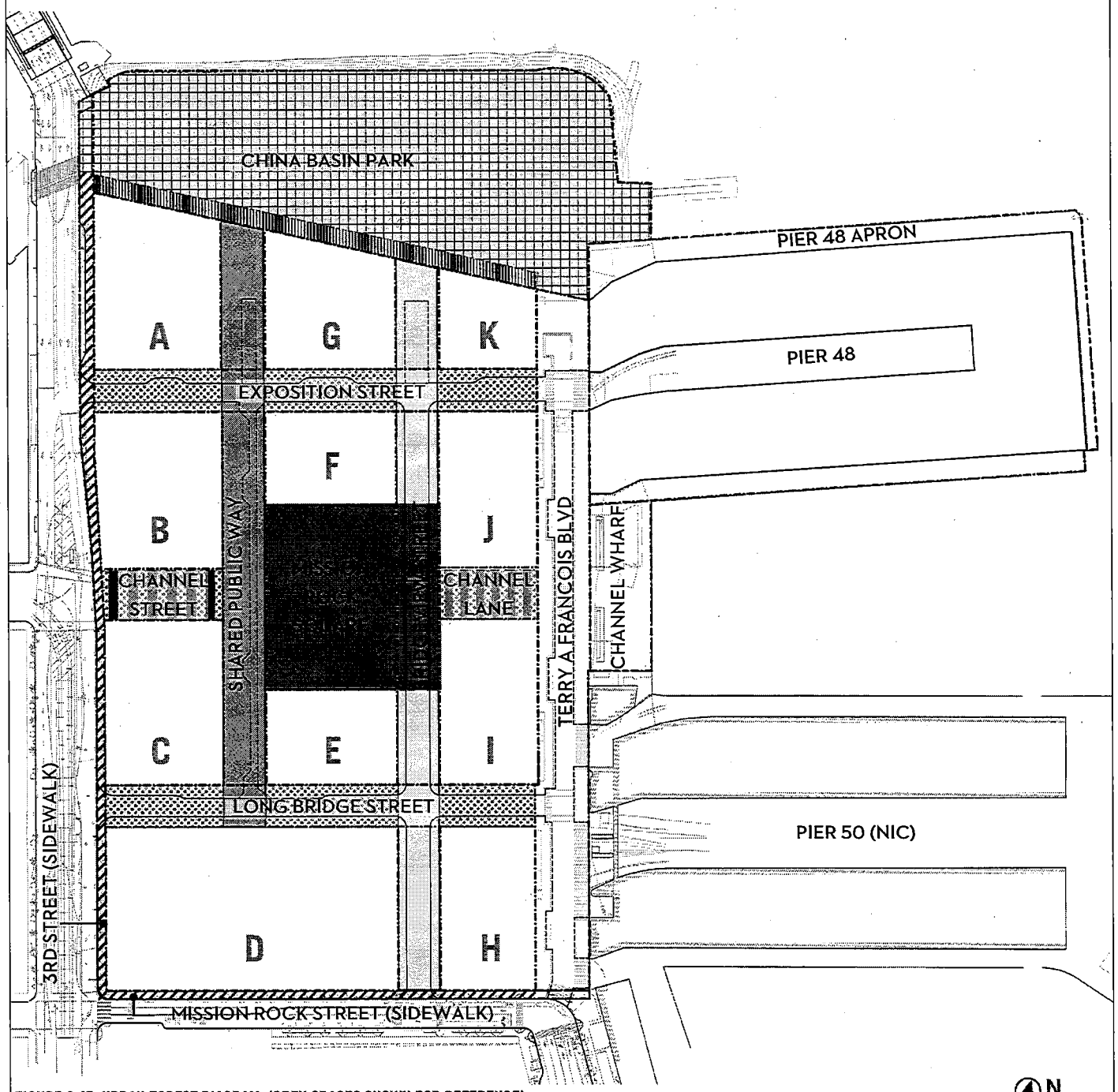


FIGURE 8.47: URBAN FOREST DIAGRAM (OPEN SPACES SHOWN FOR REFERENCE)

China Basin Park
- *Large, iconic specimen evergreen trees*

Park Promenade
- *Small to medium tree with upright habit, shade tolerance required*

Shared Public Way
- *Large, arching trees with fine-textured canopy*

Mission Rock Square
- *Large, uniform, upright trees with iconic seasonal character in leaf or flower*

Neighborhood Street Tree: Upright
- *Medium to large tree with upright habit*

Neighborhood Street Tree: Arching
- *Medium to large tree with arching habit, special seasonal character*

Channel St and Channel Lane
- *Wind-tolerant tree from Mission Rock Square, Neighborhood Street palettes*

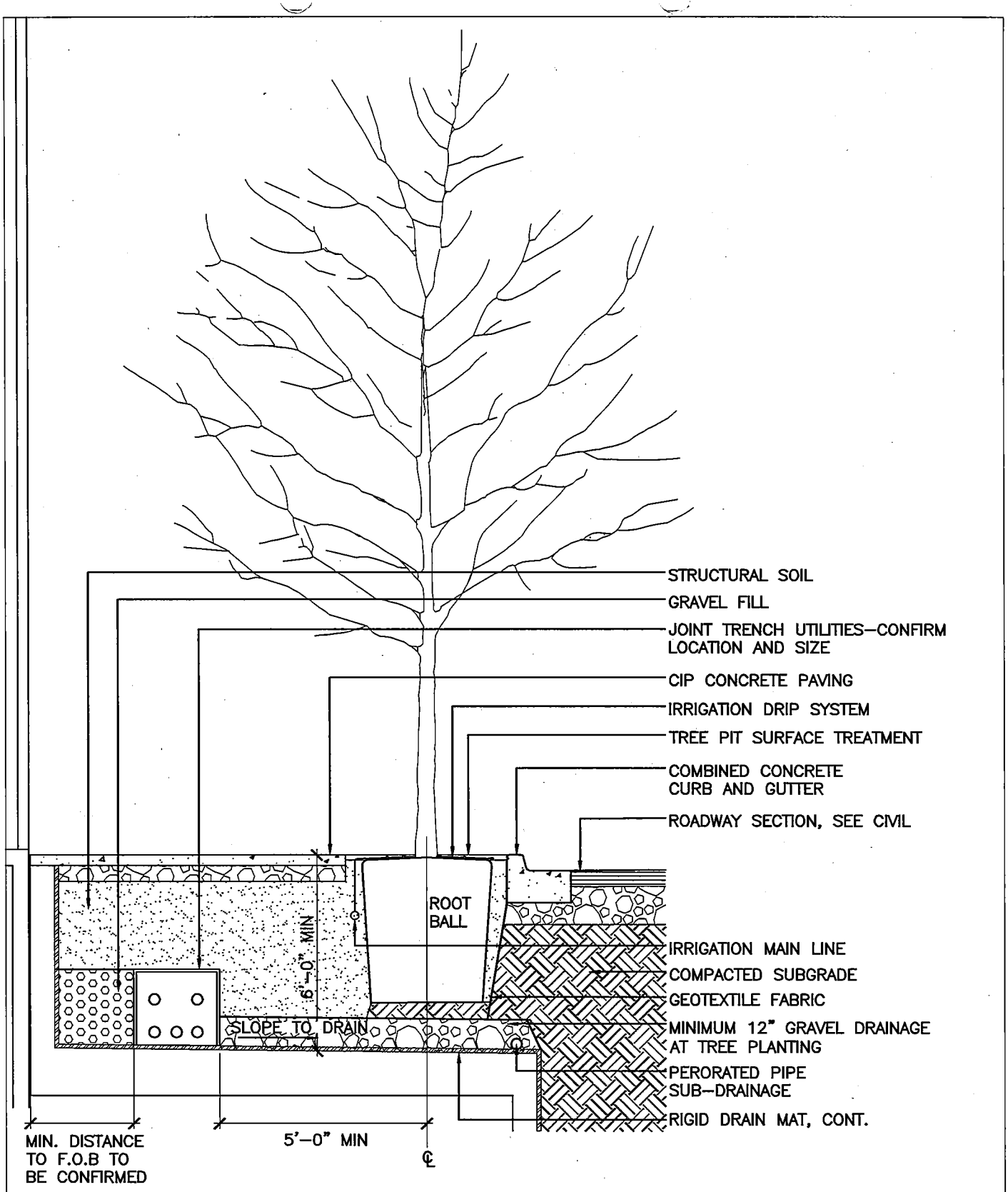
Mission Bay Street Trees
- *Per OCII Mission Bay Standards*

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.48: URBAN FOREST DESIGN CRITERIA

TREE TYPE	SIZE	TOLERANCES	WATER USE	DESIGN CRITERIA	RECOMMENDED SPECIES
China Basin Park: Specimen Tree	At Installation: Min. 48" Box At Maturity: 50' x 60' (HxW)	Wind: High Shade: Partial Shade	Low to Medium	• Iconic character • Windbreak • Healthy in paving and/or lawn • Coastal tolerance	Monterey Cypress *[Cupressus macrocarpa]* New Zealand Christmas Tree *[Metrosiderous excelsa]* Red-Flowering Gum *[Corymbia ficifolia]*
China Basin Park: Park Promenade	At Installation: Min. 48" Box At Maturity: 30' x 35' (H)	Wind: Medium-High Shade: Deep Shade	Low	• Scaled to intimating walking experience • Ornamental leaves, flowers, bark • Paving tolerant • Coastal tolerance	Red Oak cultivar *[Quercus rubra 'Crimson Spire']* Melaleuca *[Melaleuca quinquenervia]*
Shared Public Way	At Installation: Min 48" Box At Maturity: 45'-50' (H)	Wind: High Shade: Partial Shade	Low	• Fine textured canopy • Trunk 13'-6" clear from paving • 48" box min	Chinese Elm *[Ulmus parvifolia]* Strawberry Tree *[Arbutus 'Marina']* Southern Live Oak *[Quercus virginiana]*
Mission Rock Square	At Installation: Min 48" Box At Maturity: 45'-50' (H)	Wind: Medium Shade: Partial to Full Shade	Low	• Medium-Fine textured canopy • Winter/Summer interest • Trunk 8' clear from paving • 48" box min	Ginkgo *[Ginkgo biloba* cultivar] Freeman Maple *[Acer x. freemanii]* Chinese Elm *[Ulmus parvifolia]*
Neighborhood Street: Upright	At Installation: Min 48" Box At Maturity: 40' (H)	Wind: Medium Shade: Partial to Full Shade	Low	• Winter/Summer interest • Trunk 13'-6" clear from paving/ travel lanes	Brisbane Box *[Lophostemon confertus]* Red Oak cultivar *[Quercus rubra 'Crimson Spire']*
Neighborhood Street: Arching	At Installation: Min 48" Box At Maturity: 35'-40' (H)	Wind: Medium Shade: Partial Shade	Low	• Special flowering • Trunk 13'-6" clear from paving/ travel lanes	Victorian Box *[Pittosporum undulatum]* California Pepper *[Schinus molle]* Cork Oak *[Quercus suber]*
Channel Street / Channel Lane	See description for: Mission Rock Square and/or Neighborhood Street Tree: Upright				
Mission Bay Street Trees	Per OCII / Mission Bay Standards				

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016



TYPICAL TREE PLANTING AT STRUCTURED STREET

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.49: TREE PLANTING AT STRUCTURED STREET

FIGURE 8.50: STORMWATER TREATMENT CONCEPTUAL DIAGRAM

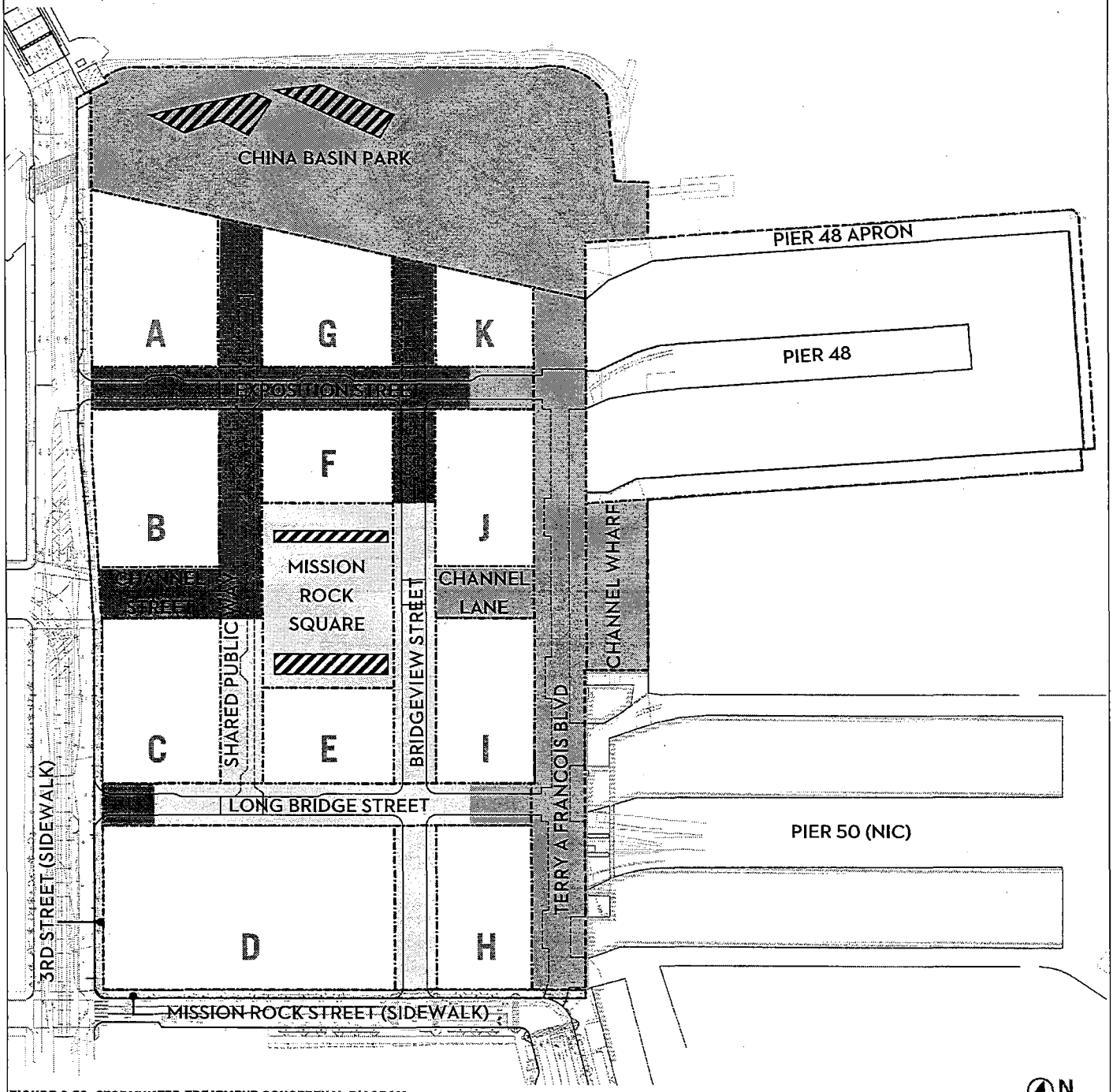
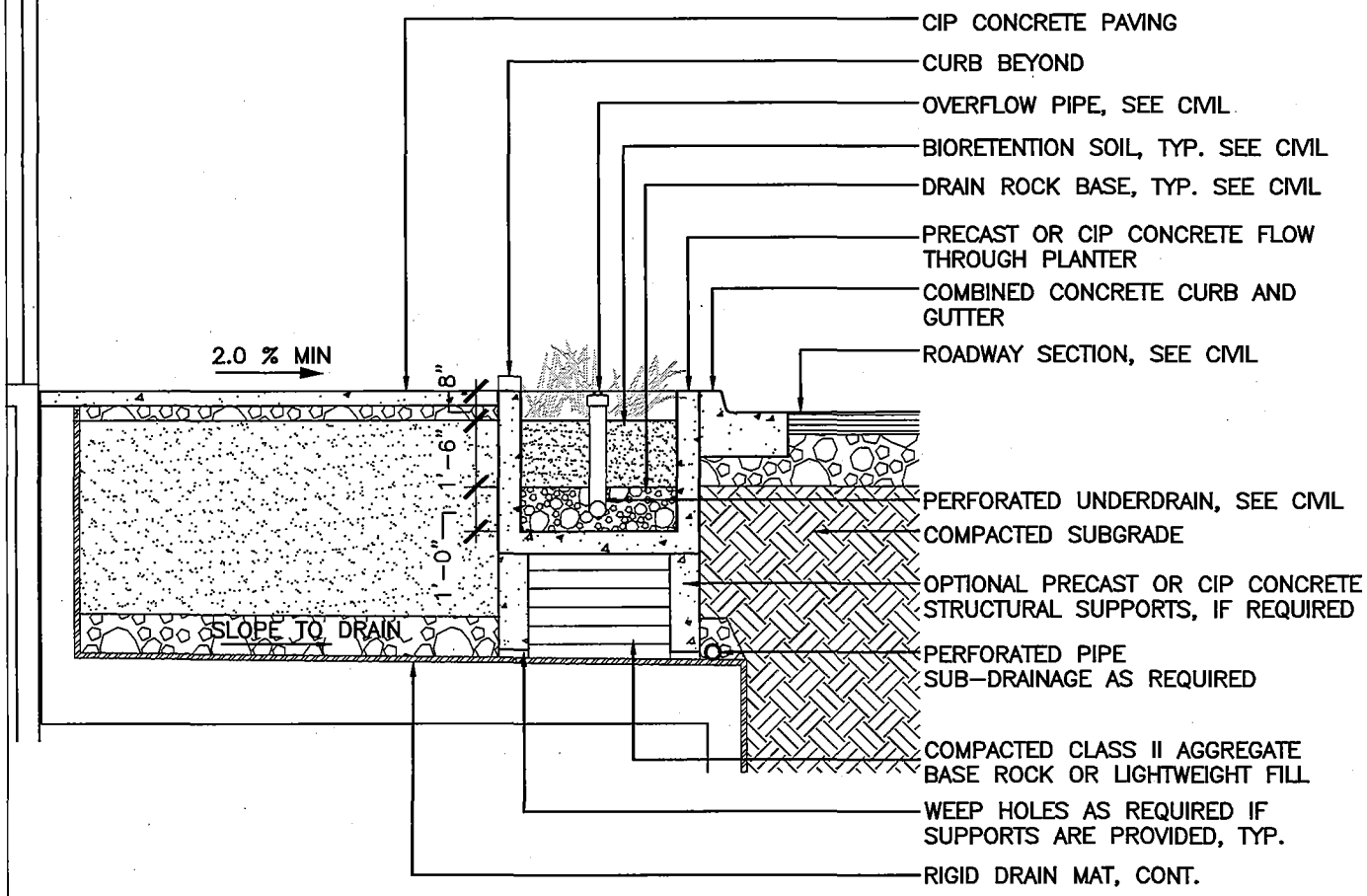


FIGURE 8.50: STORMWATER TREATMENT CONCEPTUAL DIAGRAM

- Localized Treatment
- Centralized Treatment: Mission Rock Square
- Centralized Treatment: China Basin Park
- Large Feature Stormwater Gardens
- Open Space (Shown for reference only)

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016



TYPICAL STORMWATER FLOW THROUGH PLANTER

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.51 STORMWATER FLOW-THROUGH PLANTER

FIGURE 8.52: LIGHTING DIAGRAM

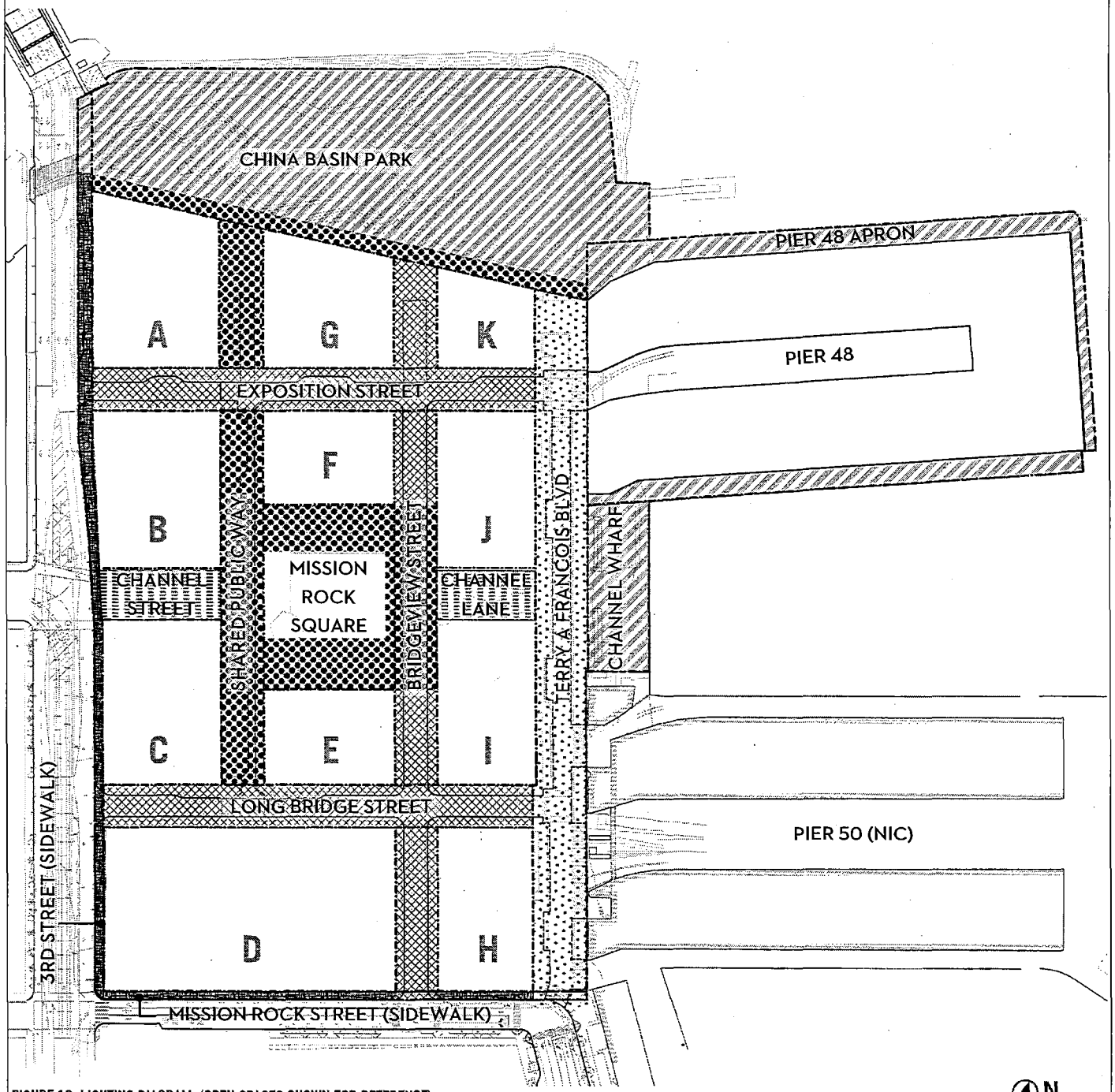


FIGURE 16: LIGHTING DIAGRAM (OPEN SPACES SHOWN FOR REFERENCE)

Zone 1: Waterfront
- *Light levels should be brightest at the buildings, and less bright at the waterfront to minimize impact on the ecosystem at the water's edge.*

Zone 2: High-Activity, High Retail
- *Opportunity for feature lighting; variety of light types encouraged; contributing ambient light from ground floor uses.*

Zone 3: Working-Waterfront
- *Iconic lighting; intersections should be highly visible.*

Zone 4: Neighborhood Streets
- *Some contributing light from ground-floor uses, especially on Bridgeview Street; intersection should be highly visible.*

Zone 5: Gateways
- *Opportunity for overhead lighting.*

Zone 6: District Streets
- *Mission Bay. Refer to OCII Mission Bay controls.*

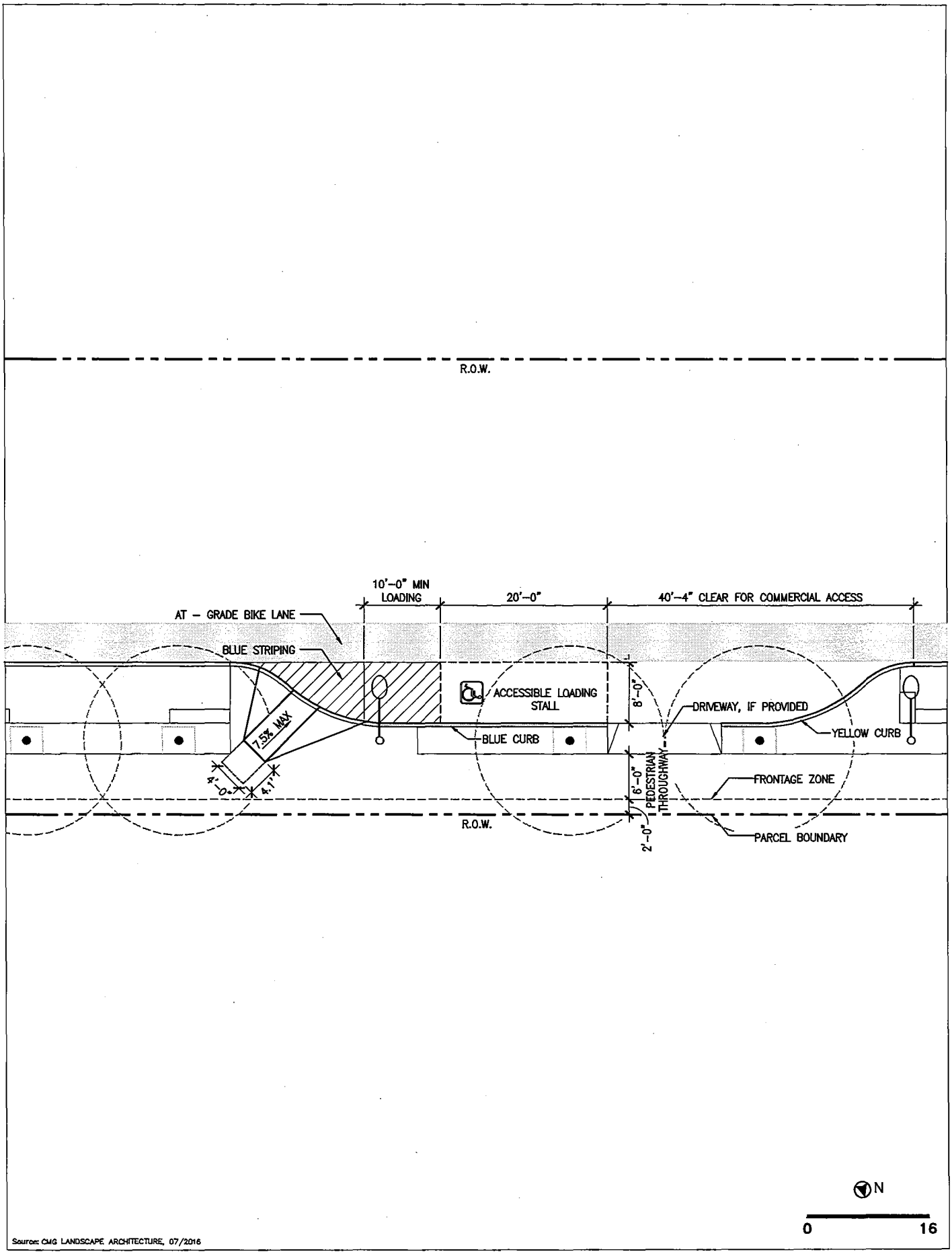
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.53: LIGHTING ZONES

LIGHTING ZONE	LIGHTING ZONE: DESCRIPTION	PEDESTRIAN LIGHT LEVELS (FOOTCANDLES)*	ROADWAY MINIMUM MAINTAINED AVERAGE LIGHT LEVEL (fc)*	UNIFORMITY RATIO, AVERAGE / MINIMUM*
Zone 1: Waterfront	*Light levels should be brightest at the buildings, and less bright at the waterfront to minimize impact on the ecosystem at the water's edge.*			
	Non-Waterfront Paths	1 fc Average	N/A	10:1
	Planting/Lawn Areas	0.5-0.8 fc Average	N/A	40:1
	Plaza/Wharf Areas	0.8-1 fc Average	N/A	20:1
	Waterfront Paths	0.5-0.8 fc Average	N/A	5:1
Zone 2: High Activity, High-Retail Zone	*Opportunity for feature lighting; variety of light types encouraged; contributing ambient light from ground-floor uses*			
	Mission Rock Square	0.5-0.8 fc Average	N/A	40:1
	Shared Public Way	1 fc Average	0.4 to 1 fc	4 to 6
Zone 3: Working Waterfront	*Working Waterfront. Iconic lighting; intersections should be highly visible.*			
	Terry A Francois Boulevard	1 fc Average	0.4 to 1.7 fc 1.8 fc at intersections	3 to 6
Zone 4: Neighborhood Streets	*Some contributing light from ground-floor uses, especially on Bridgeview Street. Intersections should be highly visible.*			
	Bridgeview Street & Exposition Street	0.5-0.8 fc Average	0.4 to 1.2 fc 1.4-1.8 at intersections	4 to 6
	Long Bridge Streets	1 fc Average	0.4 to 1.2 fc 1.4-1.8 at intersections	3 to 6
Zone 5: Gateways	*Opportunity for overhead lighting.*			
	Channel Street	1-1.2 fc Average	N/A	10:1
	Channel Lane	1-1.2 fc Average	N/A	10:1
Zone 6: District Streets	*Mission Bay. Refer to OCII Mission Bay controls.*			
	3rd & Mission Rock Streets (See OCII Standards)			

*Source: Better Streets Plan <www.sfbetterstreets.org/find-project-types/streetscape-elements/street-lighting/>

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.54: ACCESSIBLE LOADING AT EXPOSITION STREET

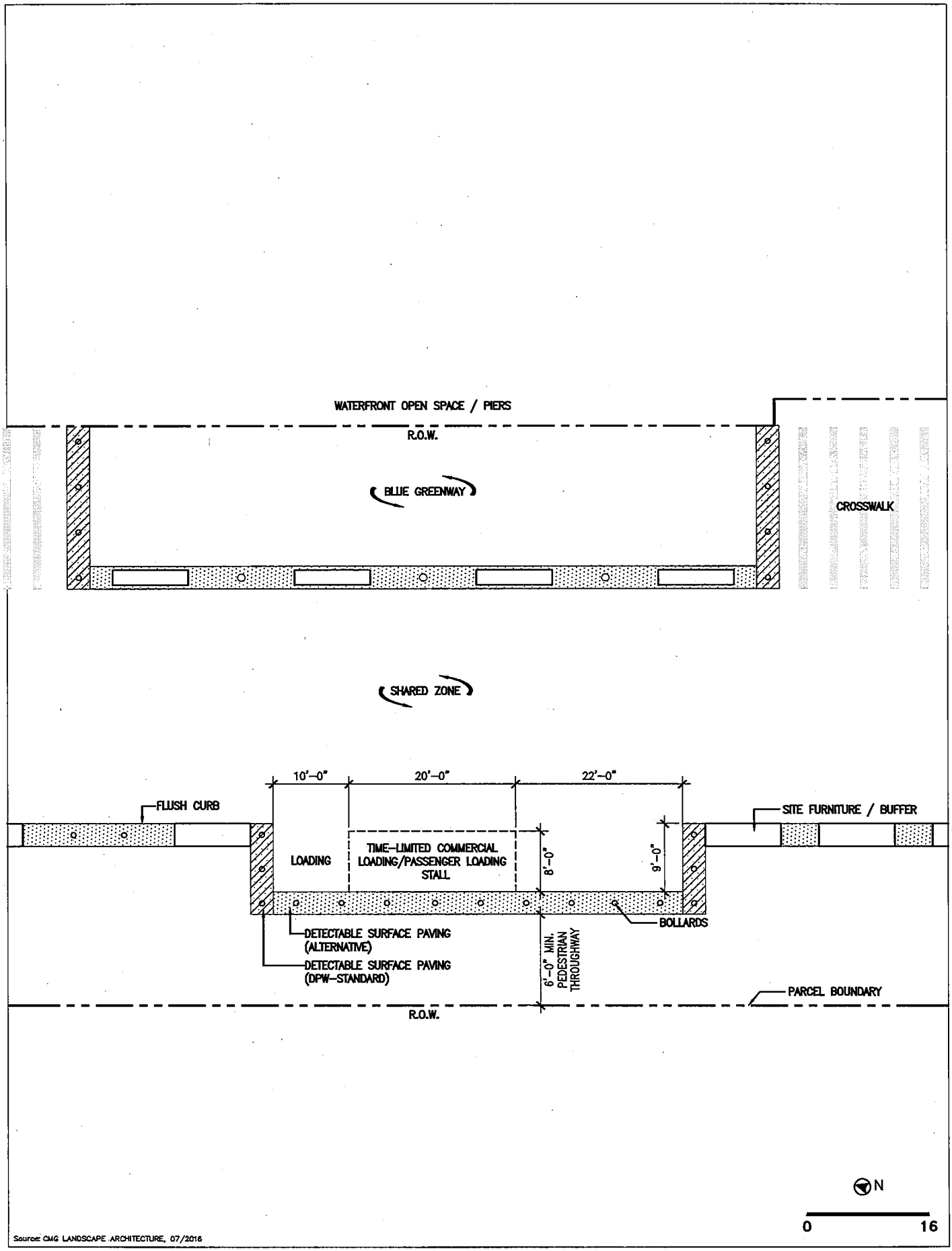
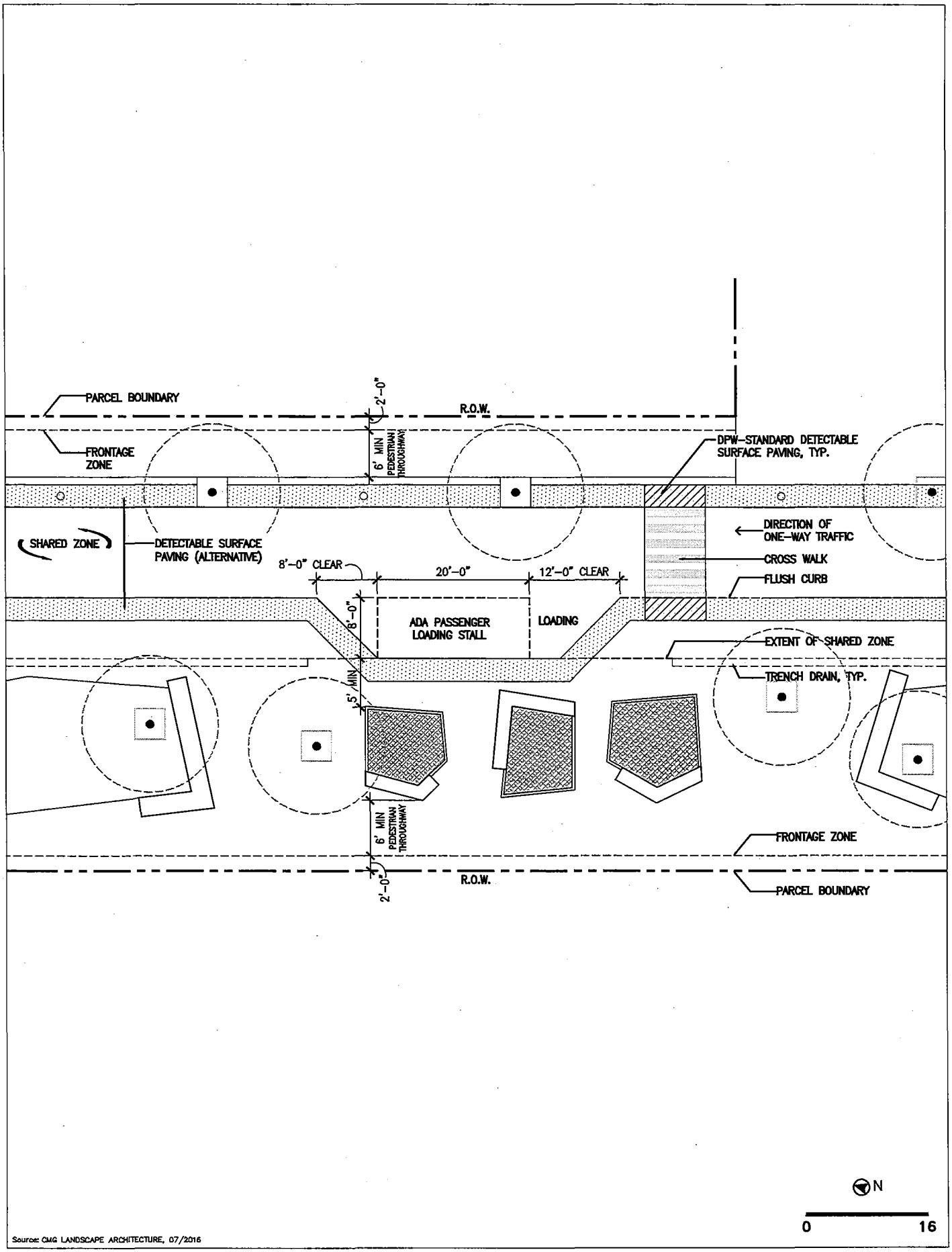
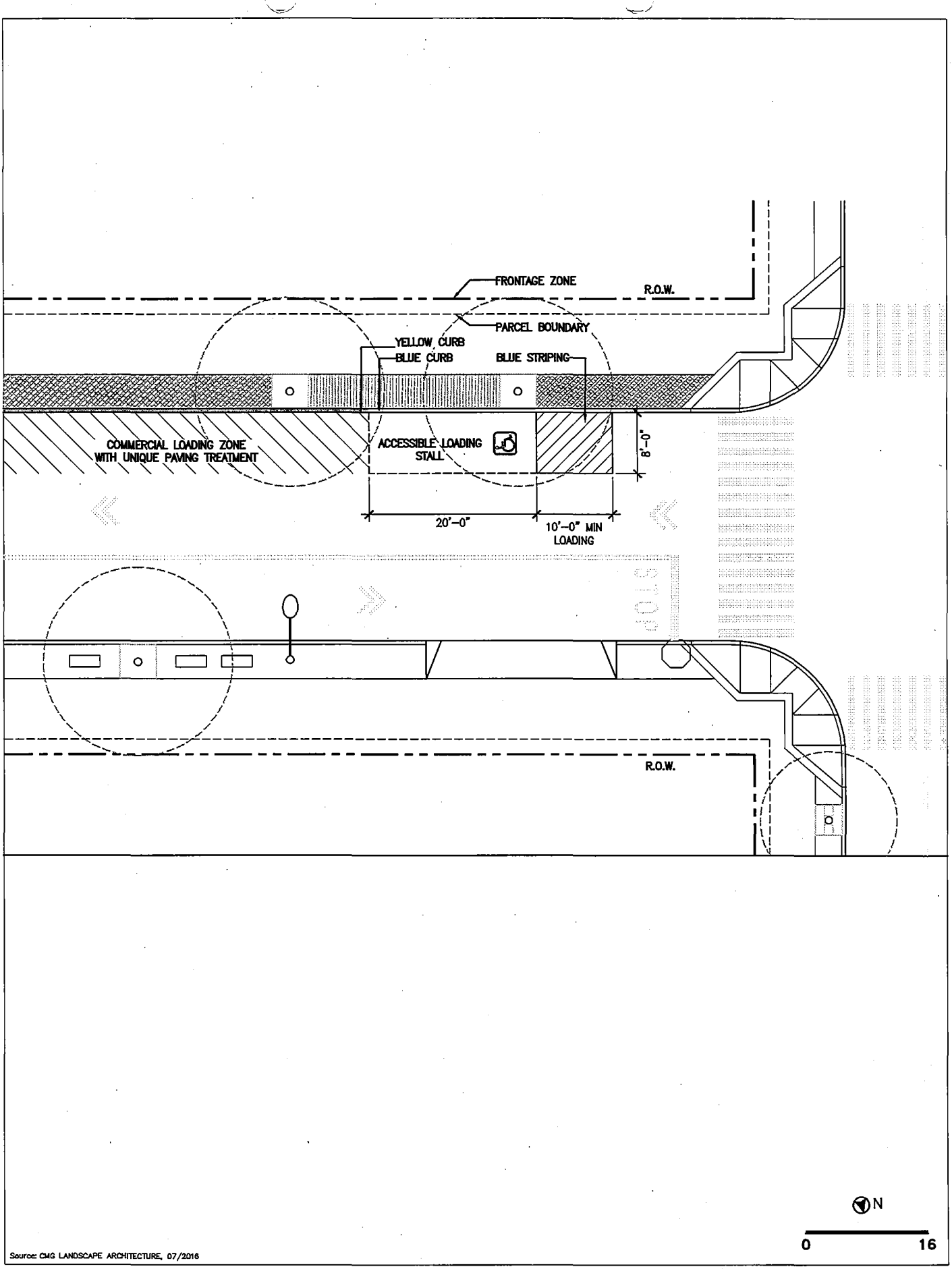


FIGURE 8.55: ACCESSIBLE LOADING AT TERRY A FRANCOIS BOULEVARD



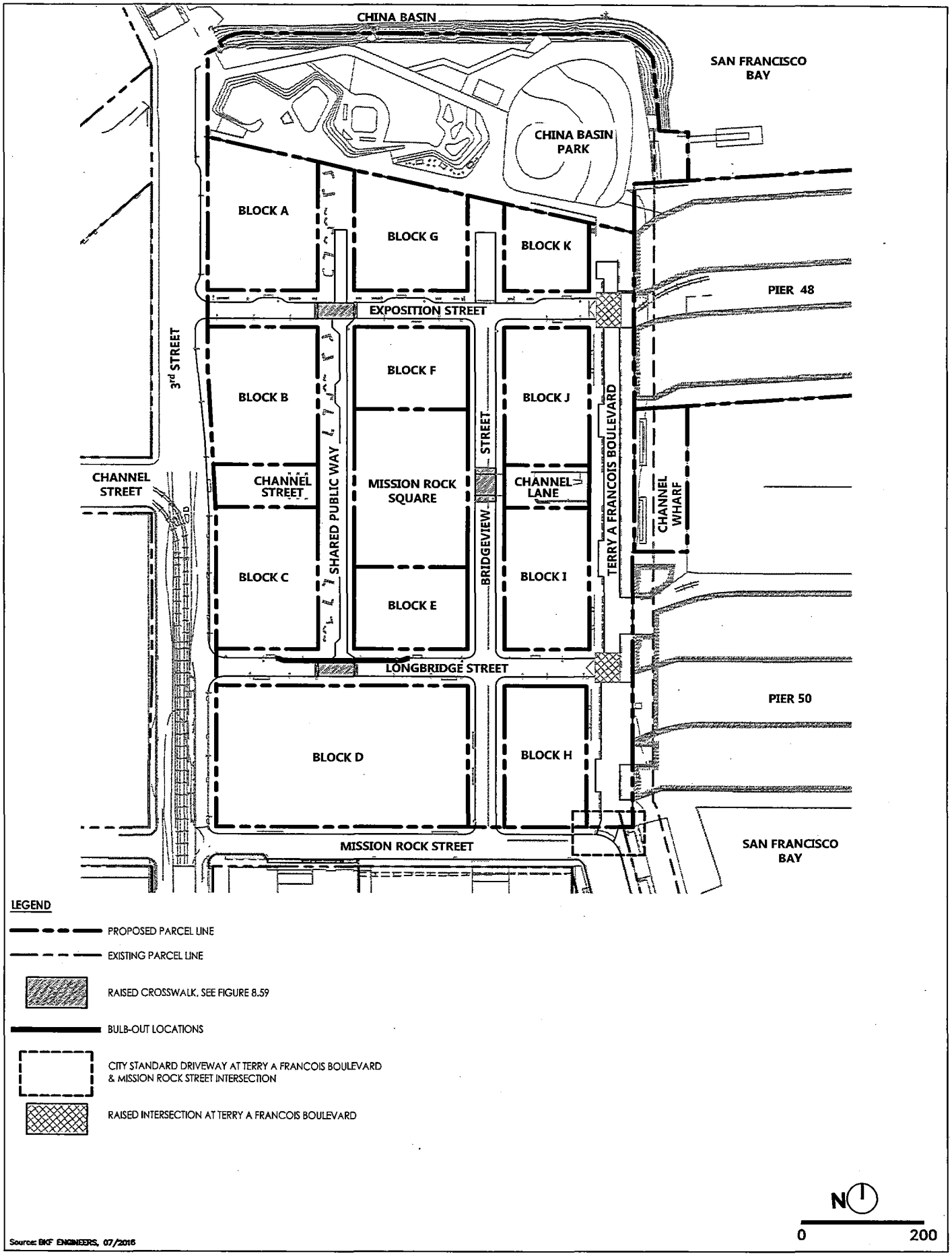
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.56: ACCESSIBLE LOADING AT SHARED PUBLIC WAY



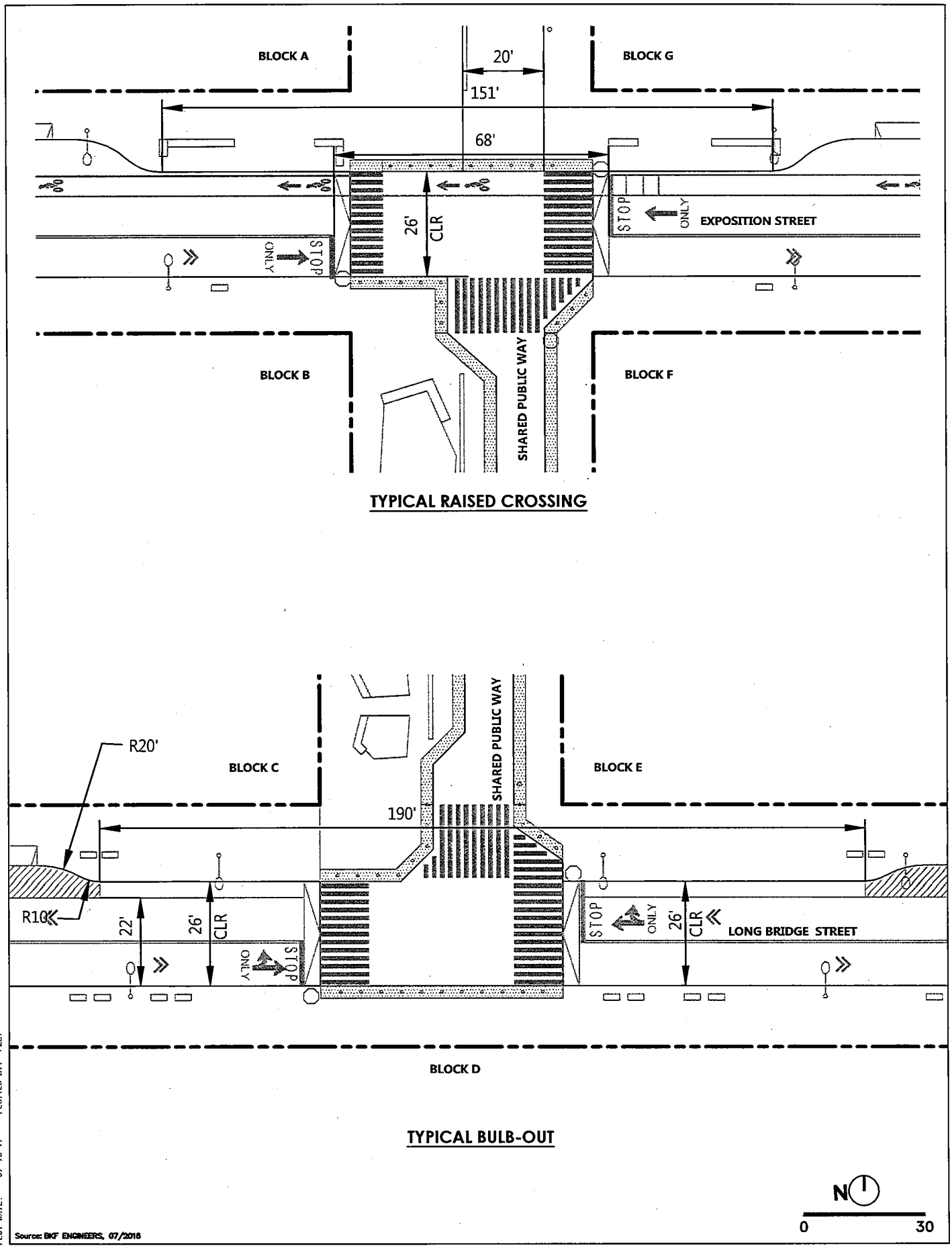
Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.57: ACCESSIBLE LOADING AT LONG BRIDGE STREET



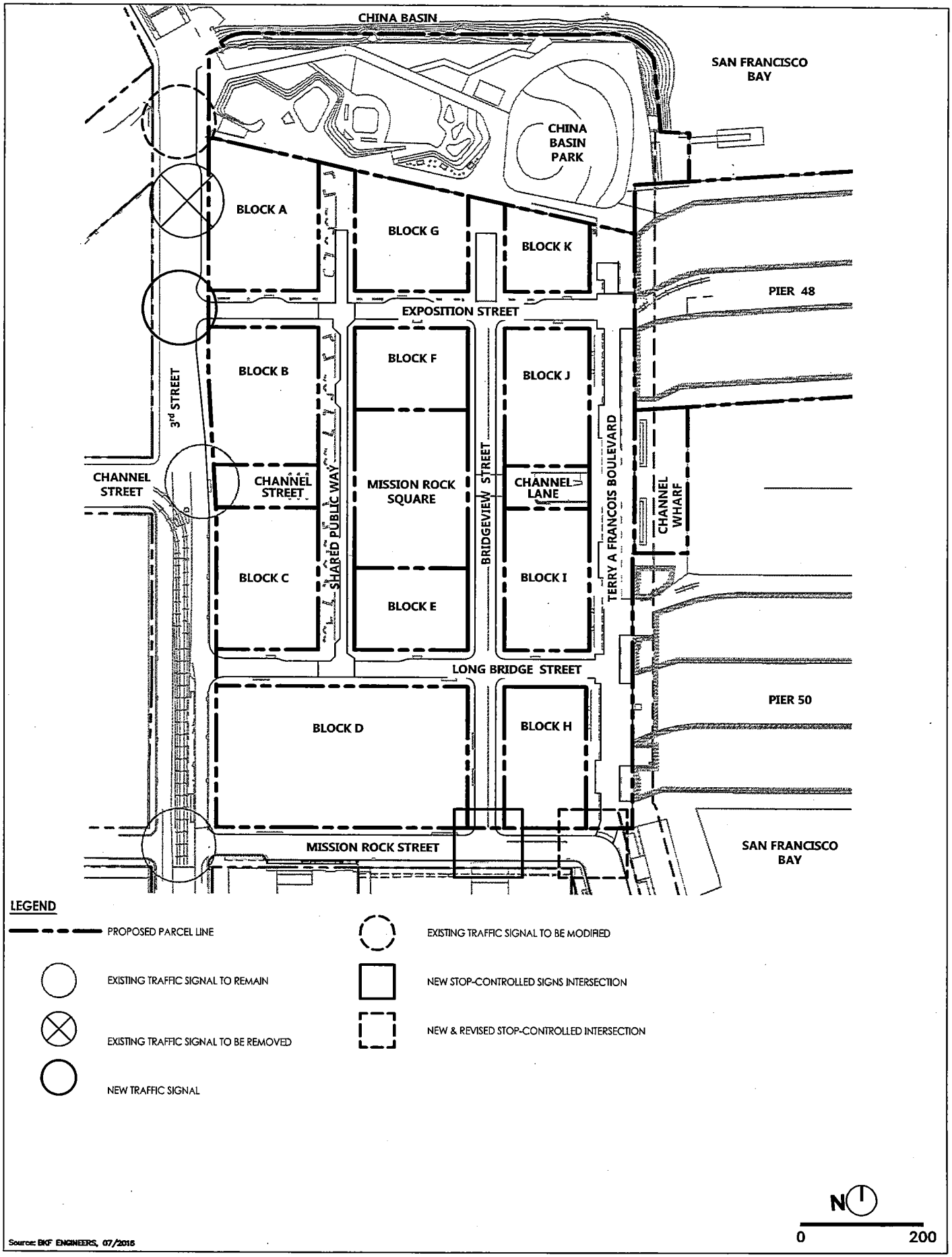
DRAWING NAME: \\BKF-SF\vol4\2006\006006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.58 Potential Traffic Calming Elements.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FEL1

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.58 - POTENTIAL TRAFFIC CALMING ELEMENTS**



Source: BKF ENGINEERS, 07/2016

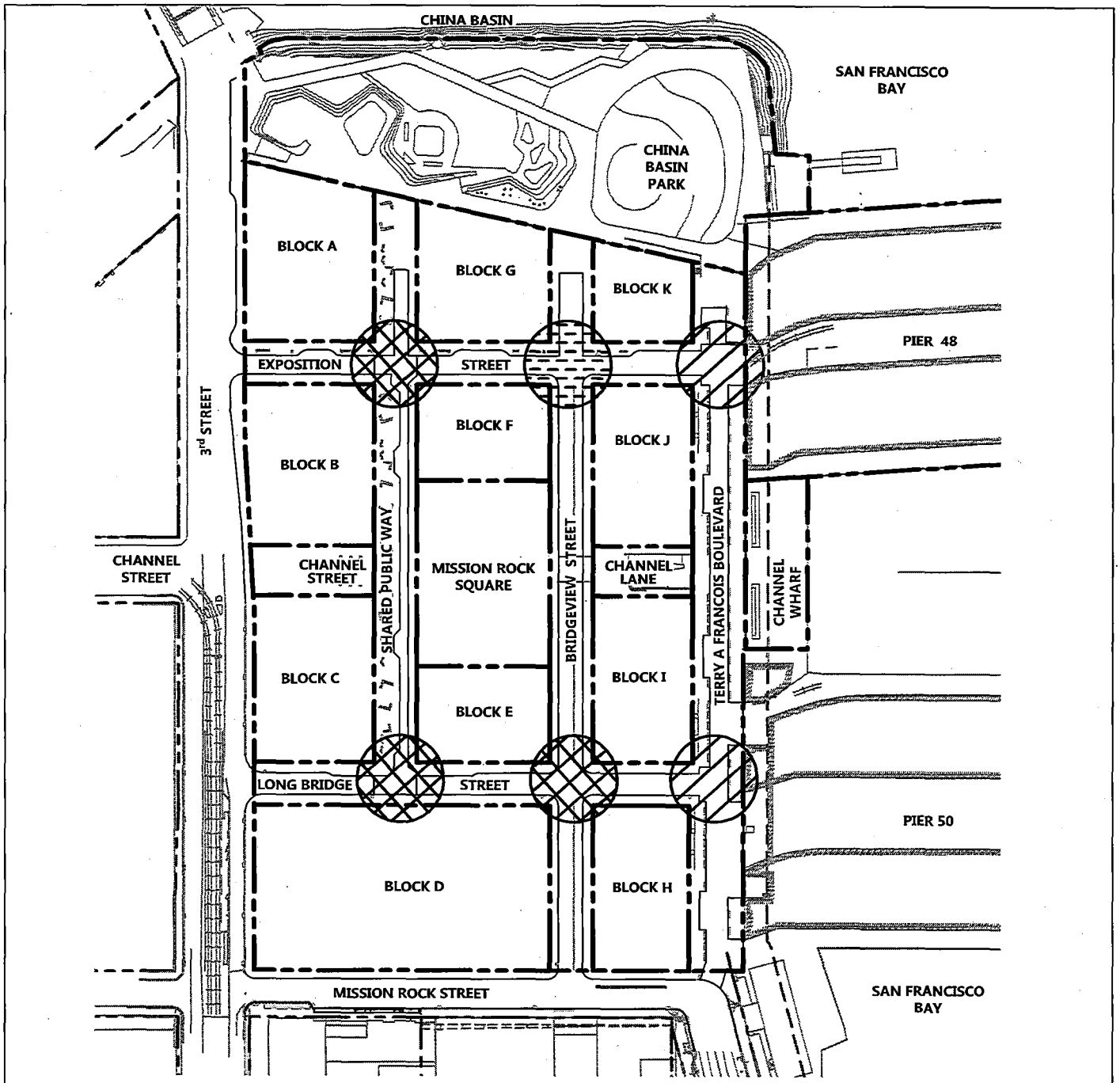
DRAWING NAME: \\BKF-SF\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.59 Typical Raised Crossing & Bulb-Out Details.dwg
PLOT DATE: 07-13-17 PLOTTED BY: PELI



DRAWING NAME: \\BKF-SF\vol4\2009\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.80 Off-Site Traffic Mitigations.dwg
PLOT DATE: 07-15-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN

FIGURE 8.60 - OFF-SITE TRAFFIC MITIGATIONS



LEGEND

PROPOSED PARCEL LINE

THREE WAY STOP-CONTROLLED INTERSECTION

ONE WAY STOP-CONTROLLED INTERSECTION

TWO WAY STOP-CONTROLLED INTERSECTION

N

0 200

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2016\090206_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 8.61 On-site Traffic Mitigations.dwg
PLOT DATE: 07-13-17 PLOTTED BY: kaya

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 8.61 - ON-SITE TRAFFIC MITIGATIONS**

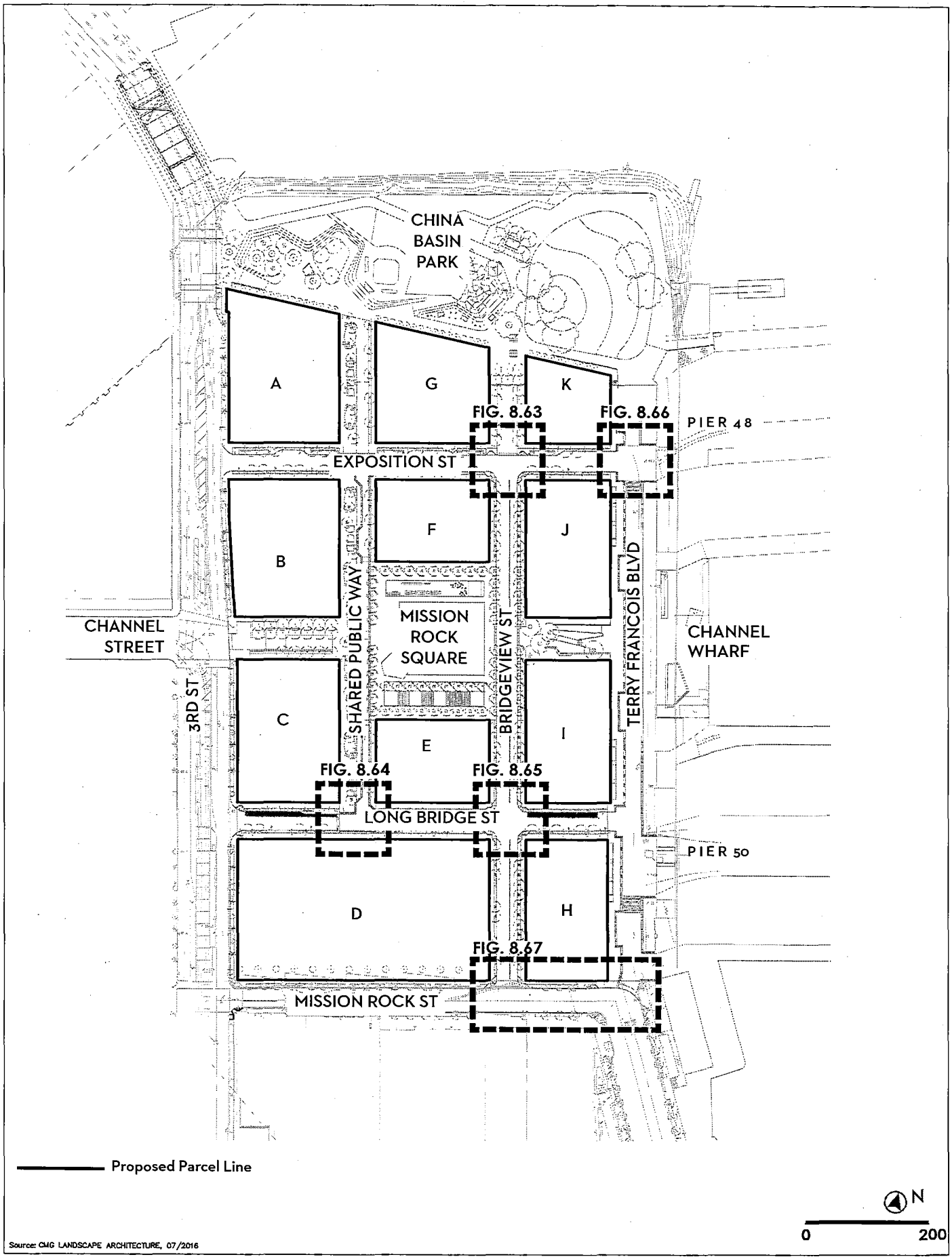
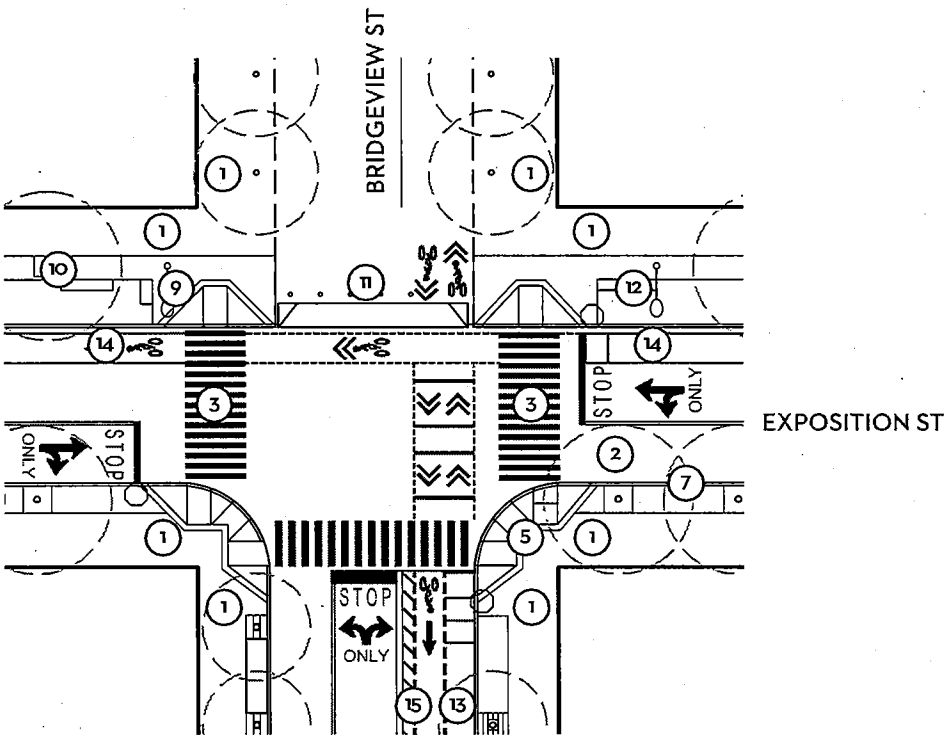


FIGURE 8.62 INTERSECTION DESIGN KEY PLAN



TYPICAL INTERSECTION ALL-WAY STOP: EXPOSITION STREET AT BRIDGEVIEW STREET

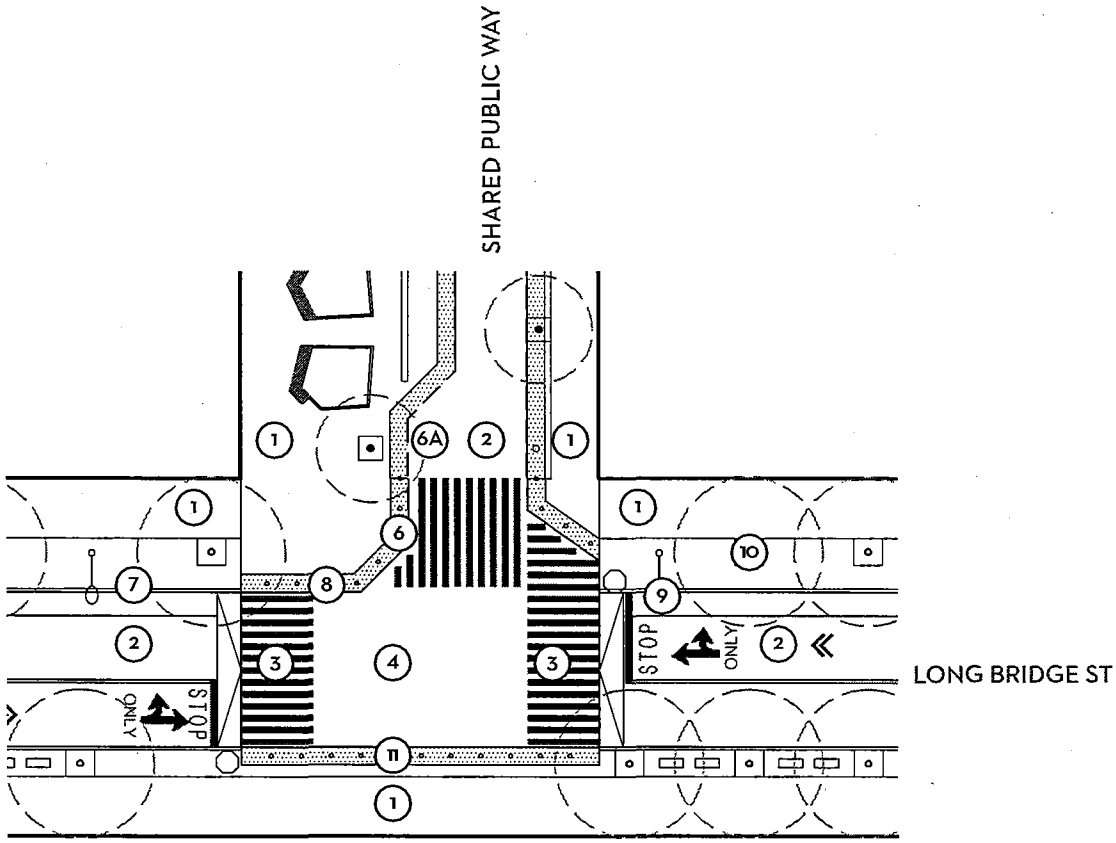
1. Pedestrian Throughway
2. Vehicular Travelway
3. Crosswalk
4. Raised Intersection
5. DPW Standard Curb Ramp
6. DPW Standard Detectable Surface Paving
7. DPW Standard Curb
8. Flush Curb
9. Streetlight
10. Street Tree
11. Bollards
12. Street Furnishing
13. Cycle Track (Raised)
14. Bike Lane at Roadway Grade
15. Cycle Track Buffer

N

0 30

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.63 TYPICAL ALL-WAY STOP INTERSECTION



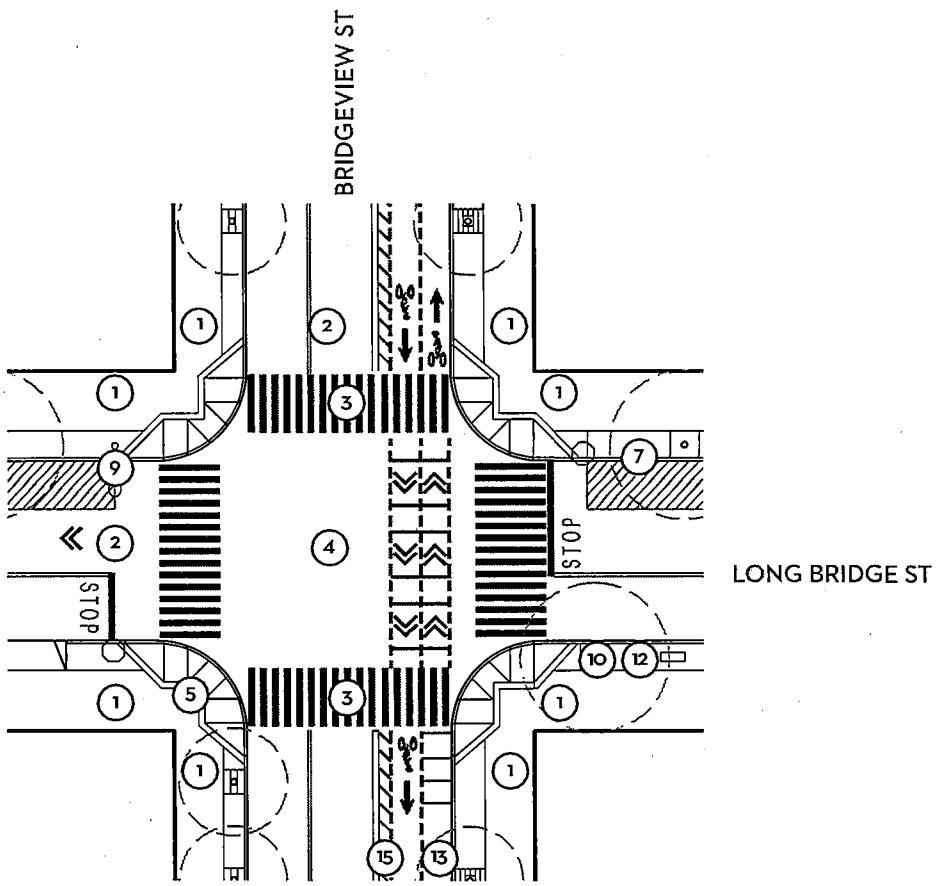
RAISED INTERSECTION: SHARED PUBLIC WAY AT LONG BRIDGE STREET

1. Pedestrian Throughway
2. Vehicular Travelway
3. Crosswalk
4. Raised Intersection
5. DPW Standard Curb Ramp
6. DPW Standard Detectable Surface Paving
6A. Detectable Surface Paving: Alternative
7. DPW Standard Curb
8. Flush Curb
9. Streetlight
10. Street Tree
11. Bollards
12. Street Furnishing
13. Cycle Track (Raised)
14. Bike Lane at Roadway Grade

N

0 30

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016



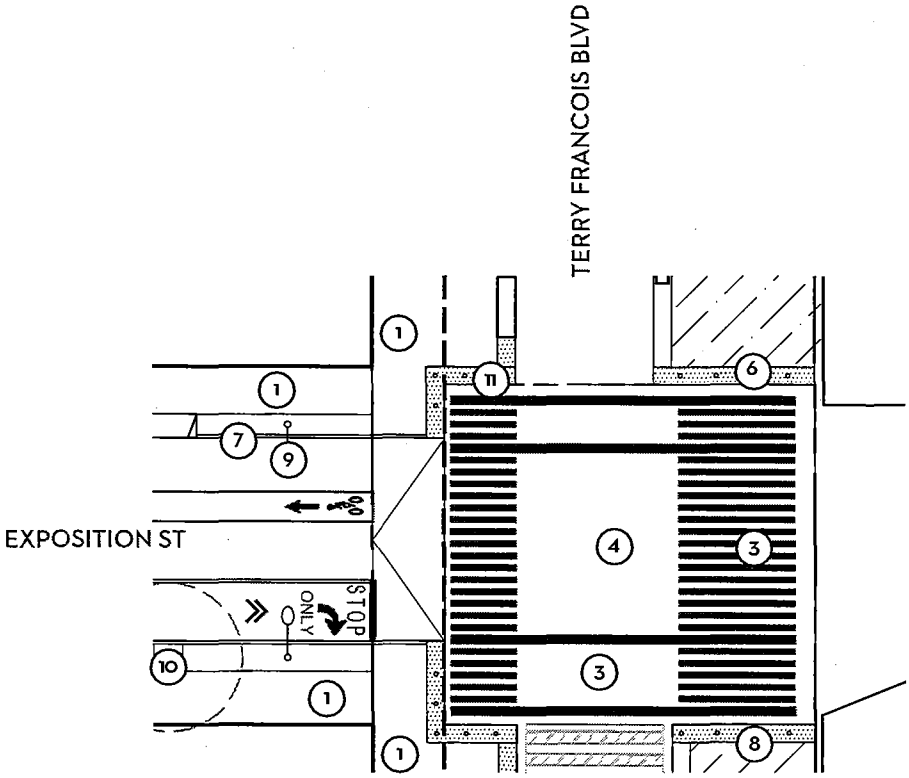
RAISED INTERSECTION / 2-WAY STOP: BRIDGEVIEW STREET AT LONG BRIDGE STREET

1. Pedestrian Throughway
2. Vehicular Travelway
3. Crosswalk
4. Raised Intersection
5. DPW Standard Curb Ramp
6. DPW Standard Detectable Surface Paving
7. DPW Standard Curb
8. Flush Curb
9. Streetlight
10. Street Tree
11. Bollards
12. Street Furnishing
13. Cycle Track (Raised)
14. Bike Lane at Roadway Grade
15. Cycle Track Buffer

N

0 30

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016



FLUSH INTERSECTION: TERRY FRANCOIS BOULEVARD AT PIER 48

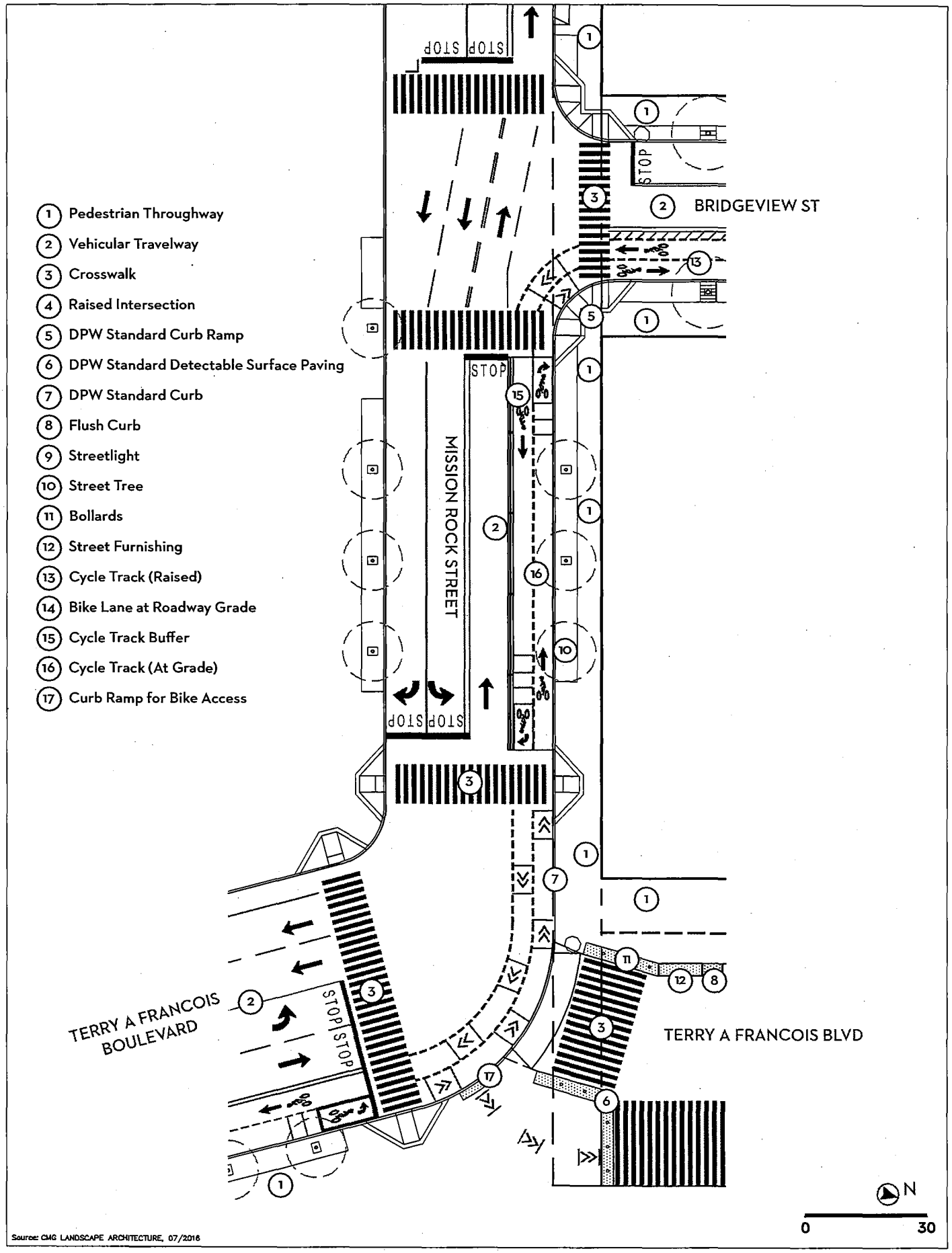
1. Pedestrian Throughway
2. Vehicular Travelway
3. Crosswalk
4. Raised Intersection
5. DPW Standard Curb Ramp
6. DPW Standard Detectable Surface Paving
7. DPW Standard Curb
8. Flush Curb
9. Streetlight
10. Street Tree
11. Bollards
12. Street Furnishing
13. Cycle Track (Raised)
14. Bike Lane at Roadway Grade

N

0 30

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.66 TYPICAL FLUSH INTERSECTION



Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 8.67 MISSION ROCK STREET INTERSECTIONS

9. OPEN SPACE AND PARKS

The following describes the phasing of construction of open space and parks in connection with the Development Parcels. Unless specifically identified otherwise in the Section, ownership, maintenance, and acceptance of the open space and park areas will be by the Master Developer or Port, subject to the terms of the DDA.

9.1 Open Space

Open space shall be substantially Completed consistent with the following schedule:

9.1.1 China Basin Park

China Basin Park will be constructed in connection with the adjacent Development Parcels A, G and K, as further described in the associated Public Improvement Agreement(s) (PIA) for such Development Parcels. Construction of China Basin Park, including, without limitation, the portions of the park located between and adjacent to Development Parcels A and G and Development Parcels G and K, may be sequenced in relation to the phasing of such adjacent Development Parcels or to accommodate the need for construction staging or likelihood of site disturbances associated with construction of the adjacent Development Parcels.

9.1.2 Mission Rock Square

Mission Rock Square will be constructed in connection with the adjacent Development Parcels (E and F), as further described in the associated PIAs for such Development Parcels. Construction may be sequenced or adjusted as needed to accommodate construction of adjacent Development Parcels.

9.1.3 The Blue Greenway and the non-pile supported portion of Channel Wharf

The Blue Greenway and the non-pile supported portion of Channel Wharf (as described herein) will be constructed in connection with the construction of the adjacent portion of Terry A Francois Boulevard. The Blue Greenway is within the public street right-of-way of Terry A Francois Boulevard and will be owned and maintained by the Acquiring Agency.

9.1.4 Channel Street

Channel Street will be constructed in connection with the adjacent Development Parcels (B and C) as further described in the associated PIAs for such Development Parcels. Construction may be sequenced or adjusted as needed to accommodate construction of adjacent Development

Parcels. Ownership and maintenance and liability for Channel Street and encroachments thereon shall be addressed as set forth in the ICA or future MOA or MOU.

9.1.5 Channel Lane

Channel Lane will be constructed in connection with the adjacent Development Parcels (I and J) as further described in the associated PIAs for such Development Parcels. Construction may be sequenced or adjusted as needed to accommodate construction of adjacent Development Parcels. Ownership and maintenance and liability for Channel Lane and encroachments thereon shall be addressed as set forth in the ICA or future MOA or MOU.

9.1.6 Pier 48 Apron and the pile supported portion of Channel Wharf

The Pier 48 apron and the pile supported portion of Channel Wharf will be renovated, replaced or constructed in connection with the development of Pier 48. The Pier 48 Apron will be owned, maintained, and accepted by the Port.

FIGURE 9.1: PUBLIC OPEN SPACES

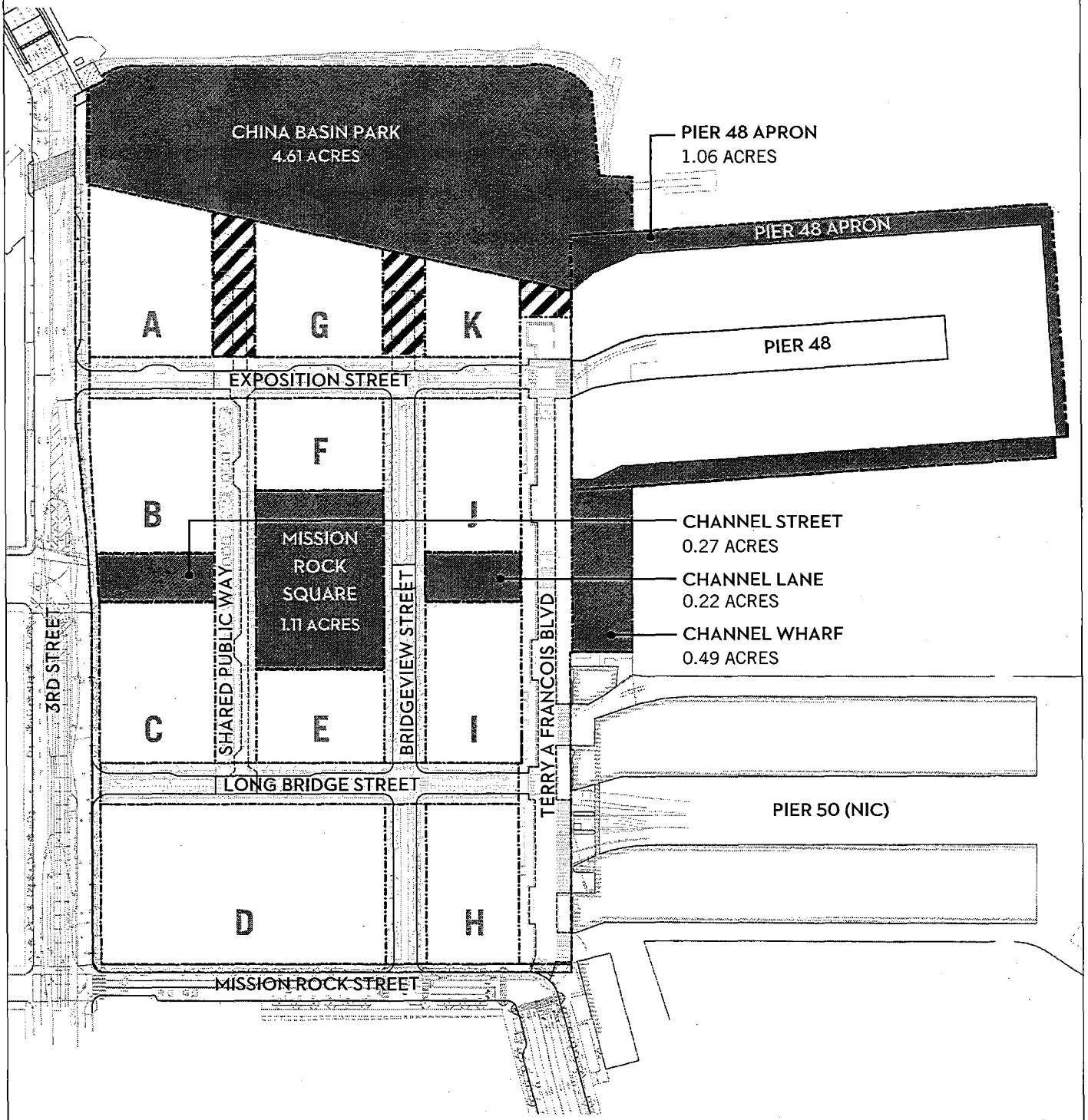


FIGURE 9.1: PUBLIC OPEN SPACES

N

Public Open Spaces

Paseo (Open Space within R.O.W.)
- *Non-vehicular street connection; accommodates emergency vehicle access. Refer to Section 8.*

Limit of Work

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

FIGURE 9.2: PHASING

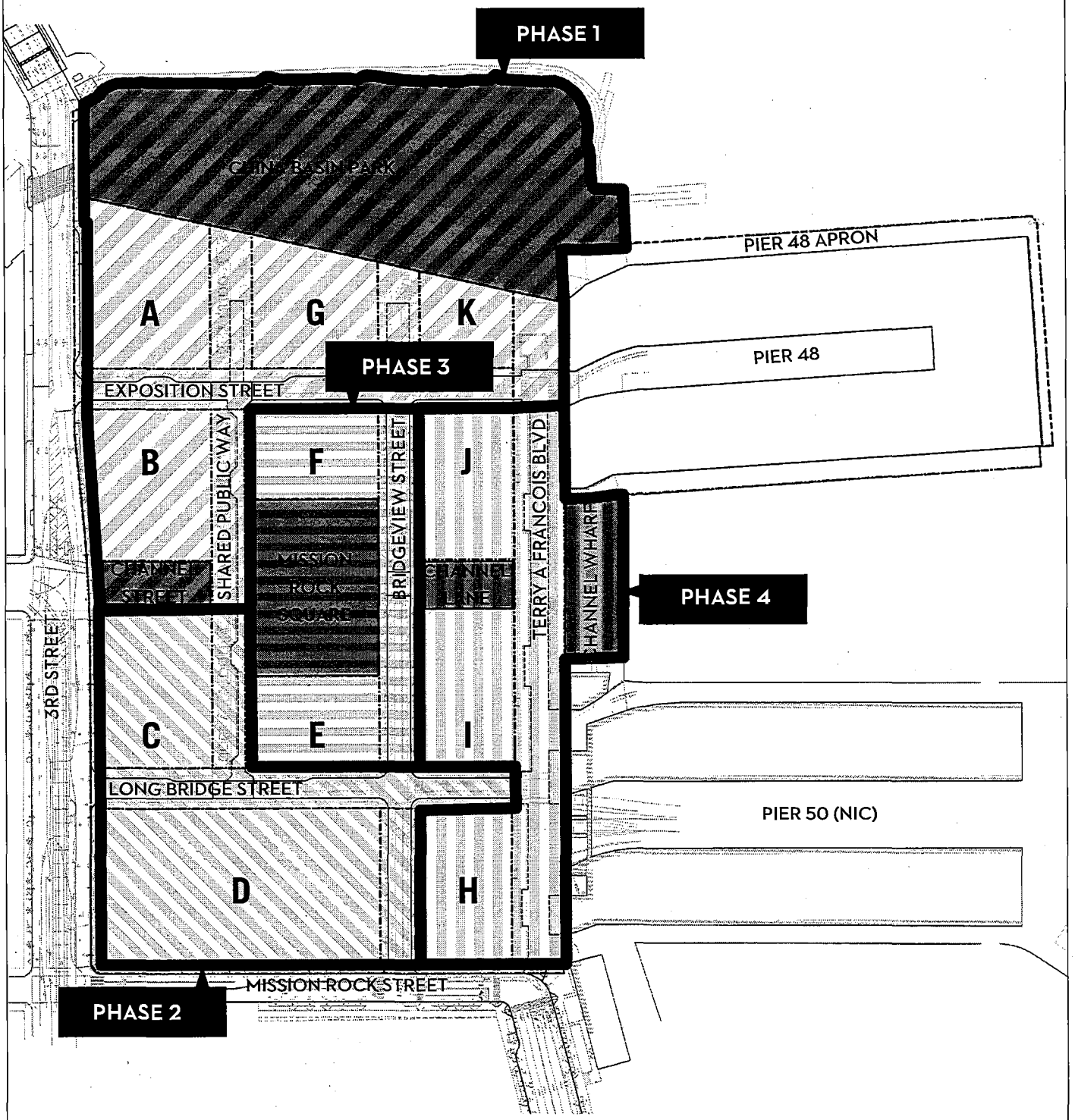


FIGURE 9.2: PHASING

N

Public Open Spaces

Phases of Development

Source: CMG LANDSCAPE ARCHITECTURE, 07/2016

10. UTILITY LAYOUT AND SEPARATIONS

10.1 Utility Systems

The Project proposes to install public utility systems, including the storm drainage system, separated sanitary sewer system, low pressure water (LPW) system, auxiliary water supply system (AWSS), and dry utility systems. Privately owned and maintained systems – district energy, greywater collection– will be installed to promote Project sustainability goals. Non-potable water infrastructure within the street right-of-ways will either be privately or publicly, by the SFPUC, owned or maintained. Ownership, maintenance, and acceptance responsibilities of utility infrastructure will be documented in the DA and DDA.

10.2 Utility Layout and Separation Criteria

Utility main layout and separations will be designed in accordance with the Subdivision Regulations and SFPUC Utility Standards. The Project proposes district energy cooling, non-potable water, and greywater collection systems which have utility separation requirements based on the Subdivision Regulations Diagram 2 and separation requirements provided by ARUP, shown in Appendix H. Utility main separation requirements are presented in Figure 10.1 Horizontal Utility Main Separation Matrix.

10.3 Conceptual Utility Layout

The Project utility layout is designed to connect the proposed Project utility infrastructure to the existing adjacent public utility infrastructure facilities. The proposed LPW system, shown on Figure 11.1, will be a looped system and have three connections to the existing SFPUC LPW system on 3rd Street and Mission Rock Street. The proposed separated sanitary system, shown on Figure 12.1, will have three connections to the existing SFPUC sanitary sewer system on both 3rd Street and Mission Rock Street. The proposed storm drainage system, shown on Figure 13.1, will have four connections to the existing SFPUC storm drain system on 3rd Street, a potential connection to the existing SFPUC storm drain system on Mission Rock Street, a connection to the existing Port outfall at China Basin, and a connection to the existing Port outfall at Channel Wharf, which, if accepted by the SFPUC as part of the Project, will be provided to the SFPUC subject to compliance the SFPUC standards for outfall design. The proposed AWSS, shown on Figure 14.1, will be a looped system a connection to the existing 12-inch AWSS main in 3rd Street at the Exposition Street intersection and to a future SFPUC AWSS main at the intersection of Mission Rock Street and Terry A Francois Boulevard. The district energy plant and infrastructure layout, shown on Figure 15.1, and greywater collection, shown on Figure 15.2 will be centralized at Block A. The bay source system will

be installed in China Basin Park to connect the district energy plant to the Bay. From Block A, District Energy and non-potable water will be provided to all Development Parcels.

10.4 Utility Layout and Clearance Design Modifications and Exceptions

Due to constraints within the Project site, design modifications and exceptions to standard sizing, spacing, and locations of utilities will be requested. A design modification and exception request to utility standards and requirements is subject to the review and approval by the department with authority over each utility. The separated sanitary sewer system, storm drainage system, LPW system, AWSS, and non-potable water system design modifications and exceptions receive authorization per the process outlined in the Subdivision Regulations. Potential locations for the design modifications and exceptions listed in this section are shown in Figure 10.2. Approval of this Infrastructure Plan does not constitute authorization of utility-related design modifications and exceptions.

10.4.1 Utility Main Clearance to Face of Curb

A bulb-out section, approximately 190-feet long, at the intersection of Long Bridge Street and Shared Public Way (SPW) will be provided for traffic calming purposes. The bulb-out reduces the face of curb to face of curb width from 30-feet to 26-feet. The Low Pressure Water main separation to the face of curb is given priority which ultimately reduces the Storm Drain structure to face of curb separation to 0.3-feet from the required 4.5-feet clearance. If the AWSS main is removed from Long Bridge Street, as currently proposed based on recent discussions, 4.5-ft of clearance between the bulb-out and LPW main may be provided and a design modification and exception request would not be required.

SPW will not have a curb, and Terry A Francois Boulevard will utilize flush curbs. The clear street width is 20 feet on SPW, which does not provide adequate width for the horizontal layout of District Energy pipes, a non-potable water main, a LPW main, and a storm drainage main. Thus, the project proposes to locate the storm drainage main underneath the edge of the clear travel way and beneath the linear drainage element. Proposed storm drainage infrastructure would be accepted by the Acquiring Agency with maintenance completed through the HOA fees or CFD funds. If the SFPUC and City do not accept the infrastructure, then the Acquiring Agency will be the Port.

10.4.2 Utility Structure Type and Clearance to Face of Curb

TFB, SPW, and the northern segment of Bridgeview Street will utilize flush curbs in place of City standard curb and gutter design, eliminating feasible installation of City standard curb inlets. To accommodate the Project design approach, a linear drainage element, including but not limited to a valley gutter, inverted crown street, or trench drains, in combination with inlets at low points will be incorporated at or along the flowline to provide drainage. Proposed storm drainage infrastructure would be accepted by the Acquiring Agency with maintenance completed through the HOA fees or CFD funds.

10.4.3 Auxiliary Water Supply System Main within Sidewalk

The street width of Terry A Francois Boulevard is inadequate to provide horizontal clearance for all proposed utility mains within the street pavement. The proposed AWSS main will be located underneath the blue greenway on the east side of Terry A Francois Boulevard, as agreed upon between the developer and the City, SFFD, and SFPUC.

10.4.4 Storm Drain Main and Sanitary Sewer Main Layout Order

Per the Subdivision Regulations, street utility order places the storm drain main closest to the face of curb, then the sanitary sewer main closer to the centerline of the street section. In Terry A Francois Boulevard and Exposition Street, the utility order of the storm drain main and the sanitary sewer main is switched to place the sanitary sewer main closest to the face of curb instead of the storm drain main. This change in layout order provides better alignment with the storm drain connection on 3rd Street and reduces crossing conflicts between the sanitary sewer and storm drain systems.

Figure 10.1 - HORIZONTAL UTILITY MAIN SEPARATION

Utility Separation	Storm Drain	Sanitary Sewer	Sanitary Sewer Force Main	Potable Water (LPW)	Auxiliary Water Supply System	Recycled Water (Private)	Greywater Collection (Private)	District Energy (Private)	Structure Appurtenances of Other Utilities
Face of Curb	6.5' min FOC to CL sewer pipe or structure (Ref 1)	6.5' min FOC to CL sewer pipe or structure (Ref 1)	3.5' clear to OD (assumed from Ref 1)	4.5' clear to OD (Ref 4, see Note 1)	4.5' clear to OD (assumed from Ref 4, see Note 1)	4.5' clear to OD (assumed from Ref 4, see Note 1)	6.5' min FOC to CL greywater pipe or structure (Ref 1)	Street w/ CB: 4' clear to OD (assumed from Ref 1) Street w/o CB: 1' clear to OD (assumed from Ref 3)	---
Catch Basin	6" clear CB to MH, 1' clear to OD (Ref 1)	6" clear CB to MH, 1' clear to OD (Ref 1)	6" clear CB to utility structure, 1' clear to OD (Ref 1)	6" clear CB to utility structure, 1' clear to OD (Ref 1)	6" clear CB to utility structure, 1' clear to OD (Ref 1)	6" clear CB to utility structure, 1' clear to OD (Ref 1)	6" clear CB to utility structure, 1' clear to OD (Ref 1)	6" clear CB to utility structure, 1' clear to OD (Ref 1)	1' min clear OD to outside of structure
Storm Drain	---	3.5' min clear OD to OD (assumed from Ref 1)	3.5' min clear OD to OD (assumed from Ref 1)	4' clear OD to OD (Ref 2)	3.5' clear to OD (assumed from Ref 1)	3.5' clear to OD (assumed from Ref 1)	3.5' clear to OD (assumed from Ref 1)	3.5' clear to OD (assumed from Ref 1)	1' min clear OD to outside of structure
Sanitary Sewer	---	---	3.5' min clear OD to OD (assumed from Ref 1)	10' clear OD to OD (Ref 2)	3.5' min clear OD to OD (Ref 1)	3.5' min clear OD to OD (Ref 1)	3.5' min clear OD to OD (assumed from Ref 1)	3.5' min clear OD to OD (assumed from Ref 1)	1' min clear OD to outside of structure
Sanitary Sewer Force Main	---	---	---	10' min clear OD to OD (Ref 2)	3.5' min clear OD to OD (assumed from Ref 1)	3.5' min clear OD to OD (assumed from Ref 1)	3.5' min clear OD to OD (assumed from Ref 1)	3' min clear OD to OD (assumed from Ref 1)	1' min clear OD to outside of structure
Potable Water (LPW)	---	---	---	---	4' clear OD to OD (Ref 1 & 2)	4' clear OD to OD (Ref 1 & 2)	10' clear OD to OD (Ref 2)	4' clear OD to OD (assumed from Ref 1 & 2)	1' min clear OD to outside of structure
Auxiliary Water Supply System	---	---	---	---	---	3' clear to outside pipe (Ref 1)	3' clear to outside pipe (assumed from Ref 1)	3' min clear OD to OD (assumed from Ref 1)	1' min clear OD to outside of structure
Recycled Water	---	---	---	---	---	---	3' clear to outside pipe (assumed from Ref 1)	3' min clear OD to OD (assumed from Ref 1)	1' min clear OD to outside of structure
Greywater Collection	---	---	---	---	---	---	---	3' min clear OD to OD (assumed from Ref 1)	1' min clear OD to outside of structure
Structure Appurtenances of Other Utilities	---	---	---	---	---	---	---	---	2' min clear outside of structure to outside of structure

References

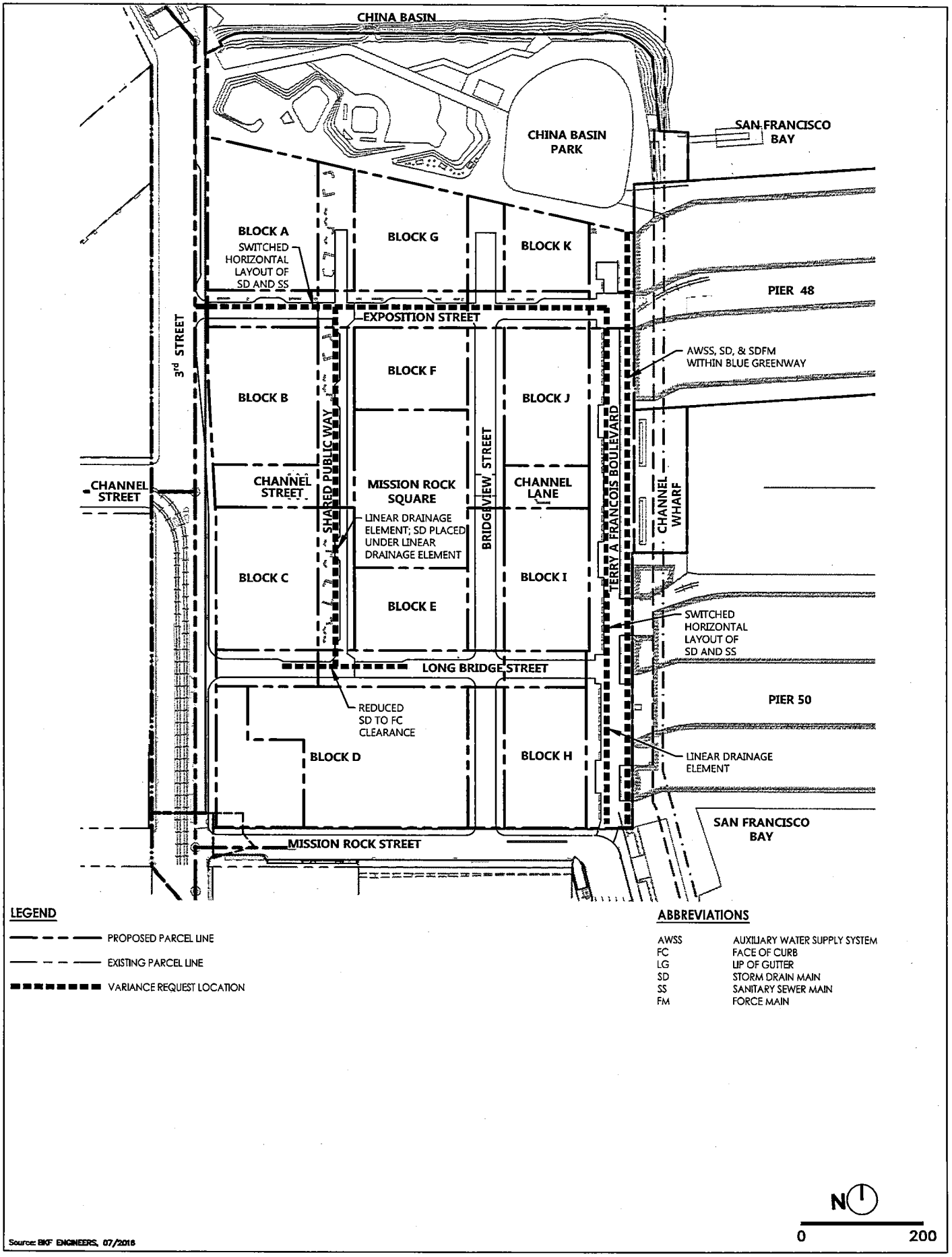
1 SFPUC Subdivision Regulations Diagram No. 2 Minimum Utilites Separation for Wastewater and Water - Separate Sewer System (dated October 2014)
2 CA Code of Regulations Title 22 Section 64572
3 District Energy Seperations Per ARUP Detail Mission Rock Typical Trench Sections District Energy (dated 01/12/2016), see Appendix H of Infrastrucutre Report
4 SFPUC Drawing CDD-001 Standard Layout for Potable and Recycled Water Distributuion Main Installation (dated Nov 2015)

Notes

1 Due to street width constraints LPW clearance to Face of Curb reduced but not less than 4' clear (SPW & Long Bridge)
2 Storm drain and sanitary sewer structures include manhole structures. Horizontal distances shall be measured from largest OD of manhole barrel.

Abbreviations

CB - Catch Basin
CL - Centerline
FOC - Face of Curb
MH - Manhole
MIN - Minimum
OD - Outside Diameter (of Pipe)
w/ - with
w/o - without



DRAWING NAME: \\BKI-s1\vol4\2008\080806_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Printed Sheets\Figure 10.2 Utility Variance Request Locations.dwg
PLOT DATE: 11-15-17 PLOTTED BY: volk

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 10.2 - POTENTIAL UTILITY VARIANCE REQUEST LOCATIONS**

11. LOW PRESSURE WATER SYSTEM

11.1 Existing Low Pressure Water System

Potable water service is provided by a water supply, storage, and distribution system operated by the SFPUC. Existing LPW system infrastructure surrounds the site on Terry A Francois Boulevard (12-inch), 3rd Street (12-inch), and Mission Rock Street (12-inch). Fire hydrants and Piers 48 and 50 are serviced through the existing waterline in Terry A Francois Boulevard.

11.2 Existing SFPUC System Capacity

Based on the report, "Computer Modeling and Analysis of the Low Pressure Water System, Mission Bay Development" by Winzler & Kelly dated May 2000 (2000 LPW Report), the existing mains along 3rd Street, Mission Rock Street, and Terry A Francois Boulevard will have adequate capacity to support the Development and do not require replacement. Fire hydrant pressure and flow data from field tests of existing SFPUC hydrants adjacent to the project site will be used to verify the 2000 LPW report assumptions. This field data will be incorporated into the LPW water model and will be included as part of the Low Pressure Water Master Utility Plan (LPWMP).

11.3 Proposed Low Pressure Water System

11.3.1 Project Water Supply

The Project has been accounted for in the SFPUC's latest City-wide demand projections provided in its 2013 Water Availability Study[1] and the Water Supply Assessment prepared for and approved by the SFPUC in January 2017. As concluded previously, the Project would not require major expansions of the existing water system.

11.3.2 Project Water Demands

The Project water demands are identified in Table 11.1 below. The LPWMP will outline the Project's methods used for calculating the flow demands. The Project proposes bay source cooling, which provides significant water savings by reducing the quantity of cooling towers for the Project; however, the WSA assumed that each development parcel would incorporate independent heating and cooling systems, resulting in larger water demands than those assumed in Table 11.1

[1] http://www.sfwater.org/modules/showdocument.aspx?documentid=4168

Table 11.1
Project Water Demands

Scenario	Demand (gpm)
Domestic Average Day Demand (ADD)	450
Maximum Day Demand (MDD) (includes peaking factor of 1.6)	721
Peak-Hour Demand (PHD) (includes peaking factor of 2.4)	1,081
Required Fire-Flow	1,875
Maximum Demand (Max Day Demand + Required Fire-Flow)	**2,596**

11.3.3 Project Water Distribution System

The LPW system will be designed and constructed by the Developer, then owned and operated by the Acquiring Agency upon completion of construction and acceptance of the improvements. The proposed LPW system is identified schematically in Figure 11.1. Along 3rd Street, two new LPW connections are proposed at Exposition Street and Long Bridge Street to provide an on-site looped system. The proposed domestic water supply and fire protection system is anticipated to consist of 12-inch ductile iron pipe mains, LPW fire hydrants, valves and fittings, and appurtenances. The LPW infrastructure will be located within the paved area of the street such that the outside wall of a potable water pipe is a minimum of 4.5-feet clear from the face of curb and a minimum of 5-feet clear from the center of proposed tree trunks. A portion of the existing LPW system in Mission Rock Street between Terry A Francois Boulevard and proposed Bridgeview Street may require relocation to accommodate bicycle infrastructure coordinated with the SFMTA.

Vertical and horizontal separation distances between adjacent separated sewer systems, LPW infrastructure, and dry utilities will conform to the requirements outlined in Title 22 of the California Code of Regulations, the State of California Department of Health Services Guidance Memorandum 2003-02, and the Subdivision Regulations. Refer to the Typical Utility Section (Figure 11.2) for depth and relationship to other utilities. Required disinfection and connections to new mains will be performed by the SFPUC at the Developer's cost. Cathodic protection to be provided as required by the SFPUC. Based on a cathodic protection analysis, cathodic protection is to be completed during the Development Phase of the project.

11.3.4 Low Pressure Water Design Criteria

The proposed LPW system is required to maintain a minimum pressure of 20 psi and a maximum velocity of 12 fps during a Maximum Day Demand and maintain a minimum pressure of 40 psi and a maximum velocity of 8 fps during a Peak Hour Demand. The Project LPW system will be modeled in the LPWMP to confirm the on-site system infrastructure will meet pressure and flow requirements.

11.3.5 Proposed Fire Hydrant Locations

As shown on Figure 11.3, proposed on-site and off-site fire hydrants have been located at a maximum radial separation of 300-feet between hydrants. In addition, building fire department connections will be located within 100-feet of a fire hydrant. Final hydrant locations are subject to the approval of the SFFD, SFPUC, and will be located outside of the curb returns per DPW Order 175,387. If fire hydrants are required by SFFD within the curb returns to meet SFFD requirements, the Project will work with the SFPUC and SFDPW to request an exception per Sections VI and VII of DPW Order 175,387 to accommodate the SFFD. Fire hydrants shall not be located within landscape or bioretention areas and must have a paved direct path leading to the adjacent access road.

11.4 Phases for Low Pressure Water System Construction

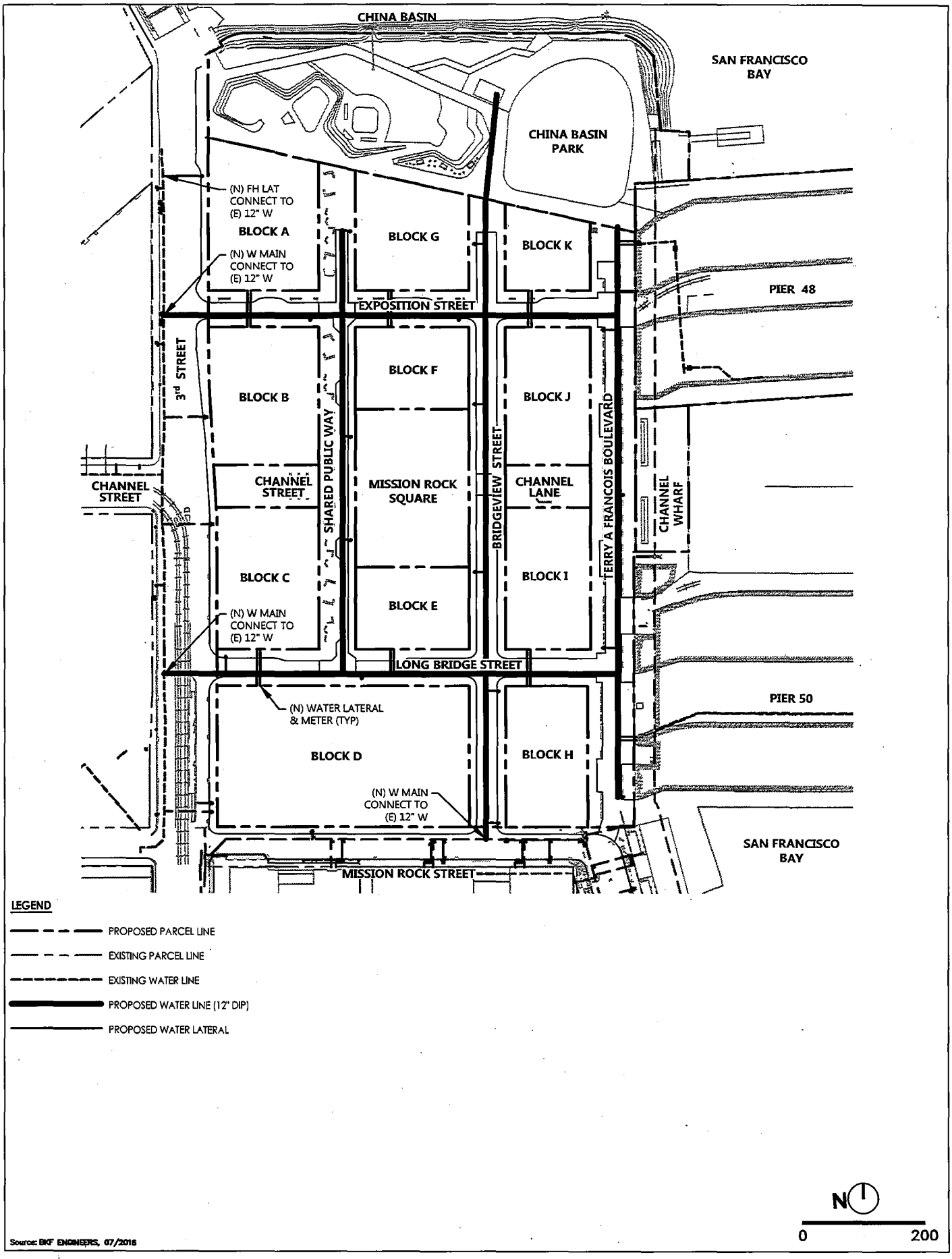
The Developer will design and install the new LPW system based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA and ICA. The amount and location of the proposed LPW systems installed will be the minimum necessary to support the Development Phase. The new Development Phase will connect to the existing systems as close to the edge of the Development Phase area as possible while maintaining the integrity of the existing system for the remainder of the Project. Repairs and/or replacement of the existing facilities necessary to support the proposed Development Phase will be designed and constructed by the Developer. Interim LPW systems will be owned, constructed, and maintained by the Developer as necessary to maintain existing LPW facilities impacted by proposed Development Phases, unless the SFPUC agrees to maintain interim facilities at the Developer's cost.

The SFPUC will be responsible for ownership and maintenance of existing SFPUC-owned LPW facilities. The Acquiring Agency will own and maintain the proposed LPW facilities once construction of the

horizontal improvements required for a Development Phase or a new LPW facility is complete and accepted by the Acquiring Agency. The Developer will be responsible for mitigating impacts to improvements installed with previous Project Development Phase(s) due to the designs or construction of current or future Development Phases, which will be addressed prior to approval of the construction drawings for the current or future Development Phase. For each Development Phase and concomitant with the submittal of Improvement Plans, the Developer will provide a phase-specific LPW Utility Report describing and depicting all existing LPW infrastructure to remain and demonstrating that the Development Phase will provide the required pressures and flow to the standards of the Acquiring Agency.

11.4.1 Existing Low Pressure Water System Demolition Phasing

The existing SFPUC-owned LPW system adjacent to the site along 3rd Street and Mission Rock Street will remain. The existing on-site 12-inch LPW main loops through Terry A Francois Boulevard connecting 3rd Street at the Lefty O'Doul Bridge to Mission Rock Street. The portion of this main along the frontage of Pier 48 and Pier 50 will remain to provide the piers service. This main will then be replaced with a 12-inch main connected to the Mission Rock LPW system during the redevelopment of Terry A Francois Boulevard. New connections will be made to Pier 48 and Pier 50 branching from the new LPW main.



DRAWING NAME: \\bkf-sf\vol4\20UEB\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 11.1 Conceptual Low Pressure Water System.dwg
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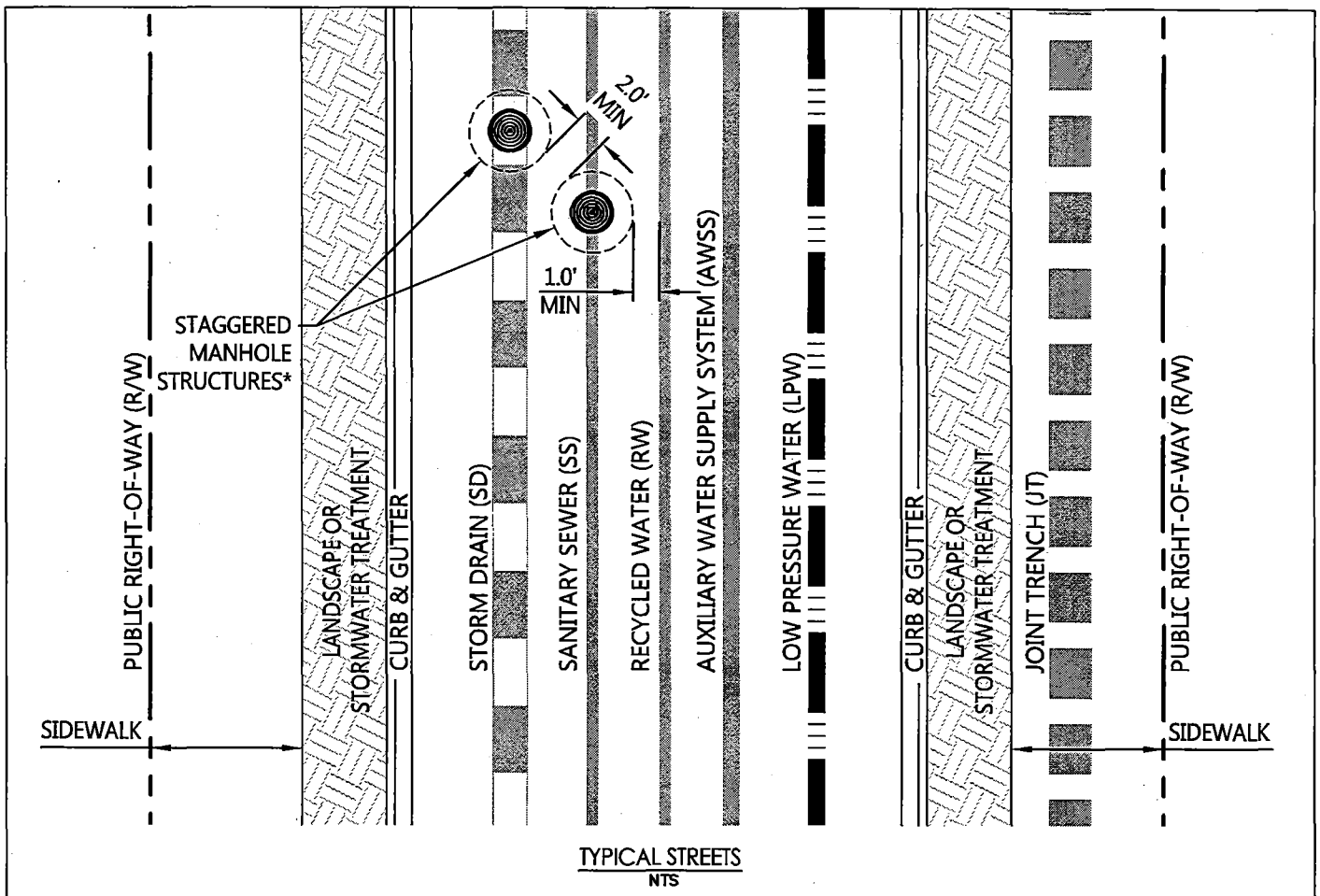
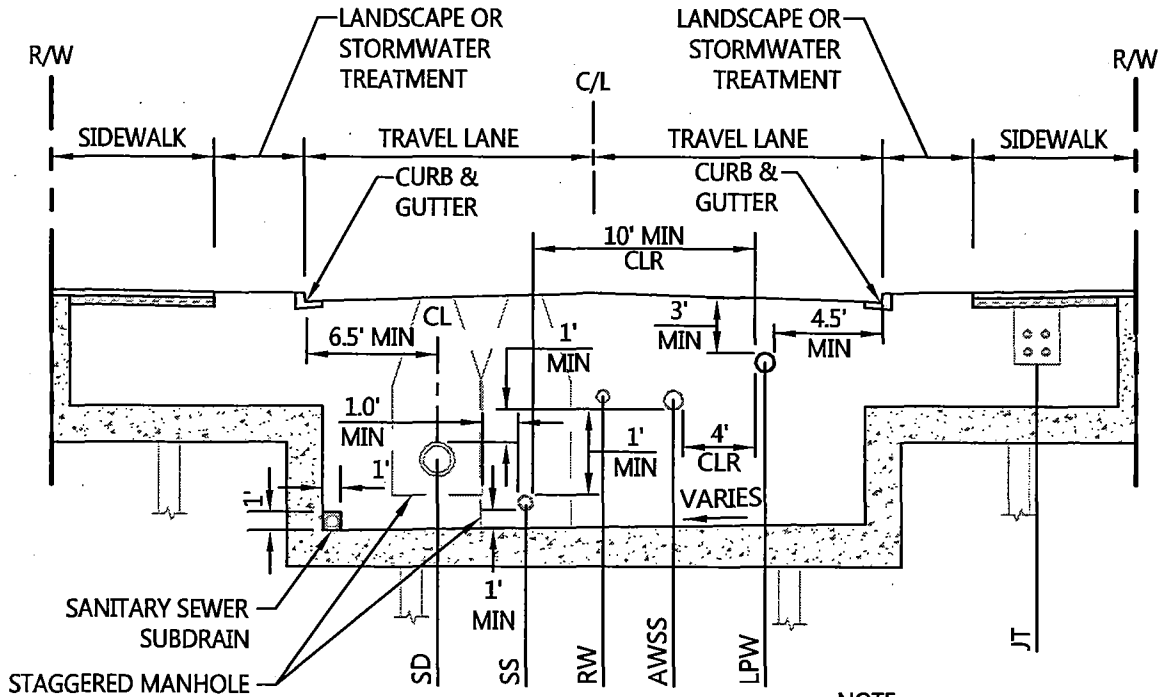
MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 11.1 - CONCEPTUAL LOW PRESSURE WATER SYSTEM**



TYPICAL STREETS
NTS



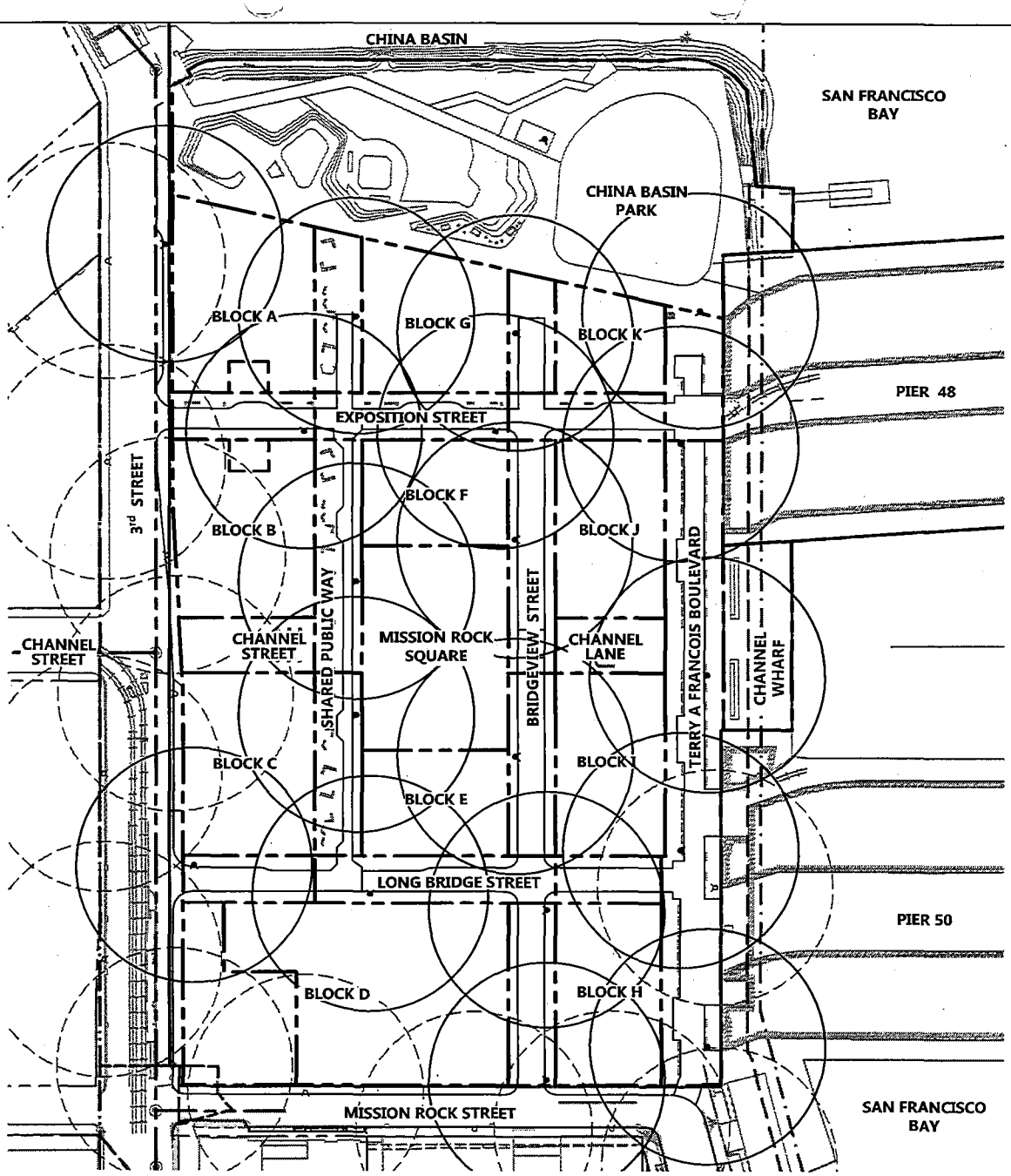
TYPICAL UTILITY CROSS SECTION
NTS

NOTE:
*2.0' MIN CLEAR BETWEEN MANHOLE STRUCTURES, 1.0' MIN CLEAR FROM PIPE OD TO OUTSIDE MANHOLE STRUCTURE

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\bk1-SF\vol4\2000\050000_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 11.2_14.2 Typical Util Section.dwg
PLOT DATE: 11-13-17 PLOTTED BY: volk

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 11.2 - TYPICAL UTILITY SECTION WITHIN PUBLIC STREETS**



LEGEND

- PROPOSED PARCEL LINE
- EXISTING PARCEL LINE
- PROPOSED LPW FIRE HYDRANT
- EXISTING LPW FIRE HYDRANT
- PROPOSED FIRE HYDRANT COVERAGE 150' RADIUS
- EXISTING FIRE HYDRANT COVERAGE 150' RADIUS

ABBREVIATIONS

LPW LOW PRESSURE WATER

N

0 200

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\Bkf-sf\vol4\2016\080106_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 11.3 Conceptual Fire Hydrant Locations.dwg
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MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 11.3 - CONCEPTUAL FIRE HYDRANT LOCATIONS**

12. SANITARY SEWER SYSTEM

12.1 Existing Sanitary Sewer System

The existing uses of the site include a parking lot and China Basin Park. Although the site does not have existing sanitary sewer facilities, an existing sewer lateral off of Channel Street and 3rd Street was capped after two existing industrial buildings were demolished to build the parking lot.

The existing sanitary sewer infrastructure along the south and west side of the Project site has a separated sewer system. On the east side of the Project, Pier 48 and Pier 50 are served by a 15-inch sanitary storm sewer main that drains to the south within Terry A Francois Boulevard. Sanitary flows within Terry A Francois Boulevard are conveyed to a low spot in the main just south of the intersection at Mission Rock Street where there is an existing sanitary sewer pump station (Port SSPS) owned and maintained by the Port of San Francisco. A 6-inch force main from the Port SSPS at this location lifts sanitary flows into a 12-inch gravity sewer main within Mission Rock Street and is conveyed west into a 15-inch main as it reaches 3rd Street.

Existing separated sanitary sewer facilities within 3rd Street include an 8-inch main north of Channel Street which connects into a 21-inch main in between Channel Street and Mission Rock Street. The flows from the 21-inch main in 3rd Street and the 15-inch main in Mission Rock Street converge at the intersection of 3rd Street and Mission Rock Street and are conveyed through gravity sewer mains to Sanitary Sewer Pump Station #3 at Park 15 and ultimately conveyed to the San Francisco Southeast Treatment Plant prior to treatment and discharge to the Bay.

12.2 Proposed Sanitary Sewer System

12.2.1 Proposed Sanitary Sewer Demands

The Project sanitary sewer demands conservatively assume 95% return on potable water demands and 100% return on recycled water demands for ADD, resulting in an Average Daily Dry Weather Flow (ADWF) of approximately 312,668 gallons per day (gpd) or 217 gallons per minute (gpm) over 24-hours. Including an infiltration rate of 0.003 cubic feet per second per acre and applying a peaking factor of 3, the Project is anticipated to generate a Peak Wet Weather Flow (PWWF) of 978 gallons per minute (gpm). The Project's methods for calculating the flow demands will be outlined in the Sanitary Sewer Master Utility Plan (SSMP).

12.2.2 Proposed Sanitary Sewer Capacity

Sanitary sewer models for the Project have been developed to confirm the sanitary sewer system designs and capacity, and will be included in the SSMP. The Project proposes to direct all new sanitary sewer flows, with the exception of Block H & Block I, to the existing 21-inch sanitary sewer main in 3rd Street. Capacity of the existing 21-inch sanitary sewer main in 3rd Street is adequate to serve these demands, which is accounted for in the Mission Bay Master Plan. Block H & Block I sanitary sewer demands will be directed to the existing 12-inch sanitary sewer main in Mission Rock Street. An analysis of the impacts of the Project demands on the existing upstream and downstream infrastructure will be reviewed as part of the SSMP approval process.

The Project proposes to utilize the existing Port SSPS at the corner of Terry A Francois Boulevard and Mission Rock Street to continue serving the existing demands from Pier 48 and Pier 50 which amount to 96 gpm or 138,660 gpd under ADWF conditions and 315 gpm under PWWF conditions. This flow is within the conditions accounted for in the Mission Bay Master Plan. No additional flow resulting from the Project will be directed to the existing Port SSPS at the corner of Terry A Francois Boulevard and Mission Rock Street.

12.2.3 Proposed Sanitary Sewer Design Basis

The proposed sanitary sewer system will be designed in accordance with the City Subdivision Regulations and SFPUC wastewater utility standards. The design basis will be described in greater detail as part of the SSMP.

12.2.4 Proposed Sanitary Sewer Design Criteria

The proposed separated sewer system is intended to convey sanitary sewer flow from the Project. The physical and capacity design criteria for the sanitary sewer system are presented in Table 12.1.

Table 12.1

Mission Rock Separated Sewer Main Design Criteria

Parameter	Criteria/Value
Pipe material for pipe sizes 6-inch to 21-inch inside diameter	VCP (ASTM C-700 Extra Strength) HDPE with special approval from SFDPW and SFPUC
Manhole spacing	300-feet preferred 350-feet maximum (subject to approval of SFPUC)
Minimum depth of cover for mains	6-feet minimum unless otherwise approved by the SFPUC on a case-by-case basis
Minimum flow velocity *(average dry weathersanitary flow)*	2 fps
Minimum infiltration intensity	0.003 second feet per acre
Manning's n (roughness coefficient) for proposed pipes	VCP: 0.013 HDPE: 0.010
Maximum Pipe Flow Depth Ratio, *d/D* *(average dry weather sanitary flow)*	0.50
Maximum Pipe Flow Depth Ratio, *d/D* *(peak wet weather sanitary flow)*	0.8
Sewer Generation[1]	Residential: 54 GPD / capita Commercial/Retail: 0.1 GPD / SF

TABLE 12.1 NOTES:

[1] Assumes 95% return on potable water and 100% return on non-potable water based on until demands from the "Treasure Island, Technical Memorandum, Potable Water" dated April 1, 2016. Sewer generation value subject to SFPUC review and approval in the Master Utility Plan.

VCP = Vitrified Clay Pipe

fps = feet per second

d/D = ratio of the depth of flow (*d*) to the pipe inside diameter (*D*)

12.2.5 Proposed Sanitary Sewer Collection System

The proposed sanitary sewer system is identified schematically on Figure 12.1. The sanitary sewer system will be designed and constructed by the Developer. Sanitary sewer designs will be reviewed and approved by the Acquiring Agency. Upon construction completion and improvement acceptance by the Acquiring Agency, the new sanitary sewer system will be maintained and owned by the Acquiring Agency. The proposed system will include sanitary sewer

laterals connected to a new system of 8-inch to 12-inch gravity sanitary sewer mains and a force main downstream of the proposed sanitary sewer pump station.

In addition, a new sanitary sewer pump station for dedication to the SFPUC is proposed adjacent to Exposition Street in either Block A or Block B. An easement, MOU, and/or separate agreement will be recorded for SFPUC facilities on Vertical Development parcels on Port property, including provisions for maintenance access.

The development will connect to the existing sanitary sewer main on 3rd Street at two locations. It is anticipated that the proposed sanitary sewer flows along Exposition Street will be discharged to an existing manhole at the intersection of 3rd Street and Exposition Street by a sanitary sewer force main. The proposed pump station for this sanitary sewer force main will be located in either Block A or Block B. The proposed sanitary sewer flows from Long Bridge Street will connect to existing sanitary sewer main on 3rd Street at a new SFPUC manhole structure.

The remaining proposed development flows from Block H & Block I will be collected by a sanitary sewer main in Bridgeview Street and discharge to the existing sanitary sewer main in Mission Rock Street at a new SFPUC manhole structure.

Consistent with the existing condition, the flows from Pier 48 and Pier 50 will connect to the new sanitary sewer main in Terry A Francois Boulevard and discharge to the existing Port SSPS at the intersection of Terry A Francois Boulevard and Mission Rock Street.

See Figure 12.2 for a typical utility cross-section identifying the approximate sanitary sewer system depth and its horizontal relationship to other adjacent utilities.

12.2.6 Structured Street Drainage

Due to geotechnical constraints, the Project will provide structured street sections which will require subdrains to prevent accumulation of water on the structured street. Subdrains, where required based on the final design of the structured streets, will be provided within the structured streets and open space areas to prevent accumulation of water and will drain via a gravity connection or through a sump pump and force main to the sanitary sewer system. Where a

subdrain is required, a sand trap will be installed in advance of the connection of the SFPUC sanitary sewer main. Ownership, maintenance and acceptance of the subdrains and/or sump pumps will be by the Acquiring Agency subject to the DA, DDA, ICA, or separate MOA or MOU.

12.3 Design Modifications and Exceptions

Proposed pipe slopes and cover are constrained within the Project by the existing adjacent sanitary sewer system infrastructure. The existing adjacent sanitary sewer system does not have adequate depth or cover to provide Subdivision Regulation compliant pipe cover. A minimum cover of 6-feet will be provided on top of mains within public streets, where less than 6-ft of cover is provided, a design modification and exception request for a reduced cover depth of up to 3-feet will be submitted for approval by the Director of Public Works with the consent of the SFPUC during the construction document approval process. Anticipated locations where a design modification and exception requests for reduced pipe cover are shown on Figure 12.3.

With the cover and slope constraints, VCP sanitary sewer mains will not provide adequate flow velocities or capacities. To provide the minimum flow velocity of 2 fps and sufficient flow capacity with the limited available pipe slopes, the Project proposes to install fusion-welded high density polyethylene (HDPE) pipe SDR-17 or better. The HDPE pipe has less friction than VCP and will provide adequate flow velocities and flow capacities. HDPE pipe will be flex tested using Mandrel test. Design modification and exception requests to allow HDPE pipe are subject to the approval of the Director of Public Works with the consent of the SFPUC.

Vertical and horizontal separation distances between adjacent sanitary sewer system, storm drain system, potable water, and dry utilities will conform to the requirements outlined in Title 22 of the California Code of Regulations and the State of California Department of Health Services Guidance Memorandum 2003-02 and the Subdivision Regulations. As shown in Figure 12.2 and described in Section 10, the sanitary sewer mains are proposed to be offset from the center of the street to ensure that adjacent water lines can be placed outside of the proposed bulb-outs while maintaining the required health code separation clearances. Horizontal clearances for proposed sanitary sewer infrastructure are provided in the Section 10 Utility Layouts and Separations. Design modification and exception requests to allow for alternative pipe locations are subject to the approval of the Director of Public Works with the consent of the SFPUC.

12.4 Phases for Sanitary Sewer System Construction

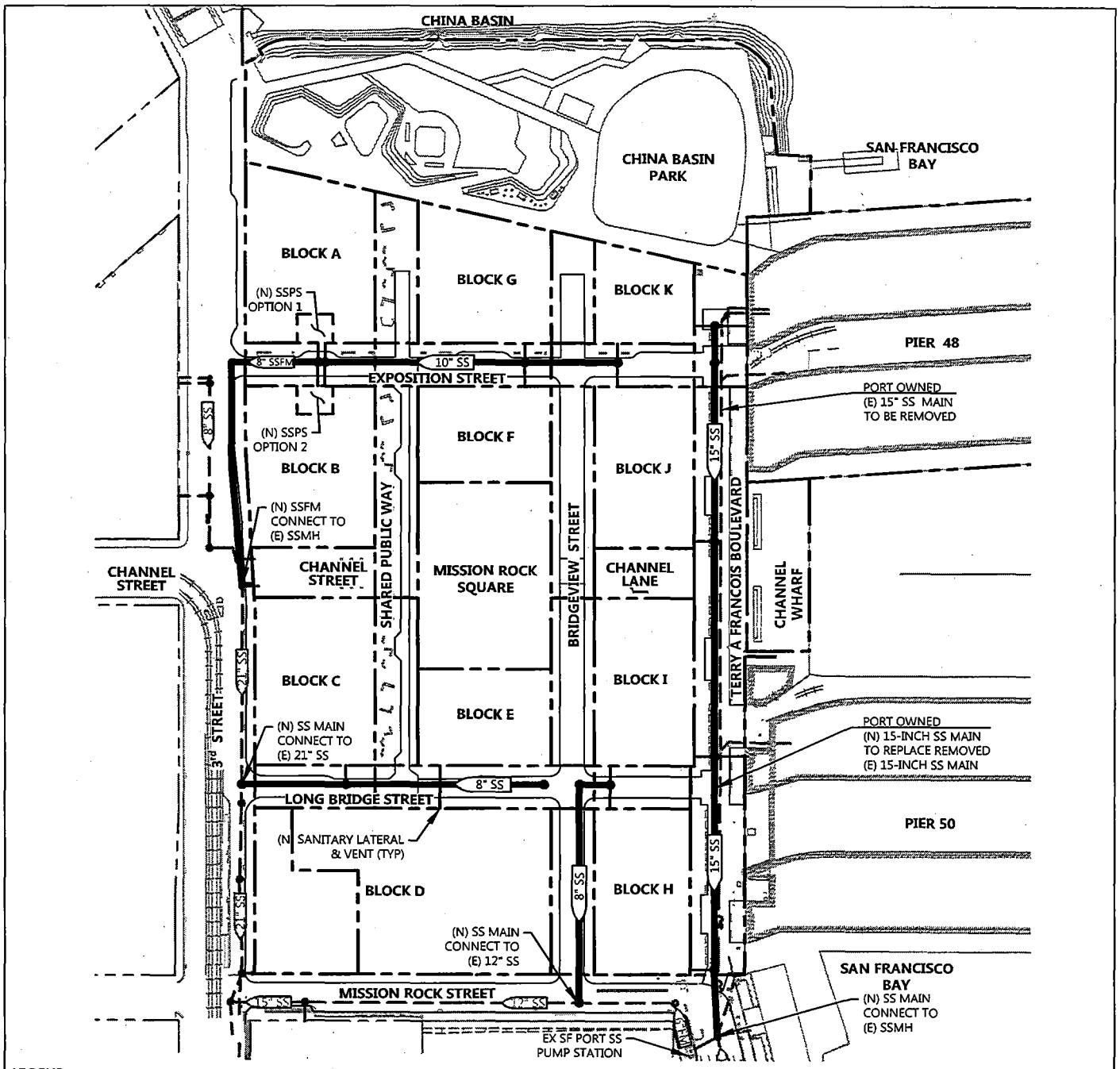
The Developer will design and install the new sanitary sewer system based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA and ICA. The amount and location of the proposed sanitary sewer systems installed will be the minimum necessary to support the Development Phase. The new Development Phase will connect to the existing systems as close to the edge of the Development Phase area as possible while maintaining the integrity of the existing system for the remainder of the Project. Repairs and/or replacement of the existing Infrastructure necessary to support the proposed Development Phase will be designed and constructed by the Developer. Interim sanitary sewer systems connecting to SFPUC or Port owned infrastructure will be owned, constructed and maintained by the Developer as necessary to maintain existing sanitary sewer facilities impacted by proposed Development Phases. The Developer will own and maintain interim facilities, as required, until completion of the Development Phase or until the infrastructure is no longer functionally required and has been removed.

The Port and City are responsible for maintenance of the existing Port and City sanitary sewer facilities, respectively. The Acquiring Agency will be responsible for the proposed sanitary sewer system once construction of the horizontal improvements for Development Phase or new sanitary sewer system is complete and accepted by the Acquiring Agency. The Developer will be responsible for mitigating impacts to Infrastructure installed with previous Development Phases of the Project due to the designs or construction of new Development Phases and will be addressed prior to approval of the construction drawings for the new Development Phase. Pipes and manholes adjacent to a new Development Phase must undergo inspection before and after construction of the new Development Phase. For each Development Phase and concomitant with the submittal of construction documents, the Developer will provide a phase-specific Sanitary Sewer System Utility Report describing and depicting the existing and proposed sanitary sewer infrastructure, and demonstrating the that Development Phase will provide sanitary sewer infrastructure capable of serving the Development Phase to the standards of the Acquiring Agency.

12.4.1 Existing Sanitary Sewer System Demolition Phasing

The existing sanitary sewer system adjacent to the site along 3rd Street and Mission Rock Street will remain. The existing on-site 15-inch combined sewer main is located in Terry A Francois Boulevard east of Seawall Lot 337 and connects to the existing sanitary sewer manhole at the

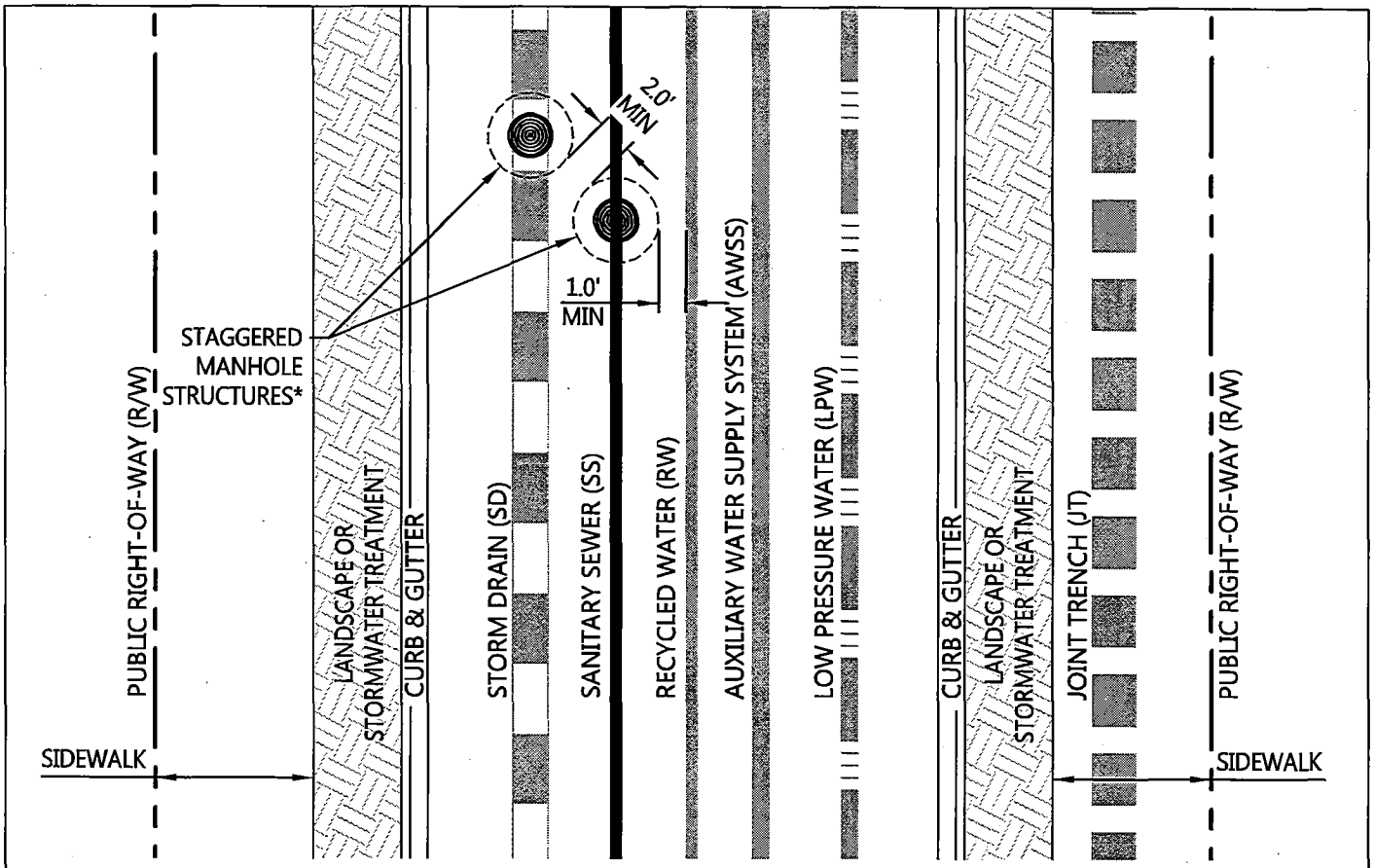
intersection of Mission Rock Street and Terry A Francois Boulevard. The portion of this main that along the frontage of Pier 48 and Pier 50 will remain to provide service to the Piers. This main is proposed to be replaced with a 12-inch separated sanitary sewer system during the redevelopment of Terry A Francois Boulevard. New connections will be provided to Pier 48 and Pier 50 branching from the new main.



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: K:\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 12.1 Conceptual Sanitary Sewer System.dwg
PLOT DATE: 11-09-17 PLOTTED BY: hall

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 12.1 - CONCEPTUAL SANITARY SEWER SYSTEM**



TYPICAL STREETS
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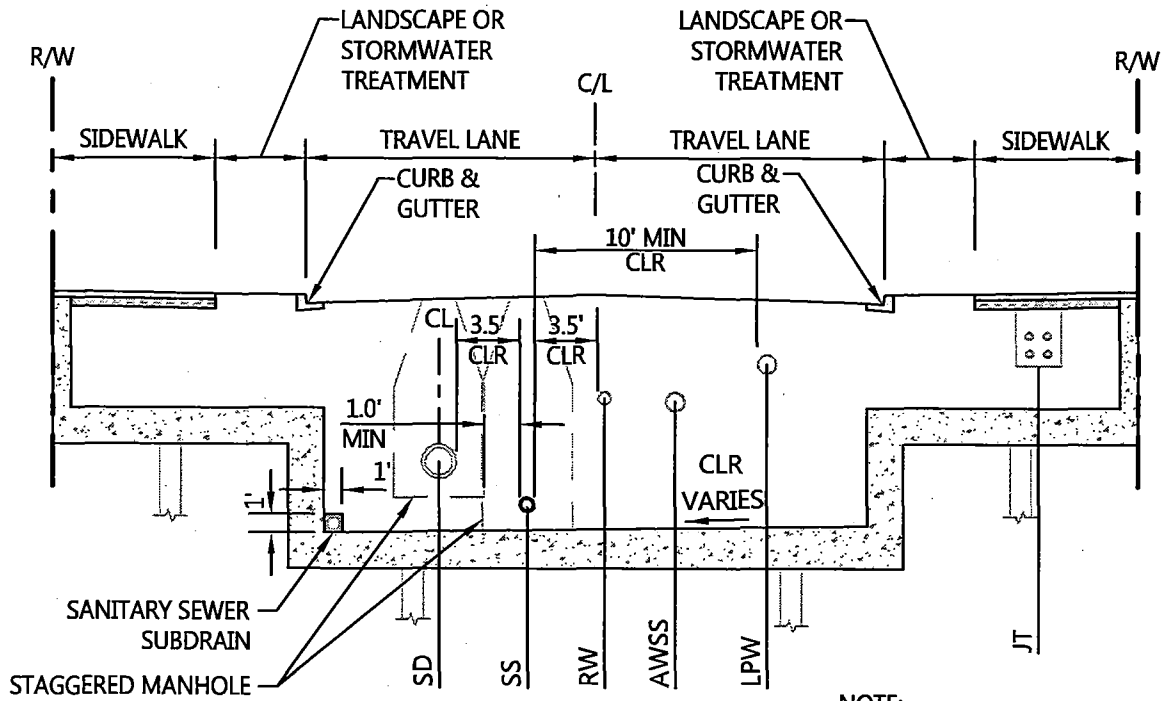
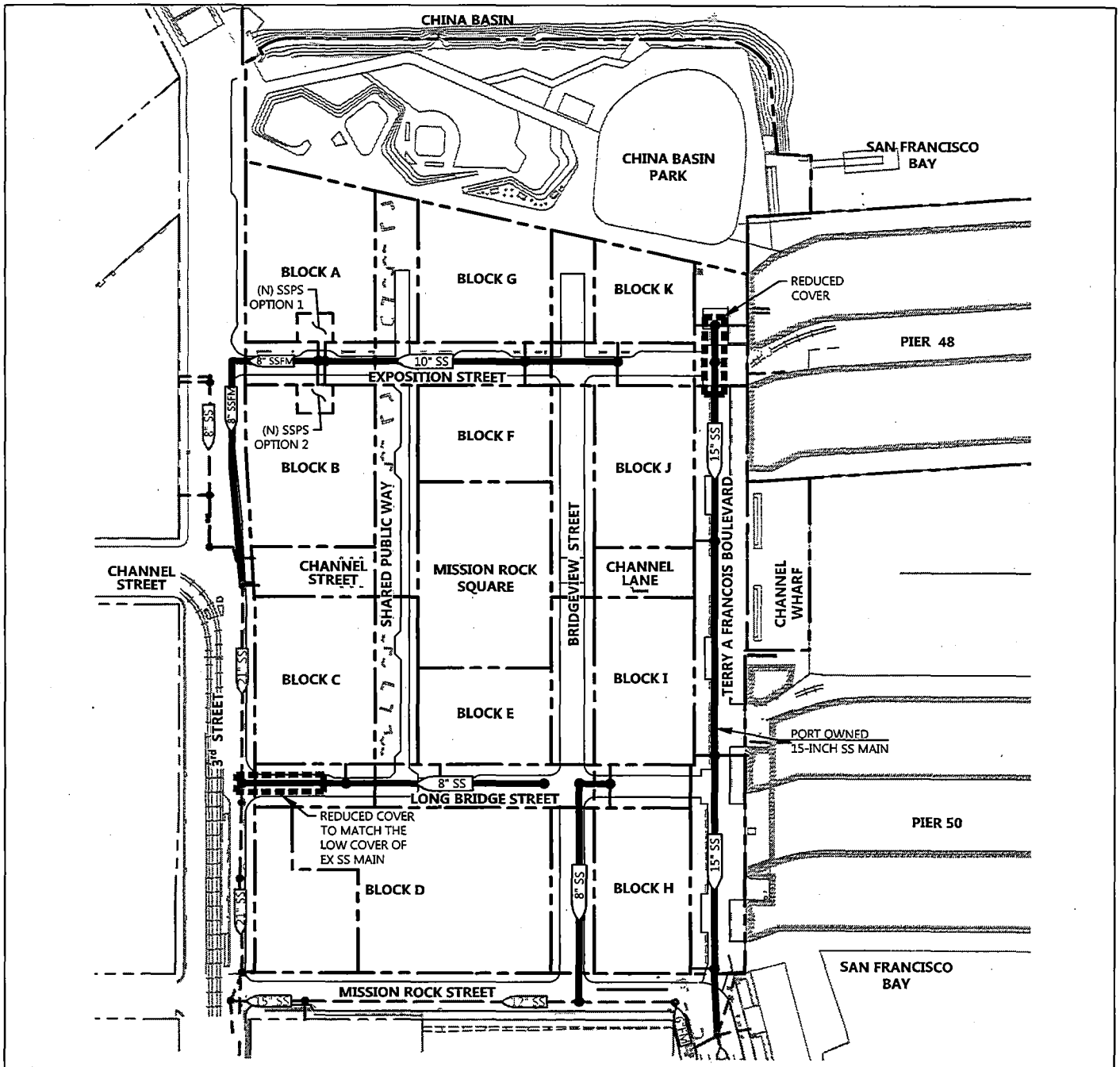


TYPICAL UTILITY CROSS SECTION
NTS

NOTE:
*2.0' MIN CLEAR BETWEEN MANHOLE STRUCTURES, 1.0' MIN CLEAR FROM PIPE OD TO OUTSIDE MANHOLE STRUCTURE

Source: BKF ENGINEERS, 07/2018

DRAWING NAME: \\bkf-sf\vol4\2000\080008_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 11.2_14.2 Typical Util Section.dwg
PLOT DATE: 11-13-17 PLOTTED BY: volk



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: K:\2005\080806_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Printed Sheets\Figure 12.3 Sanitary Sewer Variance Request Locations.dwg
PLOT DATE: 11-08-17 PLOTTED BY: hall

MISSION ROCK INFRASTRUCTURE PLAN

FIGURE 12.3 - SANITARY SEWER VARIANCE REQUEST LOCATIONS

13. STORM DRAIN SYSTEM

13.1 Existing Storm Drain System

The existing storm drain infrastructure within the vicinity of the Project site has a separated storm drain system to the west, south, and east, and two separate Port-owned outfalls that drain to the San Francisco Bay. The west side of the Project is served by an existing separated storm drain system within 3rd Street that is routed to the future Mission Bay Stormwater Pump Station (SWPS) #3 for discharge to Mission Creek. Until SWPS #3 is constructed, stormwater flows continue past SWPS #3 into an existing 11' x 11' combined sewer box that drains to the existing Channel Street Pump Station. The re-aligned Mission Rock Street to the south has a new separated storm drain system that conveys stormwater to Mission Bay SWPS #6 to the south that discharges to the San Francisco Bay adjacent to the Radiance Development and Block P18. Both China Basin Park and Terry A Francois Boulevard have storm drain systems that discharge directly to the San Francisco Bay through existing Port-owned outfalls. The existing Pier 48 and Pier 50 structures have a separated storm drain system that discharge directly to the Bay from the piers.

Storm drain system capacities within the existing 42 inch storm drain system in 3rd Street and the 21-inch storm drain main in Mission Rock Street are adequate to serve the tributary drainage areas from the Project. As described in the Draft Drainage Report for Mission Bay Drainage Area D (September, 2012), the existing storm drain system provides the minimum freeboard requirement for a 5-year storm event. Pump station designs have also been sized to meet the 5-year storm event requirements and are summarized in The Basis of Design Mission Bay Stormwater Pump Station #3 Draft Report (May, 2009).

13.2 Conceptual Storm Drain System Design

13.2.1 Overview

The Project will replace the existing on-site storm drain system with new storm drain systems connecting into the existing separated storm drain systems serving the site. The proposed separated storm drain system will be designed in accordance with the Subdivision Regulations and the Stormwater Management Requirements and Design Guidelines (SMR) and other SFPUC wastewater standards, where applicable. The on-site storm drain system will be designed to convey the stormwater runoff from the 5-year storm event from the development parcels and streets. For the 100-year storm and overland release, the storm drain system, street section, and street grading will be designed to convey the stormwater runoff from the Development Parcels

and streets. A more detailed analysis will be included in the Grading and Storm Drain System Master Utility Plan.

13.2.2 Storm Drain Design Criteria

As documented in the Subdivision Regulations and the SFPUC utility standards, as appropriate, proposed 6-inch to 21-inch pipes will be constructed from ASTM C-700 Extra Strength Vitrified Clay Pipe (VCP). Main extensions for 36-inch pipes or larger shall require monolithic reinforced concrete or reinforced concrete pipe subject to approval by the Director with consent of the SFPUC.

Proposed Acquiring Agencies' storm drain mains within the Project will be constructed on approved crush rock bedding. The minimum residential and commercial service lateral size is 6-inches and 8-inches, respectively. Manhole covers will be solid with manhole spacing set at a maximum distance of 300-feet and at changes in size, grade or alignment. Stormwater inlets will be installed per the Subdivision Regulations or SFPUC wastewater utility standards and outside of the curb returns crosswalks, accessible passenger loading zones and accessible parking spaces, where feasible. Linear Drainage Elements within the bike and pedestrian zones of TFB and SPW will be installed to be ADA compliant, and meet the modeling requirements described in Section 13.3.3 below.

Storm drain system capacities within the existing 42-inch storm drain system in 3rd Street and the 21-inch storm drain main in Mission Rock Street are adequate to serve the entire buildout of the project. A minimum depth of cover of 6-feet will be required on top of storm drain mains within new public streets. A freeboard of 4-feet below pavement or ground will be required to conform to the Subdivision Regulations or SFPUC utility standards. If necessary, an alternative minimum cover of 4-feet and/or minimum freeboard of 2-feet below pavement or ground may be permitted by the Acquiring Agency, or if accepted by the City, the Director of Public Works with the consent of the SFPUC or Port.

Vertical and horizontal separation distances between adjacent sanitary sewer system, storm drain system, LPW infrastructure, district utilities, and dry utilities will conform to the requirements outlined in Section 10 and the Subdivision Regulations.

13.2.3 Conceptual Storm Drain System Layout

The conceptual storm drain system is identified schematically on Figure 13.1. The storm drain system will be designed and constructed by the Developer. Street storm drains including street drainage within the new public rights-of-way will be reviewed and approved by the Acquiring Agency. The new storm drain system will be maintained and owned by the Acquiring Agency, upon construction completion and improvement acceptance by the Acquiring Agency. The proposed system will include storm drain laterals connected to a system of 12-inch to 42-inch SFPUC gravity storm drain mains.

The conceptual storm drain system will connect to the existing storm drain systems at up to seven locations. Along 3rd Street, the on-site storm drain system will connect to an existing SFPUC 42-inch main through proposed manhole structures at Exposition Street, Channel Street, Long Bridge Street, China Basin Park, and the west half of Block D. The storm drain system within Terry A Francois Boulevard will drain to a treatment pump conveying treatment flows to the proposed parks for treatment. For larger storm events, Terry A Francois Boulevard will connect into an existing Port 30-inch outfall that drains to the San Francisco Bay between Pier 48 and Pier 50. As part of the project, the outfall will be upgraded or replaced and dedicated to the SFPUC, along with a required access and maintenance easement. China Basin Park storm drain system will connect into an existing 12-inch Port outfall draining to China Basin for discharge of treated stormwater. . Refer to Section 16 for a description of the conceptual stormwater treatment strategy for the Project

Refer to Figure 13.2 for the approximate storm drain system depth and its relationship to other adjacent utilities. The storm drain infrastructure layout and locations will be approved during the Project construction document review process.

13.3 Storm Drain System Design Modifications and Exceptions

Design modification and exception requests are anticipated for, but not limited to, the following storm drain infrastructure items, which will be subject to the approval of the Director of Public Works with the consent of the SFPUC, or other Acquiring Agency:

13.3.1 Pipe Material

The Project proposes to install HDPE pipe SDR-17 or better and associated trenching requirements in place of VCP. The HDPE pipe has less friction than VCP, is more flexible, can better accommodate minor amounts of settlement, and will provide adequate flow velocities and capacities. In addition, HDPE pipe will be flex tested using the Mandrel test.

13.3.2 Freeboard and Cover

Due to existing conditions and constraints within the Project site and at conforms to the existing City-accepted public rights-of-way at 3rd Street and Mission Rock Street, exceptions to the standard layout of utilities will be requested during design development. A design modification and exception will be requested to allow for a reduced minimum cover of 4-feet on top of the storm drain system infrastructure. In addition, initial modeling for the 5-year storm design analysis indicates that the conceptual storm drain system was only able to provide a minimum hydraulic grade line (HGL) of 2-feet of freeboard below the pavement or ground surface at select proposed connection points due to existing high starting HGL elevations at existing storm drains.

13.3.3 Linear Drainage Infrastructure on Curbless and Flush Curb Streets

Terry A Francois Boulevard, SPW, and the northern segment of Bridgeview Street will be designed without curbs or with flush curbs in combination with an inverted crown. To accommodate the project design approach, a linear drainage element, including but not limited to a valley gutter, inverted crown street or trench drains, in combination with inlets at low points will be incorporated at or along the flowline to provide drainage. Linear drainage elements are proposed along the theoretical face of curb of the curbless streets, which represents the location in which a curb would typically be installed if included as part of the street design. These linear drainage elements will be rated to handle heavy vehicle (H20) traffic loading. Drainage from linear drainage elements will be conveyed to the storm drain. Performance modeling of grading and hydrology designs along streets with no curbs or with flush curb will be developed during the MUP approval process in conformance with the requirements of the Acquiring Agency.

13.3.4 Storm Drainage Infrastructure on Curbless and Flush Curb Streets

The clear street width is 20 feet on SPW, which does not provide adequate width for the horizontal layout of District Energy pipes, a non-potable water main, a low pressure water main, and a storm drainage main. Thus, the Project proposes to locate the storm drainage main underneath the edge

of the clear travel way and beneath the linear drainage element. If the SFPUC and City do not accept the infrastructure, then the Acquiring Agency will be the Port. This will be documented in the Ownership and Maintenance Matrix included is part of the DA, DDA, ICA, or a separate MOU/MOA between the Port, City and Developer.

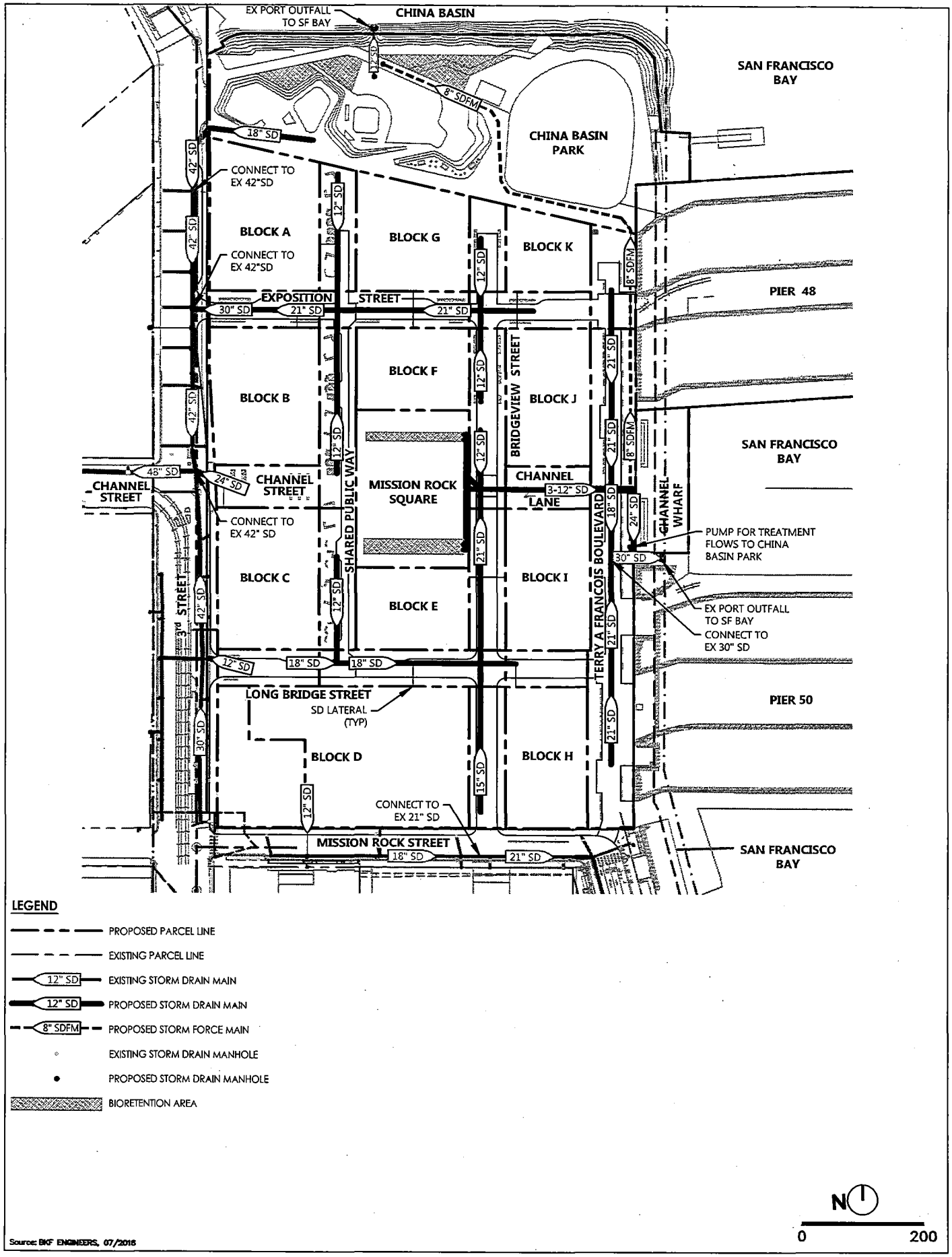
Storm Drain lateral responsibility would be assigned to the property owner if the adjacent development parcel requiring a lateral from TFB, SPW, or the northern segment of Bridgeview Street. This will be documented in the Ownership and Maintenance Matrix included as part of the DA, DDA, ICA, or a separate MOU/MOA between the Port, City and Developer.

13.4 Phases for Storm Drain System Construction

The Developer will design and install the new storm drain system based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA, and ICA. The amount and location of the proposed storm drain systems installed will be the minimum necessary to support the Development Phase. The new Development Phase will connect to the existing systems as close to the edge of the Development Phase area as possible while maintaining the integrity of the existing system for the remainder of the Project. Repairs and/or replacement of the existing facilities necessary to support the proposed Development Phase will be designed and constructed by the Developer. Interim storm drain systems will be constructed, owned, and maintained by the Developer as necessary to maintain existing drainage facilities impacted by proposed Development Phases. The Acquiring Agency may inspect interim facilities owned by the Developer or Port subject to the DA, DDA, ICA, or separate MOU/MOA between the Port, City, and Developer.

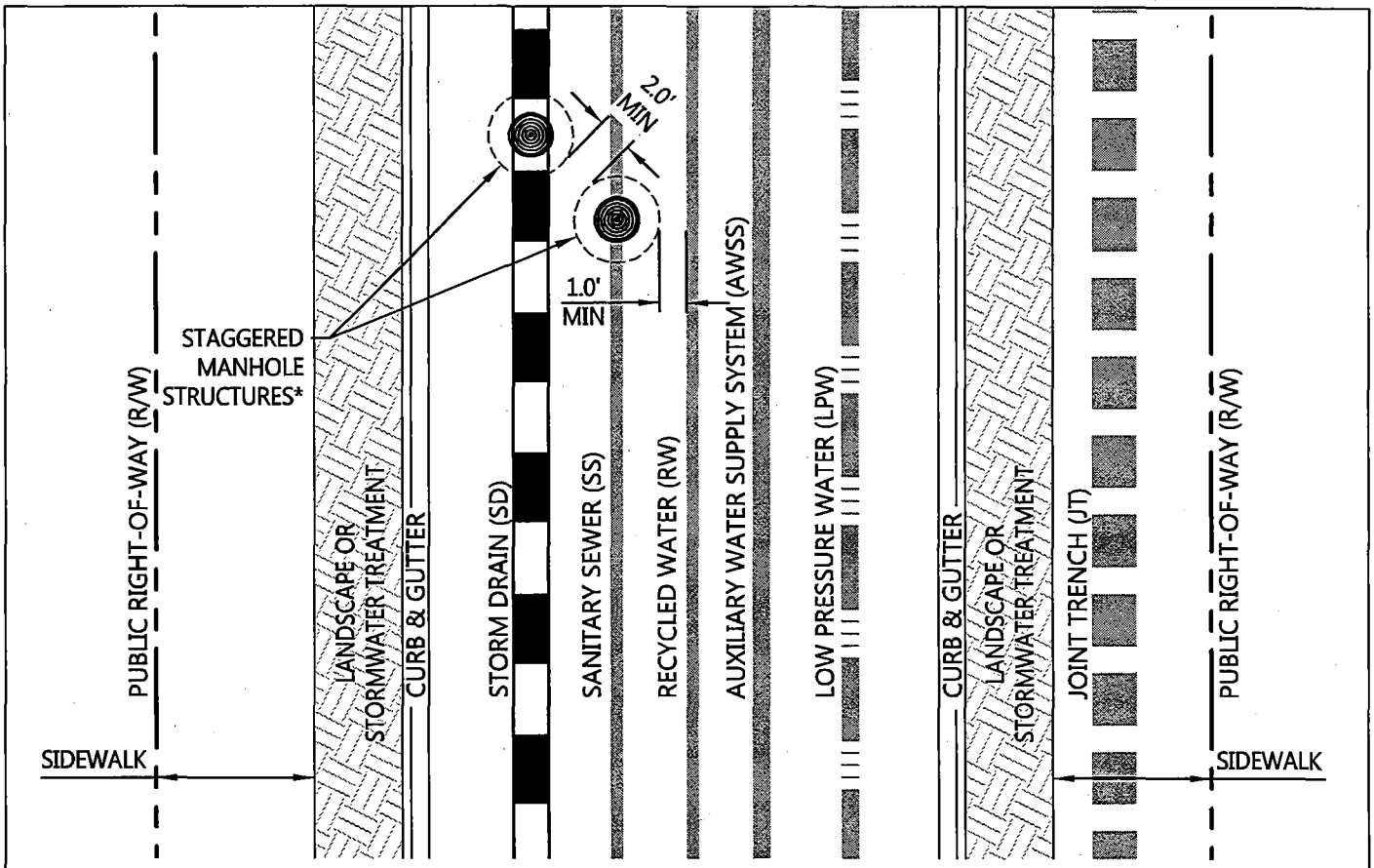
The Port and City will be responsible for ownership and maintenance of existing Port or City owned storm drain facilities, respectively. The Acquiring Agency will own and maintain the proposed storm drainage facilities once construction of the Horizontal Improvements required for a Development Phase or a new storm drain facility is complete and accepted by the Acquiring Agency subject to the DA, DDA, ICA, or a separate MOU/MOA between the Port, City and Developer. The Developer will be responsible for mitigating impacts to Infrastructure improvements installed with previous Project Development Phase(s) due to the designs or construction of current or future Development Phases, which will be addressed prior to approval of the construction drawings for the current or future Development Phase. For each Development Phase and concurrent with the submittal of construction documents, the Developer will

provide a phase-specific Storm Drain System Utility Report describing and depicting the existing and proposed storm drain infrastructure, and demonstrating the that Development Phase will provide drainage infrastructure capable of serving the Development Phase to the standards of the Acquiring Agency. This will be documented in the Ownership and Maintenance Matrix included is part of the DA, DDA, ICA, or a separate MOU/MOA between the Port, City and Developer.



DRAWING NAME: \\bkf-sf\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 13.1 Conceptual Storm Drainage System.dwg
PLOT DATE: 11-13-17 PLOTTED BY: volk

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 13.1 - CONCEPTUAL STORM DRAINAGE SYSTEM**



TYPICAL STREETS
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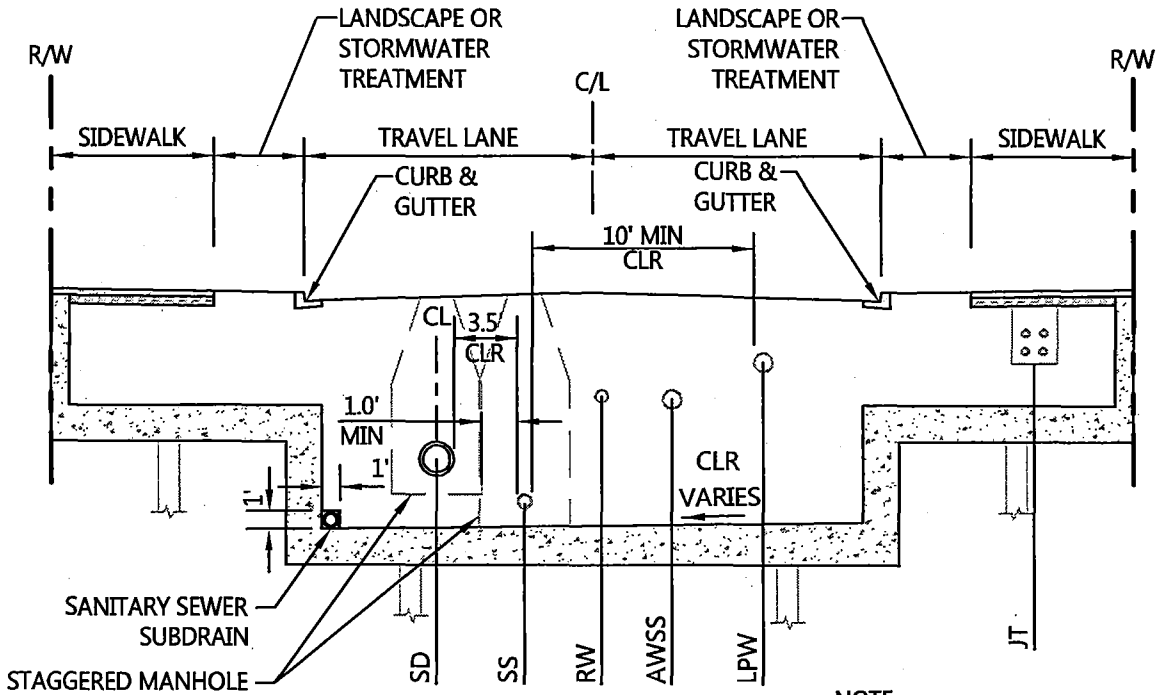


TYPICAL UTILITY CROSS SECTION
NTS

NOTE:
*2.0' MIN CLEAR BETWEEN MANHOLE STRUCTURES, 1.0' MIN CLEAR FROM PIPE OD TO OUTSIDE MANHOLE STRUCTURE

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\bkf-SF\vol4\2008\080008_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 11.2_14.2 Typical Util Section.dwg
PLOT DATE: 11-13-17 PLOTTED BY: volk

MISSION ROCK INFRASTRUCTURE PLAN

FIGURE 13.2 - TYPICAL UTILITY SECTION WITHIN PUBLIC STREETS

14. AUXILIARY WATER SUPPLY SYSTEM (AWSS)

14.1 Existing AWSS Infrastructure

The San Francisco Public Utilities Commission (SFPUC), in cooperation with the San Francisco Fire Department (SFFD), owns and operates the Auxiliary Water Supply System (AWSS), a high-pressure non-potable water distribution system dedicated to fire suppression that is particularly designed for reliability after a major seismic event. Currently, a 12-inch AWSS main exists adjacent to the Project site on 3rd Street between Channel Street and Mission Rock Street.

14.2 AWSS Regulations and Requirements

New developments must meet the fire suppression objectives that were developed by the SFPUC and SFFD. The SFPUC and SFFD will work with the Developer to determine post-seismic fire suppression requirements during the planning phases of the Project. Requirements will be determined based on building density, fire flow and pressure requirements, City-wide objectives for fire suppression following a seismic event, and proximity of new facilities to existing AWSS facilities. AWSS improvements will be located in public rights-of-way or on City property, as approved by SFPUC. Easements required to place AWSS infrastructure on Port property are subject to the approval of the Port and SFPUC.

14.3 Conceptual AWSS Infrastructure

To meet the SFPUC and SFFD AWSS requirements, the development may be required to incorporate infrastructure and facilities that may include, but are not limited to:

- Seismically reliable high-pressure water piping and hydrants with two points of connection. One connection is proposed at the existing 12-inch AWSS distribution system in 3rd Street near the Exposition Street intersection, and a second connection is proposed to a future AWSS facility at the Mission Rock Street and Terry A Francois Boulevard intersection;
- Independent network of seismically reliable low-pressure piping and hydrants with connection to existing potable water distribution system at location that is determined to be seismically upgraded by SFPUC;
- Saltwater pump station that supplies saltwater to AWSS distribution piping following a major seismic event;
- Piping manifolds along waterfront that allow fire trucks to access and pump sea or bay water for fire suppression; and/or
- Portable water supply system (PWSS), including long reaches of hose and equipment mounted

on dedicated trailers or trucks.

- Cisterns

Based on coordination with the SFPUC, the Project proposed locations and types of AWSS infrastructure are identified schematically on Figure 14.1 and approximate AWSS main depths and its relationship to other adjacent utilities are shown on Figure 14.2. AWSS fire hydrants are provided at street intersections within the Project site. In addition, the project includes an extension of the AWSS system down Terry A Francois Boulevard from Long Bridge Street to the Mission Rock Street-Terry A Francois Boulevard intersection for a connection to the future AWSS facility on Terry A. Francois Boulevard that will extend from South Street to Mission Rock Street. Where the AWSS facility is proposed to be installed in the Terry A Francois Boulevard right-of-way, the AWSS infrastructure will be placed beneath the 16-ft wide and clear zone beneath the Blue Greenway, which exceeds the 12-ft minimum clear access width for Gate Trucks required by SFPUC. Final designs of the AWSS solution for the Project site will be determined by the SFPUC and SFFD in consultation with the Developer based on equivalent infrastructure costs of the proposed AWSS layout and infrastructure as shown on Figure 14.2, and a capital contribution not to exceed $1,500,000 current dollars, subject to a 4.5% escalation calculated from the time of project approval, to support off-site AWSS infrastructure per the terms of the DA, DDA, and/or ICA.

14.4 Phases for AWSS Construction

The Developer will design and install the new AWSS based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA and ICA. The amount and location of the proposed AWSS installed will be the minimum necessary to support the Development Phase. The new Development Phase will connect to the existing systems as close to the edge of the Development Phase area as possible while maintaining the integrity of the existing system for the remainder of the Project. Repairs and/or replacement of the existing facilities necessary to support the proposed Development Phase will be designed and constructed by the Developer.

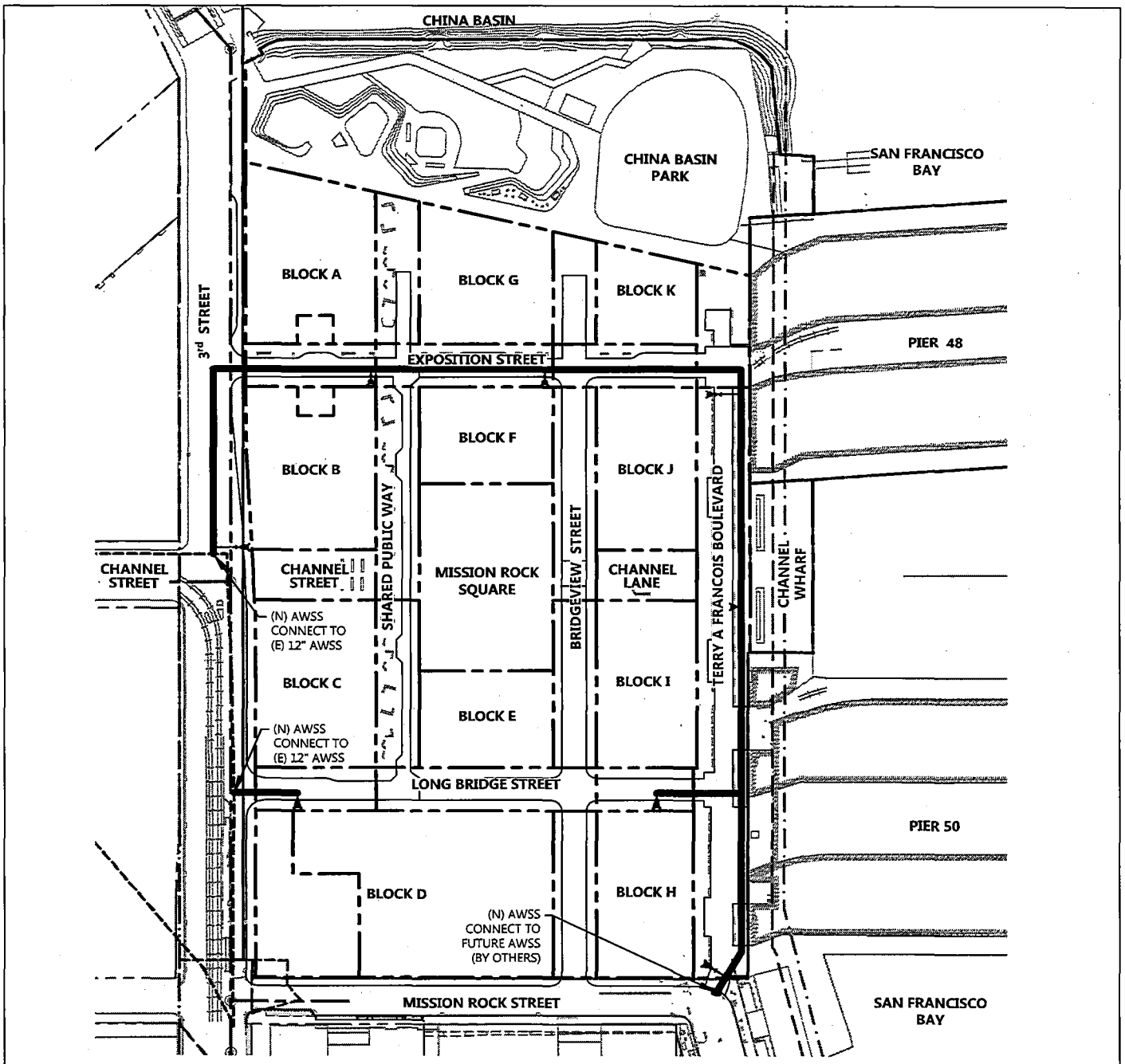
The SFPUC will be responsible for the new AWSS facilities once construction of the improvements is complete, and the facilities are accepted by the SFPUC. Impacts to improvements installed with previously constructed portions of the development due to the designs of other Development Phases will be the

responsibility of the Developer and addressed prior to approval of the construction drawings for the new Development Phase.

14.4.1 AWSS Phased Installation

The Mission Rock AWSS will be installed within the phased structured streets, 3rd Street and Terry A Francois Boulevard. The existing AWSS adjacent to the site along 3rd Street will remain in place. The new system will connect to the existing SFPUC system at the adjacent existing AWSS main along 3rd Street.

For each Development Phase, the SFPUC, in conjunction with its consultants, will provide an AWSS Report describing and depicting the pressures and flows the AWSS provides with the Phase. The construction documents and installation of AWSS infrastructure will be completed by the Developer in coordination with the SFPUC.



LEGEND

- PROPOSED PARCEL LINE
- EXISTING PARCEL LINE
- PROPOSED AWSS LINE
- EXISTING AWSS LINE
- AWSS FIRE HYDRANT, LATERAL, AND VALVE

LEGEND

AWSS AUXILIARY WATER SUPPLY SYSTEM

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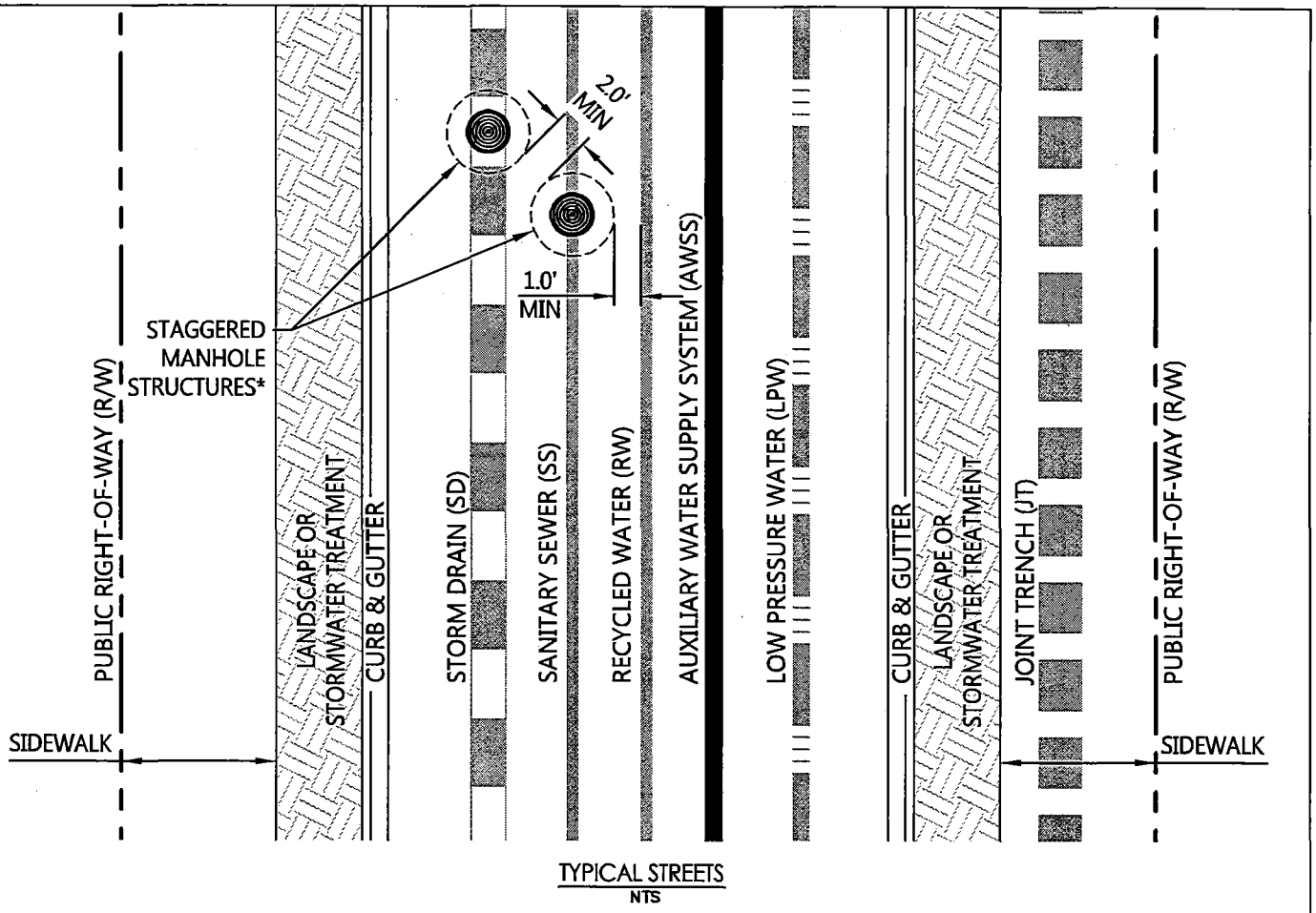
Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\Bkf-sf\vol4\2008\080196_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 14.1 Conceptual Auxiliary Water Supply System.dwg
PLOT DATE: 11-14-17 PLOTTED BY: valk

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 14.1 - CONCEPTUAL AUXILIARY WATER SUPPLY SYSTEM**



TYPICAL STREETS
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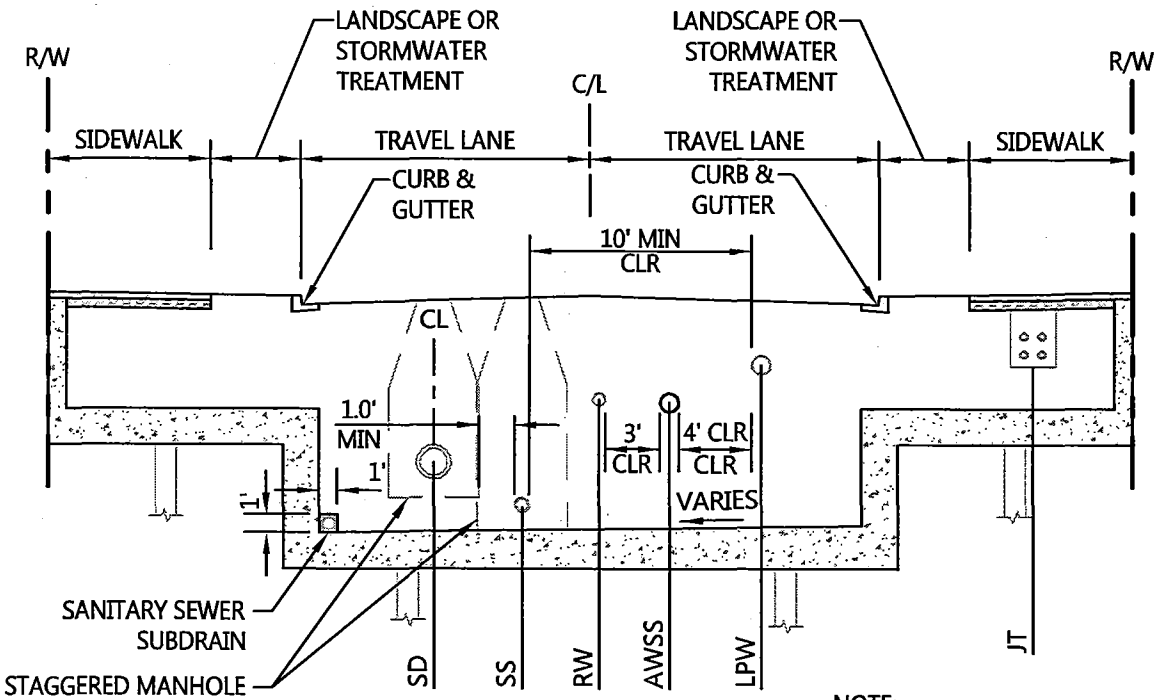

TYPICAL UTILITY CROSS SECTION
NTS

NOTE:
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Source: BKF ENGINEERS, 07/2018

DRAWING NAME: \\bkf-sf\vol4\2008\080000_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 11.2_14.2 Typical Util Section.dwg
PLOT DATE: 11-13-17 PLOTTED BY: volk

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 14.2 - TYPICAL UTILITY SECTION WITHIN PUBLIC STREETS**

15. DISTRICT UTILITY INFRASTRUCTURE

15.1 Central Utility Plant

The Mission Rock development will utilize a central utility plant (CUP) in Block A for heating and cooling, greywater collection treatment, and non-potable water distribution infrastructure required to achieve the sustainability goals of the Project. The heating and cooling may be provided by a bay sourced cooling loop that will connect the Bay to the chillers at the CUP, or through an approved, alternative heat exchange method. Greywater, which refers to wastewater collected from building systems without fecal contamination, will be collected and directed to the CUP for treatment before distribution throughout the Project for non-potable uses. The development is considered a Type-I Eco-District. The infrastructure maximizes efficiencies by providing budget certainty for thermal services. In addition to providing a sustainable district energy system throughout the site, the Type-I Eco-District development will also meet the San Francisco Eco-District guidelines. For additional information, refer to the District Heating and Cooling Services at Mission Rock prepared by Arup, dated May 13, 2016 in Appendix M and the latest edition of the Sustainability Strategy prepared by Atelier Ten.

15.1.1 Central Utility Plant Components

The CUP comprises a central district energy distribution plant, bay source cooling, and a greywater treatment and distribution plant at Block A. The central energy plant will provide chilled and hot water to each Development Parcel to support mechanical system demands. The greywater treatment plant will supply non-potable water to each Development Parcel. The distribution system will be developed with consideration to other site utilities, but is anticipated to be predominately routed through Shared Public Way, Bridgeview Street, and China Basin Park. Considerations for this utility routing include limiting the amount of district utilities that are parallel to the main public utilities in Exposition Street and Long Bridge Street and development phasing. Locations for each Development Parcel's heating hot water and chilled water connections, greywater collection point of connection, and non-potable water distribution point of connection will be determined during the vertical design for each Development Parcel.

15.1.2 Central Energy Plant

The Project has a goal to use renewable energy for 100% of its building energy demands, thereby offsetting its projected greenhouse emissions. The central energy plant will be powered by 100% renewable energy. The renewable energy may be purchased from an off-site renewable power

provider and delivered to the site via the power provider. Chilled water and hot water supply and return lines will distribute heating and cooling energy from the central energy plant at Block A to each Development Parcel. Each Development Parcel will be required to connect to this system, which also significantly reduces the volume of water required by cooling towers. Chilled water and heating hot water supply lines are distributed to the Development Parcels from the central energy plant at Block A through Shared Public Way, Bridgeview Street, and China Basin Park.

15.1.3 Heat Rejection and Cooling

Bay water may be used for heat rejection and cooling in the district energy system to minimize the energy demand for cooling and provide significant water savings by reducing the need for cooling towers. Cooling will be provided by the bay source cooling loop that rejects heat from the chillers at the central plant to the Bay. This heat exchange requires very little energy. The HDPE Intake and outfall pipes will be placed within the Pier 48 footprint, at or slightly below the seabed elevation and on top of plastic lumber. The inlet screens will be in deep water, protected by the pier and accessible for maintenance. Secondary screening may also be provided at the pump station on-shore or near the bulkhead. The bay source heat rejection infrastructure will likely consist of two 24-inch pipes located in China Basin Park that provide a connection between the intake/outfall at Pier 48 and the central plant at Block A, shown on Figure 15.1. Backup cooling towers may be required for emergency or maintenance operations when the bay source cooling system is offline.

15.1.4 Greywater Collection and Treatment Infrastructure

The Project has established a goal to use non-potable water for 100% of the non-potable water demand. Non-potable water demands include irrigation, toilet flushing and cooling towers. However, the demand for cooling towers is minimized by the bay source cooling and heat rejection system; thus, the non-potable demands for the purposes of this section include only irrigation and toilet flushing. Greywater will only be collected from the largest greywater-producing buildings, which includes Blocks A and K in Phase 1 and Block F in Phase 3. Greywater is conveyed to the greywater treatment plant in Block A, as shown on Figure 15.2. Non-potable water (treated greywater) is then distributed to the Development Parcels from the central greywater treatment plant at Block A through Shared Public Way, Bridgeview Street, and China Basin Park, as shown on Figure 15.3. The centralized approach optimizes the collection, treatment,

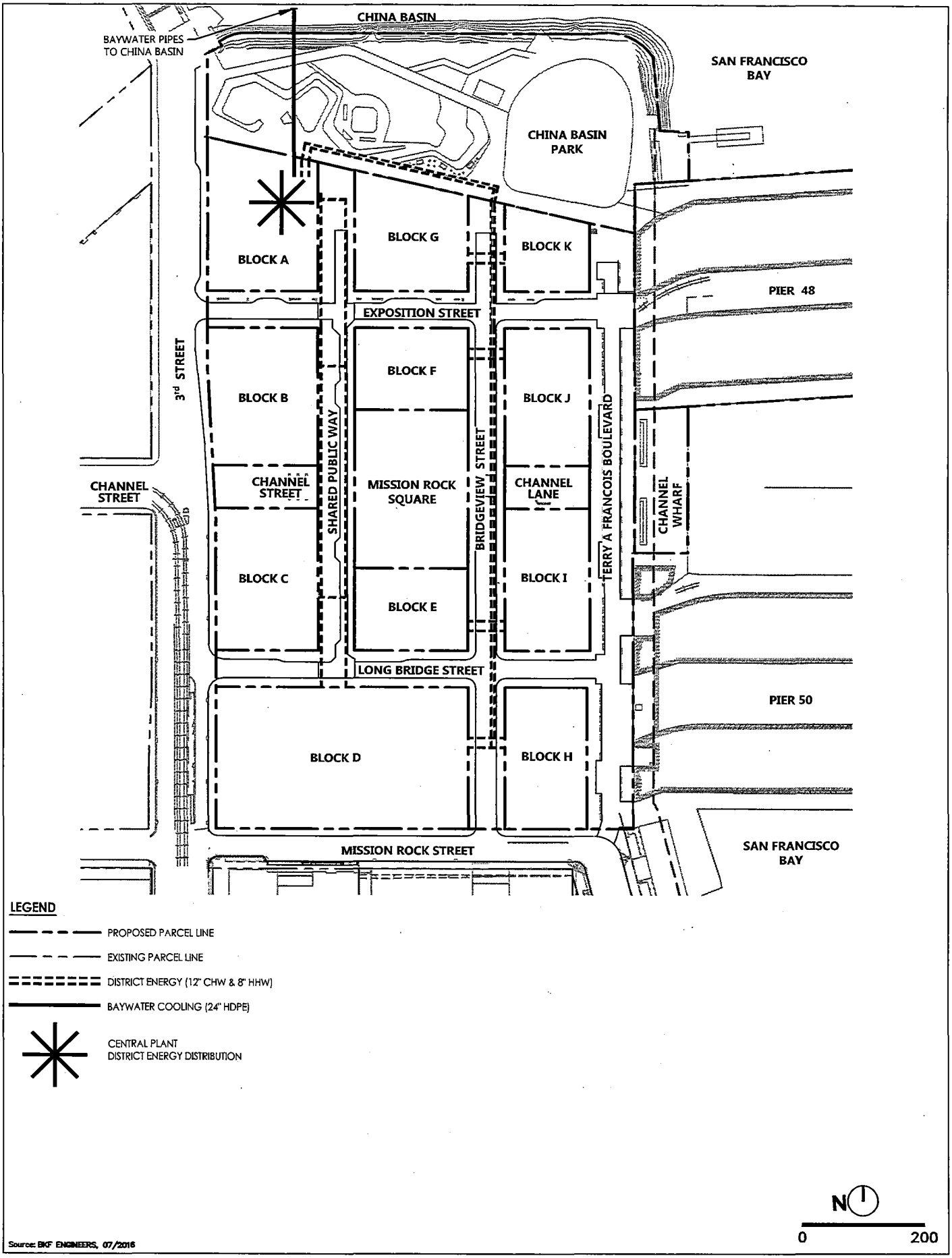
and distribution systems by producing enough non-potable water to meet 100% of the site's flushing and irrigation demands, while minimizing the amount of Infrastructure. A backup connection to the City's non-potable water main at 3rd Street will be required for emergency or maintenance operations when the greywater collection and non-potable water distribution system is offline. A connection to the SFPUC LPW potable main or the existing SFPUC recycled water main, which is currently fed by the LPW potable system in 3rd Street, may be required for the greywater treatment plant to supply backup water should the greywater treatment facility become temporarily non-operational.

Greywater and non-potable water system designs will comply with Article 12C of the San Francisco Health Code. Required SFPUC water budget application materials will be submitted to the City as part of the phase applications and construction document submittals.

15.2 Phases for District Utility Infrastructure Construction

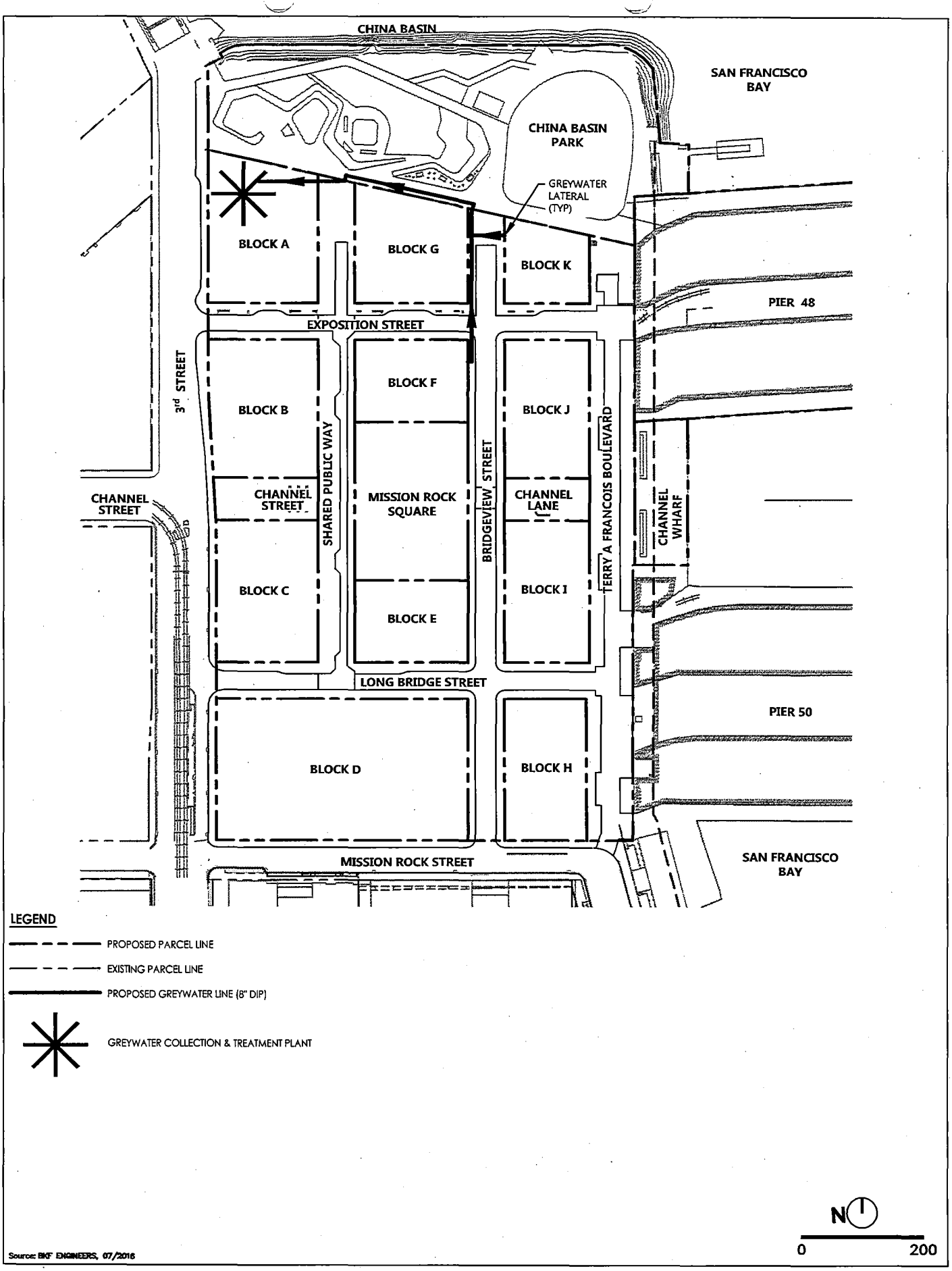
The Developer will design and install the new central utility district infrastructure based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA and ICA. The amount and location of the proposed central utility district infrastructure installed will be the minimum necessary to support the Development Phase.

The Private Entity, other Agent, or the Acquiring Agency will be responsible for ownership and maintenance of new district utility infrastructure with permitting coordinated by The Private Entity, other Agent, or Developer. Ownership, maintenance, and acceptance responsibilities for district utility infrastructure will be documented in a separate agreement. Impacts to central utility district infrastructure installed with previous Development Phases of the Project due to the designs of new Development Phases will be the responsibility of the Developer and addressed prior to approval of the construction drawings for the new Development Phase.



DRAWING NAME: \\bkf-sf\vol4\2001\0D0006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 15.1 Conceptual Utility District Infrastructure.dwg
PLOT DATE: 07-15-17 PLOTTED BY: FEL1

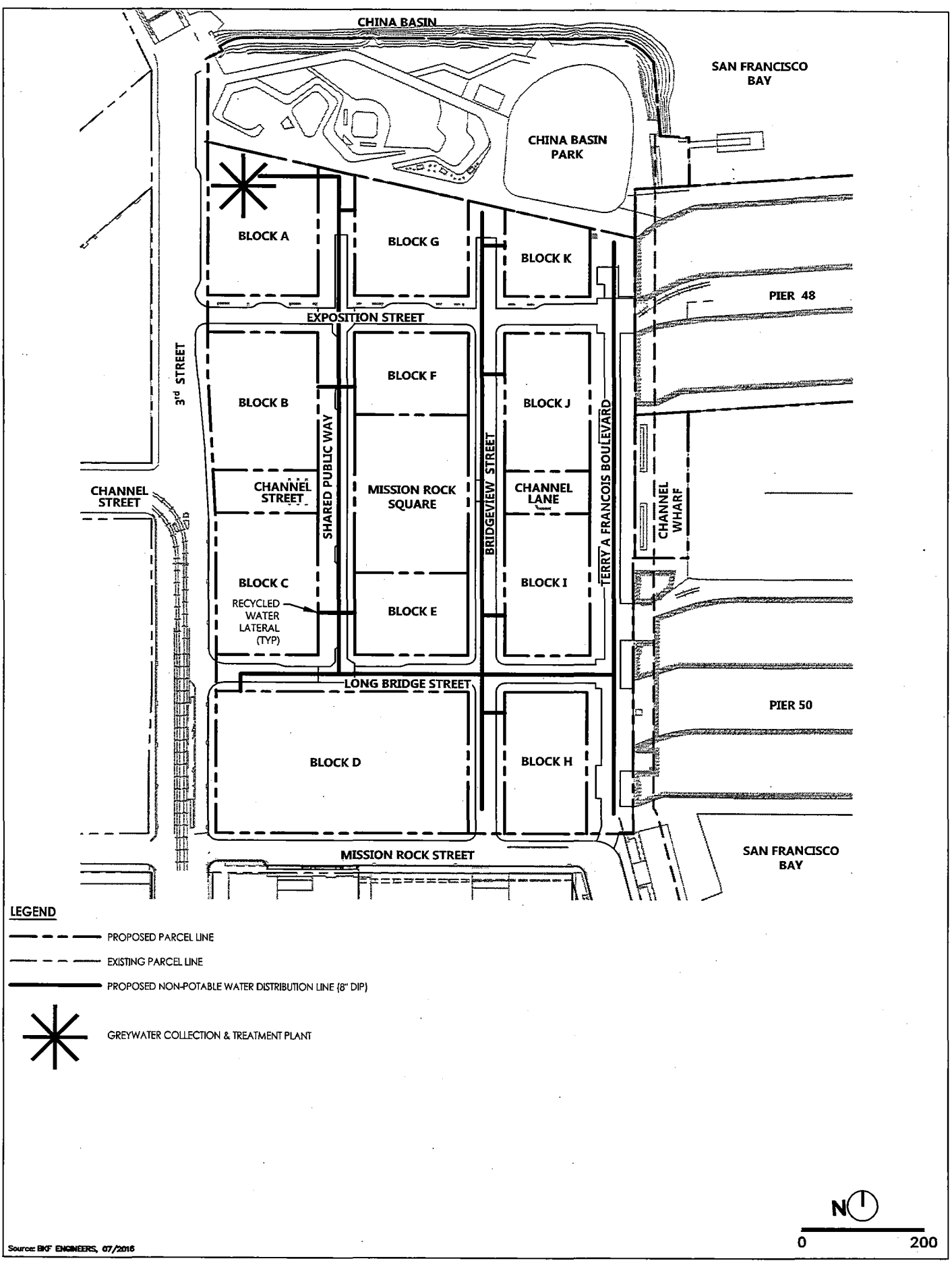
MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 15.1 - CONCEPTUAL UTILITY DISTRICT INFRASTRUCTURE**



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2016\0200106_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 15.2 Conceptual Greywater Infrastructure.dwg
PLOT DATE: 07-12-17 PLOTTED BY: PELI

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 15.2 - CONCEPTUAL GREYWATER INFRASTRUCTURE**



Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\bk1-sf\vol4\2005\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 15.3 Conceptual Recycled Water Infrastructure.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FEL.I

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 15.3 - CONCEPTUAL NON-POTABLE WATER INFRASTRUCTURE**

16. STORMWATER MANAGEMENT SYSTEM

16.1 Existing Stormwater Management System

The existing site is approximately 96.6 percent impervious, mostly covered in pavement with a park to the north. The existing site drains to storm drain systems that discharged directly or indirectly to the San Francisco Bay. The west side of the Project is served by an existing SFPUC storm drain system within 3rd Street that is routed to the future SWPS #3 for discharge to Mission Creek. Until SWPS #3 is constructed portions of the run-off discharge to an existing 11' x 11' combined sewer. The re-aligned Mission Rock Street has a new storm drain system that conveys stormwater to Mission Bay SWPS #6 to the south that discharges to the San Francisco Bay adjacent to Radiance and Block P18. Both China Basin Park and Terry A Francois Boulevard have storm drain systems that discharge directly to the San Francisco Bay through existing Port outfalls. The existing condition of the Project site does not include any stormwater facilities to treat stormwater flows prior to discharge.

16.2 Proposed Stormwater Management System

16.2.1 San Francisco Stormwater Management Requirements & Design Guidelines

The SMR is the regulatory guidance document describing requirements for post-construction stormwater management. Stormwater management performance requirements are determined based on the storm drain system available to connect into as well as the jurisdiction of the storm drain system. For Project areas that will connect into the SFPUC's existing separated storm drain system in 3rd Street or Mission Rock Street, or a SFPUC accepted outfall, the SMR requires the Project to implement a stormwater management plan that results in capture and treatment of all stormwater runoff from the 90th-percentile storm event prior to discharge to the separated storm sewer system. For Project areas that will be served by the Port's separated storm drain system outfalling directly to the San Francisco Bay through a Port outfall, the SMR requires the Project to implement a stormwater management plan that results in capture and treatment of all stormwater runoff from the 85th percentile storm event.

16.2.2 Proposed Site Conditions and Baseline Assumptions

The Project includes public streets, parks and plaza open space areas, and Private Development Parcels. The Project will be designed to integrate Low Impact Development (LID) elements with stormwater best management practices (BMPs) to create a sustainable environment at the site and achieve compliance with the SMR. LID elements include landscaping, permeable paving

materials, and vegetated roofs to reduce stormwater runoff from hardscape surfaces. Stormwater treatment BMPs considered for the Project include street flow-through planters, bioretention areas, rain gardens, and green roofs to treat stormwater runoff prior to discharging to the public separated storm drain system.

Public streets will consist of at-grade streets or pile-supported structured streets with a combination of landscape strips, tree wells, permeable pavers, and street flow-through planters. China Basin Park will be elevated by a combination of planting soil and Geofoam within the park and structured streets within the Promenade. Mission Rock Square may be a pile-supported podium or constructed on lightweight fill, Geofoam, and/or imported fill material. China Basin Park and Mission Rock Square will include landscape strips, tree wells, and centralized bioretention areas. The development parcels will be covered entirely with podium structures consisting of a combination of landscape planters, tree wells, green roofs, and pedestrian pathways.

16.2.3 Stormwater Management Design Concepts and Master Plan

The SMR requires the Project to implement BMPs to capture and treat stormwater runoff from all impervious areas for the design storm event. To be included with the Stormwater Management Master Utility Plan, a process flow diagram illustrating the limits of the drainage management areas (DMAs), location of stormwater discharge to existing storm drain system, and jurisdiction of existing storm drain system will be developed to illustrate compliance with the SMR.

The conceptual stormwater management plan for the Project includes DMAs with either localized treatment or centralized treatment facilities. Localized treatment occurs in DMAs that are able to direct surface runoff to BMPs that are sized to treat stormwater runoff from impervious areas per the given design storm event. Private development parcels located within DMAs with localized treatment will allocate a space to implement BMP measures and treat stormwater for the design storm event prior to discharging into the adjacent public storm drain system. Alternatively, Development Parcels also have the option to collect and reuse stormwater on-site.

For areas that are not able to treat surface runoff prior to entering the storm drain system, untreated runoff is pumped to centralized treatment facility located in either China Basin Park or Mission Rock Square. Private development parcels within DMAs without localized treatment are

not required to implement additional BMP measures on-site where centralized treatment areas are sized to treat runoff from the private development parcels.

The conceptual stormwater management approach for the Project is presented in Figure 16.1. Stormwater management performance quantities and strategies will be documented as part of the Project Stormwater Management Master Utility Plan to be submitted for review and approval by the SPFUC and Port.

16.3 Stormwater Control Plan

Based on the designs to be reviewed and approved by the SFPUC and Port as part of the Stormwater Management Master Utility Plan, the stormwater management strategies for the Project will be documented in a Stormwater Control Plan (SCP) in compliance with SFPUC and Port stormwater management regulations and the requirements of the SMR. The selected modeling methodology will be per the SFPUC and Port-accepted hydrologic calculation methods. The Preliminary SCP for the public improvements will be submitted for review and approval before the 60% Improvement Plan for each phase of the project, and the Final SCP will be submitted with the 95% Improvement Plan for that phase or Development Parcel and prior to construction. For Development Parcels, a Preliminary SCP and Final SCP shall be submitted for approval per SFPUC and Port stormwater management requirements.

16.4 Phases for Stormwater Management System Construction

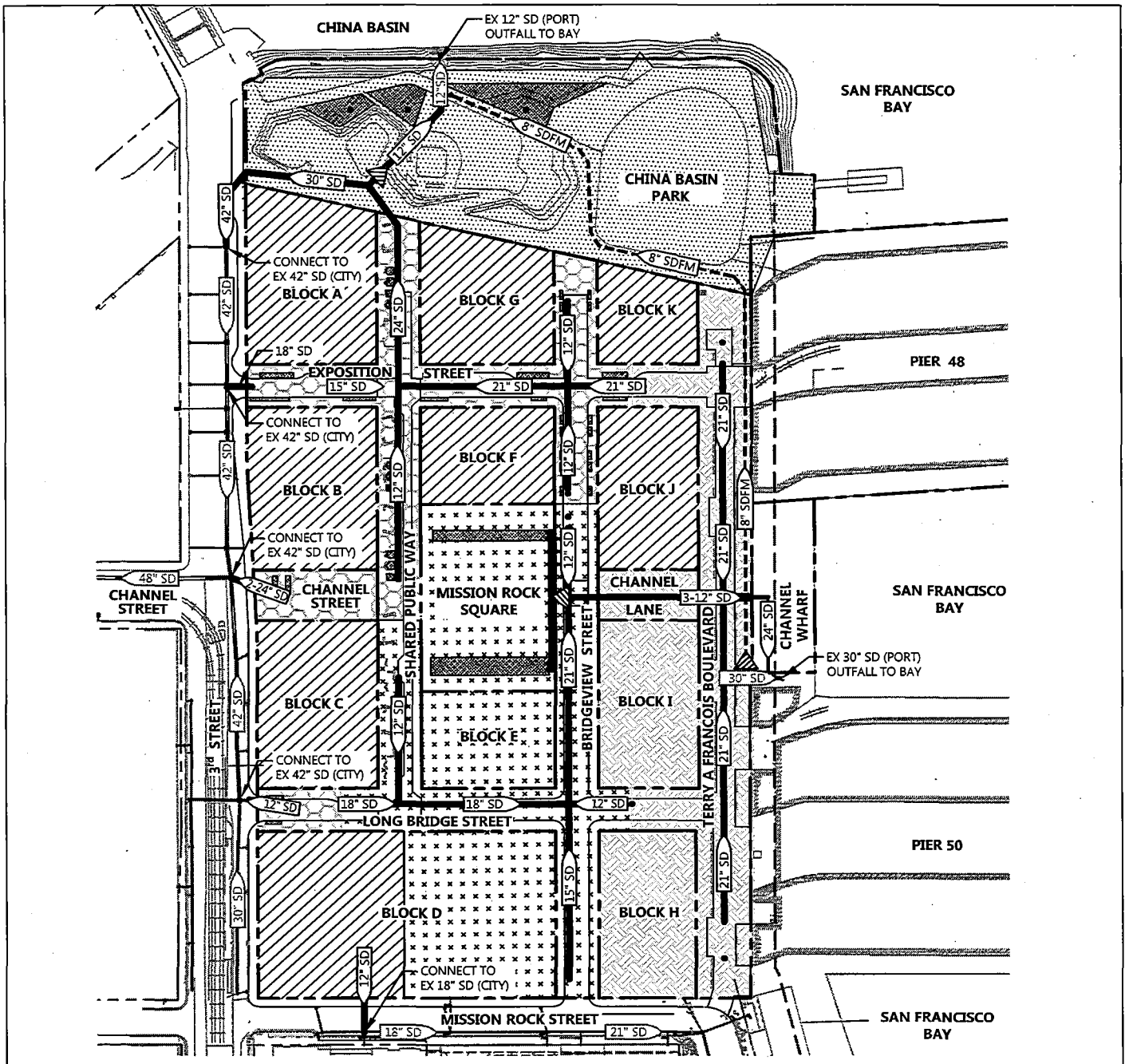
The Developer will design and install the new stormwater management system based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA and ICA. The amount and location of the proposed stormwater management systems installed will be the minimum necessary to support the Development Phase. The new Development Phase will connect to the existing systems as close to the edge of the Development Phase area as possible while maintaining the integrity of the existing system for the remainder of the Project. Development phasing with regard to stormwater treatment and storm drain system is conceptual and remains under design. The phasing and simplification of the stormwater treatment and drain systems will be further coordinated with the SFPUC prior to approval of the MUPs.

At all phases of the development, the Developer must provide functioning and adequate stormwater management in compliance with the SFPUC and Port's post-construction stormwater management requirements and the SMR. The Developer will be required to complete the review process with SFPUC

and Port to seek approval for the Preliminary SCP and Final SCP for each Development Phase. The street right-of-way and Park Improvement Plans must have Final SCP approval prior to issuance of the Street Improvement Permit (SIP). In addition, the Developer must complete the construction of the approved stormwater management and treatment improvements required for each development phase prior to receiving a Certification of Completion for the development phase.

Permanent or interim centralized stormwater management and treatment facilities necessary to achieve SMR compliance within a development phase will be constructed and operational prior to or in conjunction with that phase. Interim stormwater BMPs implemented as part of the on-site remediation will be preserved on undeveloped parcels. As required by the SFPUC and Regional Water Quality Control Board (RWQCB), the Developer will be responsible for constructing and maintaining interim stormwater management and treatment infrastructure, and ensuring such interim treatment facilities remain online and operating continuously until permanent BMP infrastructure is fully functional and operating.

Stormwater management and treatment systems, which may include bioretention areas, street flow-through planters, pump stations, and storage areas located on public or private property within the Project, will be constructed and maintained by the Acquiring Agency, Developer, or its Assignees, where applicable, per the terms of the DA and DDA, ICA, or separate MOU/MOA between the Port, City, and Developer.



LEGEND

- PROPOSED PARCEL LINE
- EXISTING PARCEL LINE
- 30" SD — EXISTING STORM DRAIN LINE
- 12" SD — PROPOSED STORM DRAIN MAIN
- 8" SDFM — PROPOSED STORM DRAIN FORCE MAIN
- PROPOSED STORM DRAIN MANHOLE
- LOCALIZED STORMWATER TREATMENT AT DEVELOPMENT
- LOCALIZED STORMWATER TREATMENT AT STREETS
- PUMPED TO MISSION ROCK SQUARE FOR CENTRALIZED STORMWATER TREATMENT
- PUMPED TO CHINA BASIN PARK FOR CENTRALIZED STORMWATER TREATMENT
- DRAINED TO CHINA BASIN PARK FOR CENTRALIZED STORMWATER TREATMENT
- BIORETENTION AREA
- TREATMENT PUMP STATION

N

0 200

Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2005\090006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 16.1 Conceptual Stormwater Management Plan.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FEL1

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 16.1 - CONCEPTUAL STORMWATER MANAGEMENT PLAN**

17. DRY UTILITY SYSTEMS

17.1 Existing Electrical, Gas, and Communication Systems

The existing parking lot is bordered by overhead PG&E electrical lines on Terry A Francois Blvd, 3rd Street and Mission Rock Street. The SFPUC provides electrical service to existing facilities at Piers 48 and 50 using existing rights to the overhead PG&E lines serving Piers 48 and 50 and is responsible for invoicing the existing facilities. Existing street lighting and telecom infrastructure are also located along 3rd Street and Mission Rock Street. Site lighting is also located within the Project. 3rd Street serves as a municipal transportation route and contains multiple Overhead Contact System (OCS) lines, owned by SFMTA, which will be maintained during and after construction. Existing PG&E gas and AT&T, or other fiber providers, telecom lines, serving Piers 48 and 50 are located on Terry A Francois Blvd as well.

17.2 Project Power Providers and Requirements

Pursuant to Chapter 99.3 of the San Francisco Administrative Code, all leases and subleases on City property shall receive electric service from the SFPUC unless the SFPUC determines that such service is not feasible. In September 2016, the SFPUC notified the Port and the Developer of its intention to continue to be the electricity provider for the Project and the other Port properties in the vicinity, including Piers 48 and 50. The SFPUC shall prepare an assessment of the feasibility of the City providing electric service to the development (the "Feasibility Study"). The Developer will cooperate with SFPUC in SFPUC's preparation of the Feasibility Study. The Feasibility Study shall include, but not be limited to, the following: 1) electric load projection and schedule; 2) evaluation of existing electric infrastructure and new infrastructure that will be needed; 3) analysis of purchase and delivery costs for electric commodity as well as transmission and distribution services that will be needed to deliver power to the development; 4) the potential for load reduction through energy efficiency and demand response; 5) business structure cost analysis; and 6) financial and cost recovery period analysis. Should the City elect to provide electric service to the Project, such service shall be provided by the City on terms and conditions generally comparable to the electric service otherwise available to the Project. If the City determines that providing power services to the Project is infeasible, the developer will pursue PG&E or other power providers to serve the Project. Should the Project be served by SFPUC power, the Developer will enter into an Electric Service Agreement with the SFPUC.

17.3 Proposed Joint Trench

The proposed Joint Trench is identified schematically on Figures 17.1 and 17.2. Services and lighting will also be provided as required to China Basin Park and Mission Rock Square. Work necessary to provide the joint trench for dry utilities, typically installed within public streets and adjacent sidewalk area, consists of trench excavation and installation of conduit ducts for electrical, gas, and communication lines. In locations where public streets will be built upon structural piles, the joint trench utilities will be installed within the structured street section. Utility vaults, splice boxes, street lights and bases, wire and transformer allowance, and backfill will be included within the structured street section. Gas, Electric and power systems will be constructed per the applicable standards of the agency or company with controlling ownership of said facilities with street lighting infrastructure constructed per City standards. The utility owner/franchisee (such as SFPUC, PG&E, AT&T, Comcast and/or other communication companies) will be responsible for installing facilities such as transformers and wire. Necessary and properly authorized public utility improvements for which franchises are authorized by the City shall be designed and installed in the public right-of-way in accordance with permits approved by SFDPW and SFPUC. Proposed dry utility infrastructure location and separation from parallel wet utilities shall comply with the utility owner's regulations. Joint trenches or utility corridors will be utilized wherever allowed. The location and design of joint trenches or utility corridors in the public right-of-way must be approved by SFDPW and the SFPUC during the subdivision review process. The precise location of the joint trench in the right-of-way will be determined prior to recording the applicable Final Map and identified in the Project construction documents. Nothing in this Infrastructure Plan shall be deemed to preclude the Developer from seeking reimbursement for or causing others to obtain consent for the utilization of such joint trench facilities where such reimbursement or consent requirement is otherwise permitted by law.

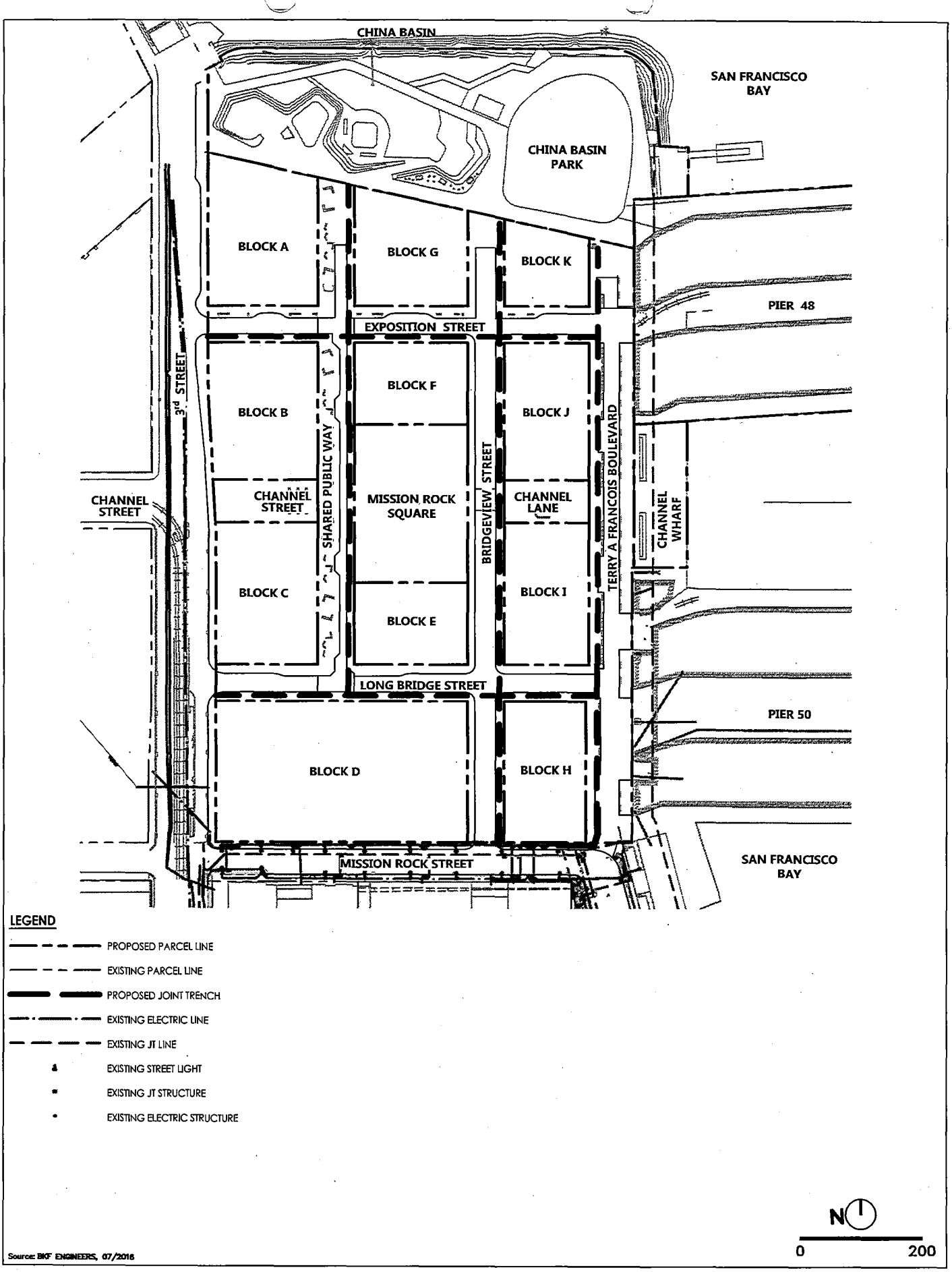
17.4 Phases for Dry Utility Systems Construction

Joint trench design and installation will occur in phases based on the principle of adjacency and as-needed to facilitate a specific proposed Development Phase and consistent with the requirements of the DA, DDA and ICA. The amount of existing system replaced and new infrastructure installed along Terry A Francois Blvd, 3rd Street and Mission Rock Street will be the minimum necessary to support the Development Phase and piers. The new infrastructure will connect to the existing systems as close to the proposed development as possible while maintaining the integrity of the existing system. Repairs and/or replacement of the existing facilities necessary to serve the Development Phase will be designed and

constructed by the Developer. Such phased dry utility installation will allow the existing utility services to remain in place as long as possible and reduce disruption of existing uses on the site and adjacent facilities. Temporary or interim electric or dry utility infrastructure may be constructed and maintained as necessary to support service to existing buildings.

The service providers will be responsible for maintenance of existing facilities until replaced by the Developer. In the interim, the service provider is responsible for any power facilities installed under any agreement with the Developer and Acquiring Agency. The service provider will also be responsible for any new power facilities once the horizontal improvements for the Development phase or the new power facility is complete and accepted by the Acquiring Agency.

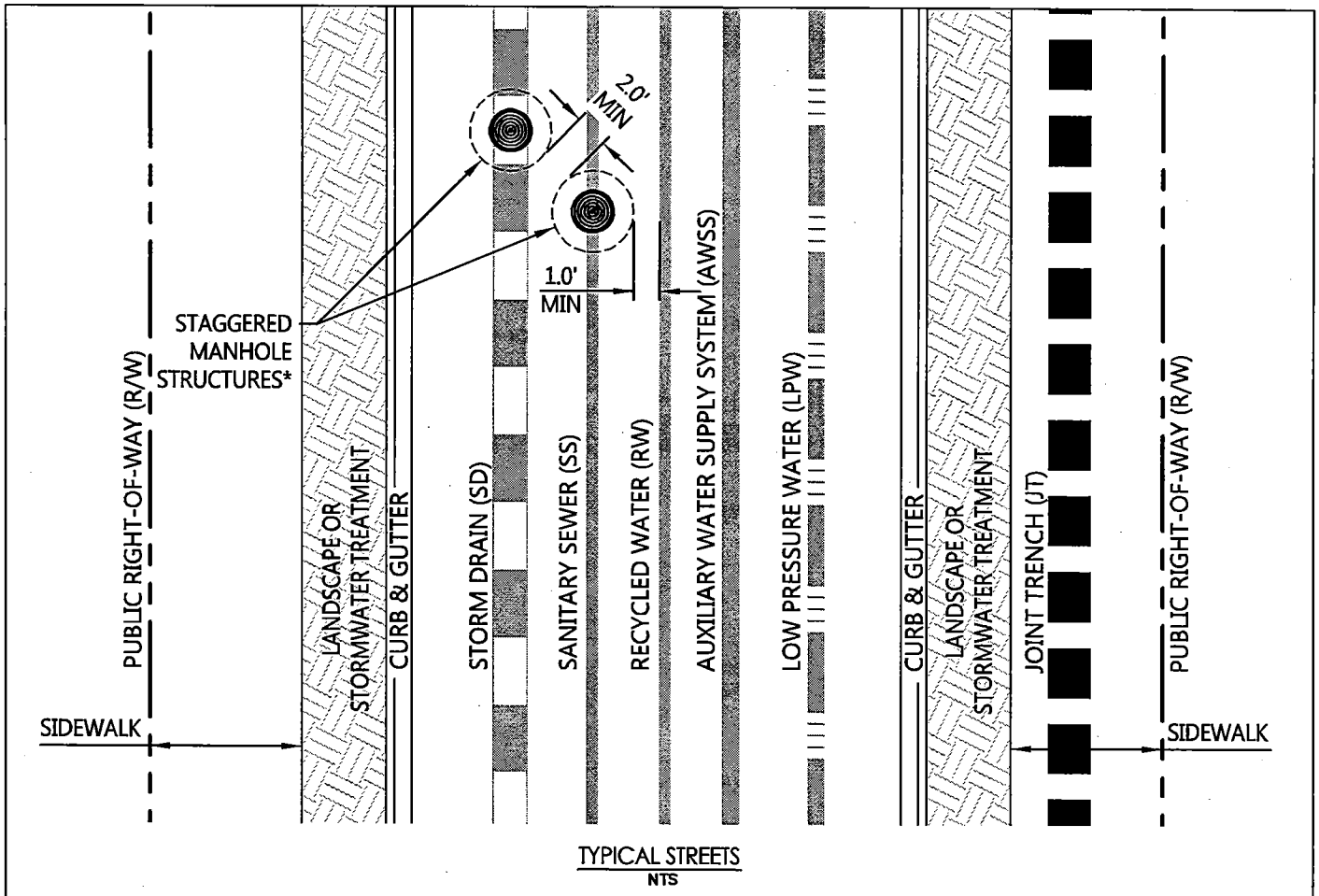
Impacts to improvements installed with previous Development Phases due to the designs of the new Development Phase will be the responsibility of the Developer and addressed prior to approval of the construction drawings for the new Development Phase.



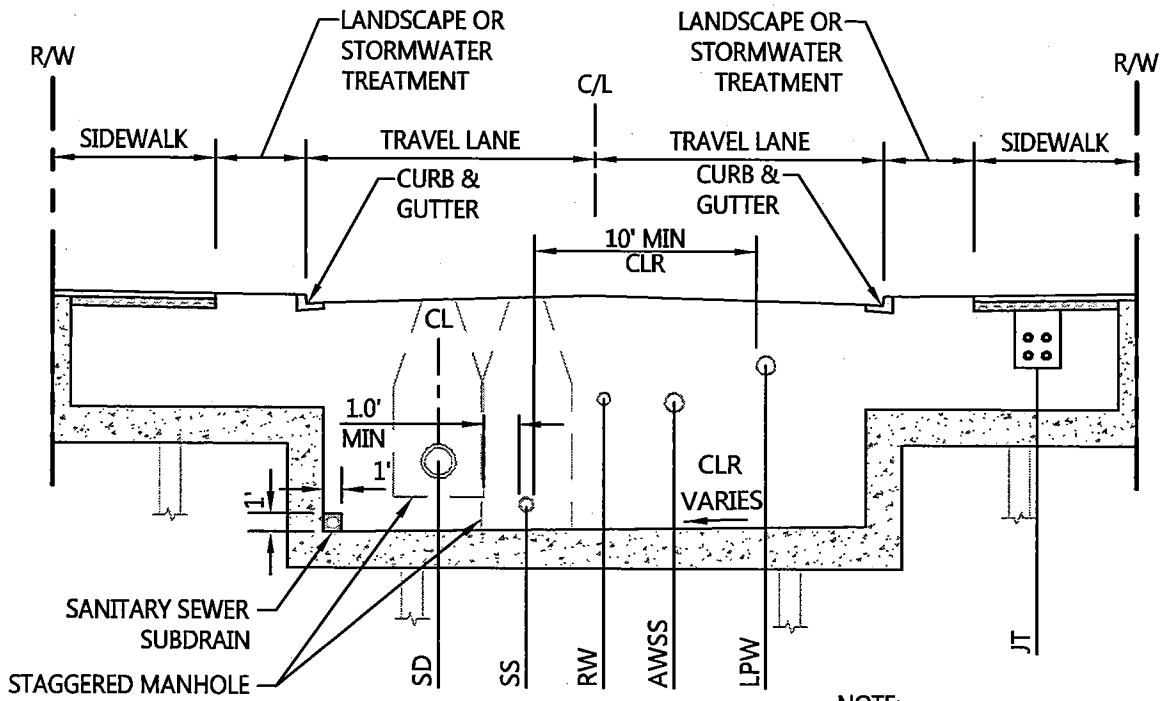
Source: BKF ENGINEERS, 07/2016

DRAWING NAME: \\BKF-SF\vol4\2018\018106_Mission Rock\EMG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 17.1 Conceptual Dry Utility Systems.dwg
PLOT DATE: 07-13-17 PLOTTED BY: FELI

MISSION ROCK INFRASTRUCTURE PLAN **FIGURE 17.1 - CONCEPTUAL DRY UTILITY SYSTEMS**



TYPICAL STREETS
NTS



TYPICAL UTILITY CROSS SECTION
NTS

NOTE:
*2.0' MIN CLEAR BETWEEN MANHOLE STRUCTURES, 1.0' MIN CLEAR FROM PIPE OD TO OUTSIDE MANHOLE STRUCTURE

Source: BKF ENGINEERS, 07/2018

DRAWING NAME: \\bkf-sf\vol4\2008\080006_Mission Rock\ENG\Exhibits\Infrastructure Plan Exhibits\Plotted Sheets\Figure 11.2_14.2 Typical Util Section.dwg
PLOT DATE: 11-13-17 PLOTTED BY: volk

MISSION ROCK INFRASTRUCTURE PLAN

FIGURE 17.2 - TYPICAL UTILITY SECTION WITHIN PUBLIC STREETS

APPENDIX A
(Not Used)

APPENDIX B
Hazardous Soil Remediation Plan Letter
September 12, 2011

Ash Creek Associates, Inc.
Environmental and Geotechnical Consultants

September 12, 2011

Jon Knorpp
Seawall Lot 337 Assoc., LLC
24 Willie Mays Plaza
San Francisco, CA 94107

Re: Mission Rock Development – Seawall Lot 337
San Francisco, California
1868-00

Dear Mr. Knorpp:

As requested, this letter outlines the anticipated steps to complete the environmental program related to potential hazardous substances in soil and groundwater at the subject site. Mission Rock Development is planning a mixed use development at Lot 337 in San Francisco, California (the Site). Figure 1 provides a Site Location Map. The Site is a former industrial property within the area subject to the requirements of Article 20 of the City and County of San Francisco Public Health Department Ordinance 253-86 (the Maher Ordinance). In addition, Covenant to Restrict Use of Property (Use Restrictions) were recorded in agreements between the City and County of San Francisco (City) and the California Department of Toxic Substance Control (DTSC) as a part of previous development of the Site. As described herein, these documents outline certain requirements that will need to be met prior to initiating the proposed site development.

BACKGROUND

Environmental investigations were performed at the Site in the 1990s when the Site was redeveloped for use as a parking lot and park. The scope of the investigations performed was developed to satisfy the requirements of the Maher Ordinance and to achieve site closure from the City and DTSC. Several documents were prepared documenting the scope and results of these investigations, including:

- Site Use History and Proposed Article 20 Sampling Program, Proposed Imperial Weitz Parking Lots South of China Basin Channel, San Francisco California prepared by Geomatrix Consultants, Inc. dated March 1999;
- Results or Article 20 Sampling Program and Health Risk Assessment, Proposed Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area e – Port of San Francisco, San Francisco California prepared by Geomatrix Consultants, Inc. dated June 1999;
- Preliminary Screening Evaluation, H&H Ship Service Company, San Francisco, California, prepared by Harding Lawson Associates dated September 14, 1995; and

3015 SW First Avenue
Portland, Oregon 97201-4707
(503) 924-4704 Portland
(360) 567-3977 Vancouver
(503) 943-6357 Fax
www.ashcreekassociates.com

- RCRA Closure Certification Report, Former H&H Ship Service Company, San Francisco, California, prepared by Harding Lawson Associates dated February 4, 1999.

Copies of these reports can be obtained at the Port of San Francisco website at the following link: http://www.sf-port.org/index.aspx?page=44

As part of the cleanup requirements to achieve site closure, a Soil Management Plan was prepared to detail methods and procedures for soil handling, stockpiling, disposal, and accessing to be used during and after site development. A copy of the Soil Management Plan is included as Attachment A to this letter. In addition, land use restrictions were described in the Use Restrictions and recorded in two agreements between the City and DTSC (one for the part of the Site that is South of Terry Francois Blvd and currently used as a parking lot and the second that is north of Terry Francois Blvd and is currently used as a park). A copy of each of the Use Restrictions are included as Attachment B to this letter. The Use Restrictions require, amongst other items, that Maher Ordinance assessments be performed if more than 50 cubic yards of soil are to be disturbed and a variance be obtained if the Site is to be developed for any of the uses listed as "restricted" in the Use Restriction.

ANTICIPATED ACTIVITIES TO ACHIEVE ENVIRONMENTAL CLEARANCES

Based on a review of the available documents and the Use Restrictions for the Site, the following actions are anticipated to achieve environmental clearances of potentially hazardous substances in soil or groundwater necessary to complete the site development.

1) Use Variance. The current Use Restrictions do not allow residential development at the Site. It is our understanding that some of the Site may be developed for high-density housing as a part of the proposed development. The intent of the Use Restrictions is to preclude single family home development and it appears that high-density housing is an acceptable use of the Site. However, a variance to the Use Restrictions may be needed. A meeting with the DTSC and the Port of San Francisco (Port) will be conducted to discuss the proposed development and identify whether a variance will be needed from the provisions in the Use Restrictions. If a variance is required, the variance will be developed and written in conjunction with the DTSC and the Port.

2) Maher Ordinance. The Use Restrictions and City regulations require that the Maher Ordinance requirements be met prior to initiation of site development. Investigations satisfying the Maher Ordinance were performed in support of the previous development of the Site as a parking area and park. The investigations performed for the Maher Ordinance provided an understanding of both the soil and groundwater quality at the Site. A risk assessment was performed and did not identify unacceptable risk to construction workers or other receptors for that development. The scopes of the previous assessments are consistent with currently proposed site development and appear to be sufficient to meet the requirements of the Maher Ordinance. A meeting with the City and County of San Francisco Department of Public Health (DPH) will be conducted to discuss site conditions and the proposed development to illustrate how the previous investigations have collected the needed data to meet Maher Ordinance requirements for the new development.

   If the DPH agrees that sufficient data has been collected to meet the Maher requirements for the Site, a report will be prepared that summarizes the proposed development and existing data for DPH review and approval to document that the Maher Ordinance requirements have been met. If the DPH does not agree and requests additional site data, a work plan will be prepared identifying the work scope and procedures to collect the data the DPH is requesting to meet the Maher Ordinance requirements. The work plan will be submitted to the DPH for review. Upon DPH approval of the work plan, the work scope will be completed and a results report prepared for submittal to DPH to achieve closure on the Maher Ordinance requirements. The DTSC will be kept apprised of the activities being performed to meet the Maher Ordinance to satisfy the requirements of the Use Restrictions.

REMEDIATION PLAN

Based on our understanding of the Site, it is anticipated that site remediation will consist of implementation of a Soil Management Plan consistent to that previously developed for the Site (see Attachment A). The Soil Management Plan describes the methods and procedures for soil management during site construction and following site development, and maintenance of a site cover. Soil management during site construction will consist of dust control, erosion control, stockpile management, and appropriate soil disposal should excess soil be excavated during construction activities. If excess soil is generated, the excess soil would need to be profiled to determine appropriate disposal options. Based on chemical analysis results of soil samples collected from the Site, total metal and organic concentrations are less than the Total Threshold Limit Concentrations (TTLCs) for designation as California Hazardous Waste. However, additional solubility testing of some of the metals (e.g., lead) would likely be required by disposal facilities to better assess the waste profile for the soil. It is possible that the solubility of the lead using the Waste Extraction Test would exceed the Solubility Threshold Limit Concentrations (STLCs) of the state. The excess soil would then be profiled as California Hazardous waste and would need to be disposed of at the appropriately licensed landfill facility.

Please do not hesitate to contact me should you have any questions.

Sincerely,

Amanda Spencer, R.G., P.E.
Principal Hydrogeologist

ATTACHMENTS

Figure 1 – Site Location Map

Attachment A – Soil Management Plan
Attachment B – Use Restriction

Note: Base map prepared from USGS 7.5-minute quadrangle of San Francisco North, CA, dated 1993 as provided by usgs.gov.

N

0 2,000 4,000
Approximate Scale in Feet

Site Location Map

Mission Rock Development – Seawall Lot 337
San Francisco, California

Ash Creek Associates, Inc.
Environmental and Geotechnical Consultants

Project Number	1868-00	Figure
September 2011		1

Attachment A

Soil Management Plan

GEOMATRIX

SOIL MANAGEMENT PLAN

Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property

San Francisco, California

Prepared for:

Imperial Weitz, LLC
800 Second Avenue, Suite 300
Des Moines, Iowa 50309

Prepared by:

Geomatrix Consultants, Inc.
2101 Webster Street, 12th Floor
Oakland, California 94612
(510) 663-4100

June 1999

Project No. 4952

Geomatrix Consultants

GEOMATRIX

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SOIL MANAGEMENT PLAN
Imperial Weitz Parking Lots for the
Giants Pacific Bell Ball Park
Area E - Port of San Francisco Property
San Francisco, California

1.0 INTRODUCTION

Geomatrix Consultants, Inc. (Geomatrix) has prepared this Soil Management Plan (SMP) on behalf of Imperial Weitz, LLC for the proposed 14-acre parking lot for the Giants' Pacific Bell Ball Park. The proposed parking lot site is located south of China Basin Channel and east of Third Street in San Francisco, California (the site; Figure 1). The site is part of a total of approximately 36 acres of parking to be developed by Imperial Weitz south of China Basin Channel and has been referred to as Area E in previous environmental documents prepared by Geomatrix on behalf of Imperial Weitz.

2.0 BACKGROUND

Imperial Weitz is proposing to construct a paved parking lot on the site. A site history review, environmental investigation and risk evaluation were performed to meet Article 20 requirements and assess potential risks to construction worker and site visitor health associated with soil and groundwater quality at the site. The following summarizes the results of the site history review, environmental investigations, and risk assessment, and describes the proposed parking lot development.

2.1 SITE SETTING AND HISTORICAL USAGE

The approximately 19 acre site is currently owned by the Port of San Francisco (the Port). The subject area was originally marshlands and shallow tidal flats bordering San Francisco Bay. It was filled between 1877 and 1913; the source of the fill is unknown but likely included construction debris and rubble from the 1906 earthquake and cut material from nearby hills and construction areas.

Historical site uses include: railroad trackage and support structures for rail-related activities, parking and shipping, and truck maintenance. H&H Shipping Service Company, Inc. (H&H) occupied the northeastern corner of the site from 1950 to 1996. H&H used the area for vehicle parking and offices, and maintained a tank cleaning area and drum storage unit. No known underground storage tanks (USTs) have been identified on the site. Recently, the site has been

leased by multiple tenants. Tenant uses consist of a recycling center, an automobile sales center, the Mission Rock Recovery Center, a moving company, maritime offices, and automobile storage.

2.2 SITE INVESTIGATIONS

2.2.1 Previous Site Investigations

Burlington Northern Santa Fe Railway Company ("the Railroad") conducted Phase I and Phase II Environmental Assessments of property formerly operated by the Railroad located east of Third Street, between Sixteenth Street and China Basin Channel; this property included the western half of the site. The scope of the Railroad's investigations included one soil boring in the southern portion of the site. Soil samples were collected at depths of 0.5, 5, and 8 feet bgs and analyzed for total petroleum hydrocarbons as gasoline (TPHg), TPH as motor oil (TPHmo), lead, nickel, arsenic, chromium, cadmium, and zinc. Results of chemical analyses on these soil samples indicated that several metals were present at concentrations exceeding typical regional background concentrations (Geomatrix, March 1999).

In addition, HLA has performed an investigation of the former H&H Shipping parcel located in the northeast corner of the site (HLA; 1999). Seventeen soil samples were collected and analyzed for metals, TPH as diesel (TPHd), TPHg, oil and grease, volatile organic compounds (VOCs), polychlorinated biphenyls (PCBs), and polynuclear aromatic hydrocarbons (PNAs). Five groundwater samples were collected and one or more samples were analyzed for metals, TPHd, TPHg, benzene, toluene, ethylbenzene, xylenes [BTEX], PCBs, and PNAs. Several soil samples contained PNAs and metals; very low concentrations of some aromatic hydrocarbons and PCBs were detected in a few soil samples. The groundwater samples contained low to trace concentrations of several metals. Filtered groundwater samples did not contain PNAs; however, unfiltered samples contained low concentrations of several PNA compounds. PCBs and BTEX were not detected in the groundwater samples. Summary tables for the soil and groundwater analysis results of the H&H investigation are contained in Appendix A.

2.2.2 Recent Site Investigation

In April 1999, Geomatrix installed 8 soil borings and collected 16 soil samples (two soil samples per boring) and 2 groundwater samples (from 2 of the 8 locations) for chemical analysis. Sampling locations are illustrated on Figure 2. Primary chemicals detected in soil were PNAs and some metals (i.e., antimony, arsenic, copper, lead, nickel, and mercury). Soil sample results from the recent investigation are summarized in Tables 1 through 5. Several

metals were detected in groundwater; however, chemical concentrations were generally low to non-detect (Table 6). PNAs were not detected in the groundwater samples.

2.3 PROPOSED DEVELOPMENT

The proposed development for the subject area is asphalt paved parking. Two alternatives for storm drainage are being considered, as described below. Figures illustrating the two alternatives for the storm drainage system are contained in Appendix B.

Alternative 1

This alternative for the drainage system consists of a series of storm drainage lines and catch basins to collect and transport storm water from the parking lot site to the main City box culvert located on Channel Street, west of Fourth Street. During a 5 year storm event, the City system could reach capacity and overflows would result. Overflows from the parking lot site would be diverted to a small treatment plant to be located east of Fourth Street, near China Basin Channel. Under this alternative, Area E will be entirely paved with asphalt and surrounded by a 3- to 4-foot fence.

The catch basins will be installed in excavations with aerial dimensions of approximately 4 feet by 4 feet and extending to depths of 4 to 6 feet. Trenches will be excavated to install the piping; the trenches are anticipated to be approximately 2 to 3 feet wide and will extend between 4 to 6 feet below grade. Estimated maximum excavation depth for the piping system is 6 feet bgs. The parking area will be graded and bermed to enhance flow to each of the catch basins, and paved with asphaltic concrete.

Alternative 2

This alternative includes perimeter grassy drainage swales to collect and drain storm water overflows.

The parking area will contain a storm drain system to collect surface water runoff. The storm drain system will consist of a network of catch basins and drainage swales to collect storm water on the parking lot. The storm water will be conveyed through a series of pipes and the drainage swales to one point of discharge. The discharge pipe will collect into one main and flow into the City box sewer in Channel Street near Fourth Street.

The catch basins will be installed in excavations with aerial dimensions of approximately 4 feet by 4 feet and extending to depths of 4 to 6 feet. Trenches will be excavated to install the

piping; the trenches are anticipated to be approximately 2 to 3 feet wide and will extend between 4 to 6 feet below grade. Estimated maximum excavation depth for the piping system is 6 feet bgs. The swales will be approximately 32 feet in width and 2 to 3 feet in depth. The swales will be covered with a geotextile fabric and grass. The parking area will be graded and bermed to enhance flow to each of the catch basins, and paved with asphaltic concrete.

2.4 RISK ASSESSMENT

A health risk assessment (HRA) was conducted to evaluate the potential human health risks associated with the presence of chemicals in soil and groundwater assuming future use of the site as a parking lot with grassy swales (Geomatrix, May 1999). Potential noncarcinogenic hazard indexes and theoretical lifetime excess cancer risks were estimated for future on-site construction workers and future on-site visitors assuming conservative estimates of human exposure. Future on-site construction workers may be exposed to chemicals in soil across the site to the depth required for installation of the storm drain system or in groundwater if encountered in excavation areas. Following construction, potential exposure to future on-site visitors would be limited to exposed soil in the grass-covered swale areas.

The results of the HRA indicate that the presence of chemicals in soil and groundwater at the site should not pose an unacceptable noncarcinogenic or carcinogenic risk to future on-site construction workers and visitors. A summary table for the HRA results is provided as Table 7. Based on these results, it was also concluded that potential risks to nearby residents during construction and future on-site maintenance workers and trespassers after construction would also not be of concern.

3.0 OBJECTIVES

As described above, the results of the HRA indicate that chemicals in site soil do not present an unacceptable human health risk. However, dust from a construction site can present a nuisance if not controlled. Likewise, erosion of on-site soil during construction activities can increase the turbidity of surface water run-off.

Therefore, the objectives of the SMP are to:

- provide guidelines for soil handling, stockpiling, dust and erosion minimization and, if needed, soil disposal during site construction activities for the proposed parking lot; and

- describe procedures for soil management following site construction for the duration of the use of the Site as a parking lot.

4.0 PROPOSED SOIL MANAGEMENT PROCEDURES

The following two sections describe the soil management procedures that will be implemented during and following site construction.

4.1 SOIL MANAGEMENT PROCEDURES FOR SITE CONSTRUCTION

The following procedures will be implemented during site construction activities to minimize dust and control erosion.

4.1.1 Dust Control

The dust control measures to be implemented at the site correspond to the PM_{10} control measures recommended by the Bay Area Air Quality Management District (BAAQMD) in their California Environmental Quality Act Guidelines. These measures consist of:

- Water all active construction areas at least twice daily or as necessary to prevent visible dust plumes from migrating outside of the site limits.
- Mist or spray water while loading transportation vehicles.
- Minimize drop heights while loading transportation vehicles.
- Use tarpaulins or other effective covers for trucks carrying soils that travel on public streets.
- Pave, apply water 3 times daily, or apply non-toxic soil stabilizers on all unpaved access roads, parking areas, and staging areas.
- Sweep all paved access routes parking areas and staging areas daily, if visibly soiled.
- Sweep street daily if visible soil material is carried onto public streets from the site.

4.1.2 Erosion Control

A Stormwater Pollution Prevention Plan (SWPPP) will be developed by the site contractor prior to initiation of Site work that details procedures for minimizing erosion. The SWPPP will include elements such as silt traps and hay bales to minimize surface water runoff from the Site into storm drains or the San Francisco Bay, berms to control Site runoff, and covering soil stockpiles during the rainy season (November through March) to minimize sediment runoff.

4.1.3 Soil Stockpile Management

Temporary stockpiling of excavated soil may be necessary throughout site construction. Soil stockpiled at the Site will be lightly sprayed with water as needed to minimize dust. To the extent practical, the soil stockpiles will be covered with plastic sheeting or other similar material at times when not in active use. When a soil stockpile is uncovered during the rainy season, it will be surrounded by hay bales and/or silt traps to minimize sediment runoff.

4.1.4 Soil Disposal

Site development has been designed to minimize the generation of excess soil; therefore, soil requiring off-site disposal is not anticipated. Although not anticipated at this time, if excess soil is generated from the site, the excess soil will be profiled to determine appropriate disposal options. Handling and disposal of the soil will be conducted in accordance with all applicable state and federal laws.

Based on chemical analysis results of soil samples collected from the site, total metal and organic concentrations are less than the Total Threshold Limit Concentrations (TTLCs) for designation as California Hazardous Waste. However, additional solubility testing of some of the metals (e.g., lead) would likely be required by disposal facilities to better assess the waste profile for the soil.

4.1.5 Site Access Control

The construction site will be fenced to control pedestrian or vehicular entry, except at controlled points (i.e., gates). Gates will be closed and locked during non-construction hours. "No-trespassing" signs will be posted every 500 feet along the fencing.

4.2 SOIL MANAGEMENT FOLLOWING SITE DEVELOPMENT

Following site development, the soil will be covered by asphalt pavement or grass (in the swale areas) and it is unlikely that the soil will be accessed, with the exception of future maintenance work on subsurface utilities. The HRA assessed possible health risks to future maintenance workers at the parking lot and concluded that chemicals in soil at the site should not pose an unacceptable carcinogenic or noncarcinogenic risk (Geomatrix, May 1999). Soil management procedures during future site maintenance work requiring soil excavation will be as described in Section 4.1 of this SMP; if waste soil is generated, the soil will be disposed in accordance with the procedures described in Section 4.1.4.

5.0 MAINTENANCE OF SITE COVER

Procedures in this section are applicable only if Alternative 2 is selected for the storm drainage system.

Although the HRA concluded that soil in the grass-covered swale area would not present an unacceptable risk to human health for parking lot visitors or trespassers, it is prudent that the grass-covered swale areas be well maintained. Therefore, the swale areas will be inspected monthly during the baseball season, and quarterly during the off-season to visually observe the condition of the grass cover. Large areas of exposed soil (e.g., areas larger than several feet in diameter) should be reseeded as quickly as practical. A log of the parking area inspections ("Inspection Log") will be maintained at the site and will include written comments on the condition of the grass cover, areas requiring repairs, and repair dates.

Annual inspections of the paved parking areas will be performed to observe whether breaches in the pavement that may allow prolonged access to site soil are visible. If observed, the breach would be repaired such that the soil cover is maintained. Results of the annual inspections of the paved parking areas will be documented in the Inspection Log, described above.

6.0 CONTINGENCY PLAN

A Contingency Plan for this site is not warranted. The purpose of a Contingency Plan is to present response actions to an emergency situation. The results of the HRA indicate that exposure to site soil or groundwater while breaches in the pavement or grassy areas are being repaired would not present a situation requiring an emergency response.

7.0 HEALTH AND SAFETY GUIDELINES

A health and safety plan for site construction will be developed by the site contractor before initiation of the development activities. The results of the HRA indicate that the presence of chemicals in soil and groundwater at the site should not pose an unacceptable health risk to future construction workers or nearby receptors during construction or future maintenance workers, visitors or trespassers after construction. Therefore, a health and safety plan for known chemical hazards at the Site is not warranted, and the health and safety plan will focus on physical hazards. Additionally, contingency actions for encountering unanticipated buried hazards (e.g., drums, or other containers) will also be included in the health and safety plan.

8.0 FACILITY MAP

The final construction plan for the Site development is not complete. A copy of this plan will be forwarded to the SFDPH as an addendum to this SMP once it has been finalized.

9.0 REFERENCES

Geomatrix Consultants, Inc., 1999, Site Use History and Article 20 Sampling Program, March.

Harding Lawson Associates, 1999, RCRA Closure Certification Report, Former H&H Ship Service Facility, San Francisco, California, February 4.

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TABLE 1
SUMMARY OF ANALYTICAL RESULTS
METALS DETECTED IN SOIL SAMPLES[1]

Proposed Imperial Parking Area
Area E - Port of San Francisco Property
South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg)

Sample I.D.	Sample Interval (feet bgs)	Antimony	Arsenic	Barium	Beryl-lium	Cadmium	Total Chrom-ium	Cobalt	Copper	Lead	Mercury	Molyb-denum	Nickel	Selenium	Silver	Thallium	Vanad-ium	Zinc
GMX-1-1.0	0.5 - 1.0	<5.0	<0.35	27	<5.0	<5.0	120	16	9.6	8.7	<0.1	<5.0	220	<5.0	<5.0	<5.0	36	37
GMX-1-4.5	4.5 - 5.0	<5.0	2.5	35	<5.0	<5.0	200	24	12	13	<0.1	<5.0	370	<5.0	<5.0	<5.0	20	32
GMX-2-1.0	0.5 - 1.0	<5.0	<0.35	170	<5.0	<5.0	62	15	50	220	0.13	<5.0	71	<5.0	<5.0	<5.0	49	150
GMX-2-4.5	4.5 - 5.0	<5.0	<0.35	160	<5.0	<5.0	91	17	31	54	<0.1	18	110	<5.0	<5.0	<5.0	40	83
GMX-3-1.0	0.5 - 1.0	33	64	84	<5.0	<5.0	35	12	93	250	0.28	<5.0	140	<5.0	<5.0	<5.0	20	250
GMX-3-4.5	4.5 - 5.0	15	7.7	76	<5.0	<5.0	110	14	44	98	0.23	<5.0	240	<5.0	<5.0	<5.0	24	130
GMX-4-1.0	0.5 - 1.0	<5.0	1.8	170	<5.0	<5.0	42	16	40	110	0.16	<5.0	100	<5.0	<5.0	<5.0	31	94
GMX-4-4.5	4.5 - 5.0	<5.0	<0.35	100	<5.0	<5.0	36	8.7	26	53	<0.1	<5.0	40	<5.0	<5.0	<5.0	27	60
GMX-5-1.0	0.5 - 1.0	<5.0	0.47	26	<5.0	<5.0	21	<5.0	7.1	42	<0.1	<5.0	20	<5.0	<5.0	<5.0	17	69
GMX-5-7.0	4.5 - 5.0	<5.0	2.5	47	<5.0	<5.0	11	<5.0	13	60	0.57	<5.0	12	<5.0	<5.0	<5.0	12	35
GMX-6-1.0	0.5 - 1.0	<5.0	<0.35	360	<5.0	<5.0	17	12	66	17	<0.1	<5.0	21	<5.0	<5.0	<5.0	28	40
GMX-6-4.5	4.5 - 5.0	<5.0	<0.35	210	<5.0	<5.0	43	14	46	62	0.18	<5.0	59	<5.0	<5.0	<5.0	29	55
GMX-7-1.0	0.5 - 1.0	<5.0	10	160	<5.0	<5.0	21	5.3	93	290	5.7	<5.0	28	<5.0	<5.0	<5.0	17	320
GMX-7-5.0	4.5 - 5.0	<5.0	<0.35	180	<5.0	<5.0	87	21	35	750	<0.1	<5.0	250	<5.0	<5.0	<5.0	29	160
GMX-8-1.0	0.5 - 1.0	<5.0	<0.35	680	<5.0	<5.0	21	32	130	18	<0.1	<5.0	34	<5.0	<5.0	<5.0	40	49
GMX-8-4.5	4.5 - 5.0	<5.0	5	100	<5.0	<5.0	6.8	<5.0	21	61	<0.1	<5.0	9.1	<5.0	<5.0	<5.0	12	41
Background[2]		5.5	19.1	323	1	2.7	99	22	69	16	0.4	7.4	120	5.6	1.8	27	74	106
95% UTL		25.7	45.7	572.3	5.0	5.0	190.0	32.8	133.1	602.0	4.0	14.0	379.8	5.0	5.0	5.0	53.7	311.7
95% UTL > Background?		Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	NA	No	Yes

Note:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Entech Analytical Laboratories of Sunnyvale, California, for Title 22 metals using EPA Methods 6000/7000 Series.

[2] Background = Lawrence Berkeley National Laboratory, 1995.

Abbreviations:

feet bgs = feet below ground surface.

< = analyte not detected at or above method detection limit shown.

NA = not applicable; sample results below detection limit reported by the analytical laboratory.

95% UTL = 95 percent upper tolerance limit.

I:\Project\4952\Excel\Area E Soil Plan Tbls.xls\Soil Metals

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TABLE 2

SUMMARY OF ANALYTICAL RESULTS

VOLATILE ORGANIC COMPOUNDS DETECTED IN SOIL SAMPLES[1]

Proposed Imperial Parking Area

Area E - Port of San Francisco Property

South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg)

Sample I.D.	Sample Interval (feet bgs)	Toluene	Ethyl-benzene	Xylenes	1,2,4-Trimethyl-benzene
GMX-1-1.0	0.5 - 1.0	0.030	<0.005	0.029	0.010
GMX-1-4.5	4.5 - 5.0	0.008	<0.005	<0.005	<0.005
GMX-2-1.0	0.5 - 1.0	0.013	<0.005	0.009	0.005
GMX-2-4.5	4.5 - 5.0	0.007	<0.005	<0.005	<0.005
GMX-3-1.0	0.5 - 1.0	0.014	<0.005	0.006	<0.005
GMX-3-4.5	4.5 - 5.0	0.023	<0.005	0.018	0.014
GMX-4-1.0	0.5 - 1.0	0.020	<0.005	0.030	<0.005
GMX-4-4.5	4.5 - 5.0	<0.005	<0.005	<0.005	<0.005
GMX-5-1.0	0.5 - 1.0	0.027	<0.005	0.014	0.008
GMX-5-7.0	4.5 - 5.0	<0.005	<0.005	<0.005	<0.005
GMX-6-1.0	0.5 - 1.0	0.037	<0.005	0.056	0.036
GMX-6-4.5	4.5 - 5.0	<0.005	<0.005	<0.005	<0.005
GMX-7-1.0	0.5 - 1.0	0.008	<0.005	0.009	<0.005
GMX-7-5.0	4.5 - 5.0	0.021	<0.005	0.009	<0.005
GMX-8-1.0	0.5 - 1.0	<0.005	0.023	0.046	<0.005
GMX-8-4.5	4.5 - 5.0	0.008	<0.005	0.010	<0.005

Note:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Entech Analytical Laboratories of Sunnyvale, California, for VOCs using EPA Method 8260B.

Abbreviations:

feet bgs = feet below ground surface.

< = indicates result less than the laboratory detection limit indicated.

VOCs = volatile organic compounds.

I:\Project\4952\Excel\Area E Soil Plan Tbls.xls\VOC mgkg

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TABLE 3
SUMMARY OF ANALYTICAL RESULTS
POLYNUCLEAR AROMATIC COMPOUNDS DETECTED IN SOIL SAMPLES[1]

Proposed Imperial Parking Area

Area E - Port of San Francisco Property

South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg)

Sample I.D.	Sample Interval (feet bgs)	Acenaphthene	Acenaphthylene	Anthracene	Benzo(a) anthracene	Benzo(b) fluoranthene	Benzo(k) fluoranthene	Benzo (g,h,i) perylene	Benzo(a) pyrene	Chrysene	Dibenzo (a,h) anthracene	Fluoranthene	Fluorene	Indeno (1,2,3-cd) pyrene	Naphthalene[2]	Phenanthrene	Pyrene
GMX-1-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	<0.04	<0.002	<0.04	<0.04	<0.04	0.089	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	0.058
GMX-1-4.5	4.5 - 5.0	<0.01	<0.01	0.023	<0.01	0.029	<0.01	<0.01	<0.01	<0.01	<0.01	0.025	<0.01	<0.01	<0.01	0.024	0.029
GMX-2-1.0	0.5 - 1.0	<0.02	0.024	0.103	0.141	<0.002	<0.02	<0.02	<0.02	0.08	<0.02	0.363[3]	<0.02	<0.02	<0.02	0.105	0.415[3]
GMX-2-4.5	4.5 - 5.0	<0.002	0.0024	0.0066	0.022	0.022	0.0048	<0.002	<0.002	0.011	<0.002	0.023	<0.002	<0.002	0.0058	0.0068	0.025
GMX-3-1.0	0.5 - 1.0	<0.02	<0.02	0.078	0.114	<0.002	<0.02	<0.02	<0.02	0.064	<0.02	0.169	<0.02	<0.02	<0.02	0.08	0.16
GMX-3-4.5	4.5 - 5.0	<0.01	<0.01	<0.01	0.025	0.04	<0.01	<0.01	<0.01	0.014	<0.01	0.036	<0.01	<0.01	<0.01	0.024	0.045
GMX-4-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	0.072	<0.04	<0.04	<0.04	<0.04	0.061	<0.04	0.142	<0.04	<0.04	<0.04	0.071	0.183
GMX-4-4.5	4.5 - 5.0	0.053	0.107	0.129	<0.02	<0.2	<0.2	<0.2	0.295	0.18	<0.2	0.628[4]	<0.02	<0.2	0.057	0.668[4]	0.777[4]
GMX-5-1.0	0.5 - 1.0	<0.02	<0.02	<0.02	<0.002	<0.02	<0.02	<0.02	<0.02	<0.02	<0.02	0.032	<0.02	<0.02	<0.02	0.02	0.034
GMX-5-7.0	4.5 - 5.0	<0.002	<0.002	0.026	<0.002	<0.002	<0.002	<0.002	<0.002	0.004	<0.002	0.011	<0.002	<0.002	<0.002	0.026	0.013
GMX-6-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	0.205	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	0.046	<0.04	<0.04	<0.04	0.06	0.107
GMX-6-4.5	4.5 - 5.0	<0.01	<0.01	0.029	0.122	0.1	0.023	0.038	0.072	0.056	<0.01	0.11	<0.01	0.042	<0.01	0.029	0.111
GMX-7-1.0	0.5 - 1.0	<0.02	<0.02	0.024	0.187	<0.02	<0.02	<0.02	<0.02	0.098	<0.02	0.196	<0.02	<0.02	<0.02	0.194	0.224
GMX-7-5.0	4.5 - 5.0	<0.01	<0.01	<0.01	0.031	<0.01	<0.01	<0.01	<0.01	<0.04	<0.01	<0.01	<0.01	<0.01	<0.04	0.072	<0.01
GMX-8-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	0.288	<0.04	<0.04	0.095	0.156	0.374
GMX-8-4.5	4.5 - 5.0	0.019	0.078	<0.01	0.314[4]	0.457[4]	<0.01	<0.01	<0.01	0.323[4]	<0.01	0.772[4]	<0.01	<0.01	<0.01	0.288[4]	0.680[4]

Notes:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Advanced Technology Laboratories of Signal Hill, California, for PNAs using EPA Method 8270 SIMS.

[2] Detected concentration reported as part of EPA Method 8260.

[3] Results reported from a 1:100 dilution.

[4] Results reported from a 1:50 dilution.

Abbreviations:

feet bgs = feet below ground surface.

< = indicates result less than the laboratory detection limit indicated.

PNAs = polynuclear aromatic hydrocarbons.

I:\Project\4952\Excel\Area E Soil Plan Tbls.xls\PNAs mgkg

GEOMATRIX

TABLE 4

SUMMARY OF ANALYTICAL RESULTS

OTHER MAHER PARAMETERS[1]

Proposed Imperial Parking Area
Area E - Port of San Francisco Property
South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg) unless noted

Sample I.D.	Sample Interval (feet bgs)	Asbestos	Cyanide	Fluoride	Total Sulfide	pH (no units)	FID (ppmv)
GMX-1-1.0	0.5 - 1.0	<1%	<0.5	<0.5	<0.5	8.4	0
GMX-1-4.5	4.5 - 5.0	NA	NA	NA	NA	NA	
GMX-2-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	100
GMX-2-4.5	4.5 - 5.0	<1%	NA	NA	NA	9.4	
GMX-3-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	0
GMX-3-4.5	4.5 - 5.0	<1%	<0.5	<0.5	<0.5	8.8	
GMX-4-1.0	0.5 - 1.0	<1%	NA	NA	NA	9.4	100
GMX-4-4.5	4.5 - 5.0	NA	NA	NA	NA	NA	
GMX-5-1.0	0.5 - 1.0	<1%	<0.5	<0.5	<0.5	9.1	100
GMX-5-7.0	4.5 - 5.0	NA	NA	NA	NA	NA	
GMX-6-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	1100
GMX-6-4.5	4.5 - 5.0	<1%	NA	NA	NA	9.2	
GMX-7-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	10
GMX-7-5.0	4.5 - 5.0	<1%	<0.5	<0.5	<0.5	9.2	
GMX-8-1.0	0.5 - 1.0	<1%	NA	NA	NA	7.7	150
GMX-8-4.5	4.5 - 5.0	NA	NA	NA	NA	NA	

Note:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed for pH, cyanide, total sulfide, fluoride, and asbestos using EPA Methods 9045, 9010, 9030, and 340.2M, and polarized light microscopy. Analyses performed by Entech Analytical Laboratories, Inc. of Sunnyvale, California (pH and fluoride), Advanced Technology Laboratories of Signal Hill, California (cyanide and total sulfide), and EMSL Analytical, Inc. of Milpitas, California (asbestos).

Abbreviations:

feet bgs = feet below ground surface.
< = analyte not detected at or above method detection limit shown.
NA = not analyzed.
FID = flame ionization detector.
ppmv = parts per million vapor.

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GEOMATRIX

TABLE 5

SUMMARY OF ANALYTICAL RESULTS
METALS DETECTED IN GRAB GROUNDWATER SAMPLES[1]

Proposed Imperial Parking Area
Area E - Port of San Francisco Property
South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per liter (mg/l)

Sample I.D.	Sb	Ar	Ba	Be	Cd	Cr Total	Co	Cu	Pb	Hg	Mo	Ni	Se	Ag	Tl	V	Zn
GMX-1[2]	0.092/ 0.1	<0.005	0.1	<0.004	<0.005	<0.005	<0.005	<0.005	<0.015	<0.0005	0.018/ 0.02	0.010/ 0.011	<0.015	<0.005	<0.002	<0.010	0.014
GMX-5	<0.005	<0.005	1.7	<0.004	<0.005	0.006	0.008	<0.005	<0.015	<0.0005	0.051	0.006	<0.015	0.034	<0.002	<0.010	0.025

Notes:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Entech Analytical Laboratories, of Sunnyvale, California for Title 22 metals using EPA Methods 6000/7000 Series.

[2] Second result from duplicate sample GMX-11.

Abbreviation:

< = indicates result less than the laboratory detection limit indicated.

Sb = Antimony
Ar = Arsenic
Ba = Barium
Be = Beryllium
Cd = Cadmium
Cr Total = Total Chromium
Co = Cobalt
Cu = Copper
Pb = Lead
Hg = Mercury
Mo = Molybdenum
Ni = Nickel
Se = Selenium
Ag = Silver
Tl = Thallium
V = Vanadium
Zn = Zinc

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GEOMATRIX

TABLE 6

SUMMARY OF HEALTH RISK ASSESSMENT RESULTS

Proposed Imperial Weitz Parking Lot Areas
Area E - Port of San Francisco Property
South of China Basin Channel, San Francisco, California

Noncancer Hazard Indexes

Scenario	Incidental Ingestion of Soil	Dermal Contact with Soil	Inhalation of Particulates	Dermal Contact with Groundwater	Hazard Index
Future On-site Construction Worker	6E-02	2E-03	8E-04	7E-03	7E-02
Future On-site Visitor	1E-02	5E-03	7E-07	NA	1E-02

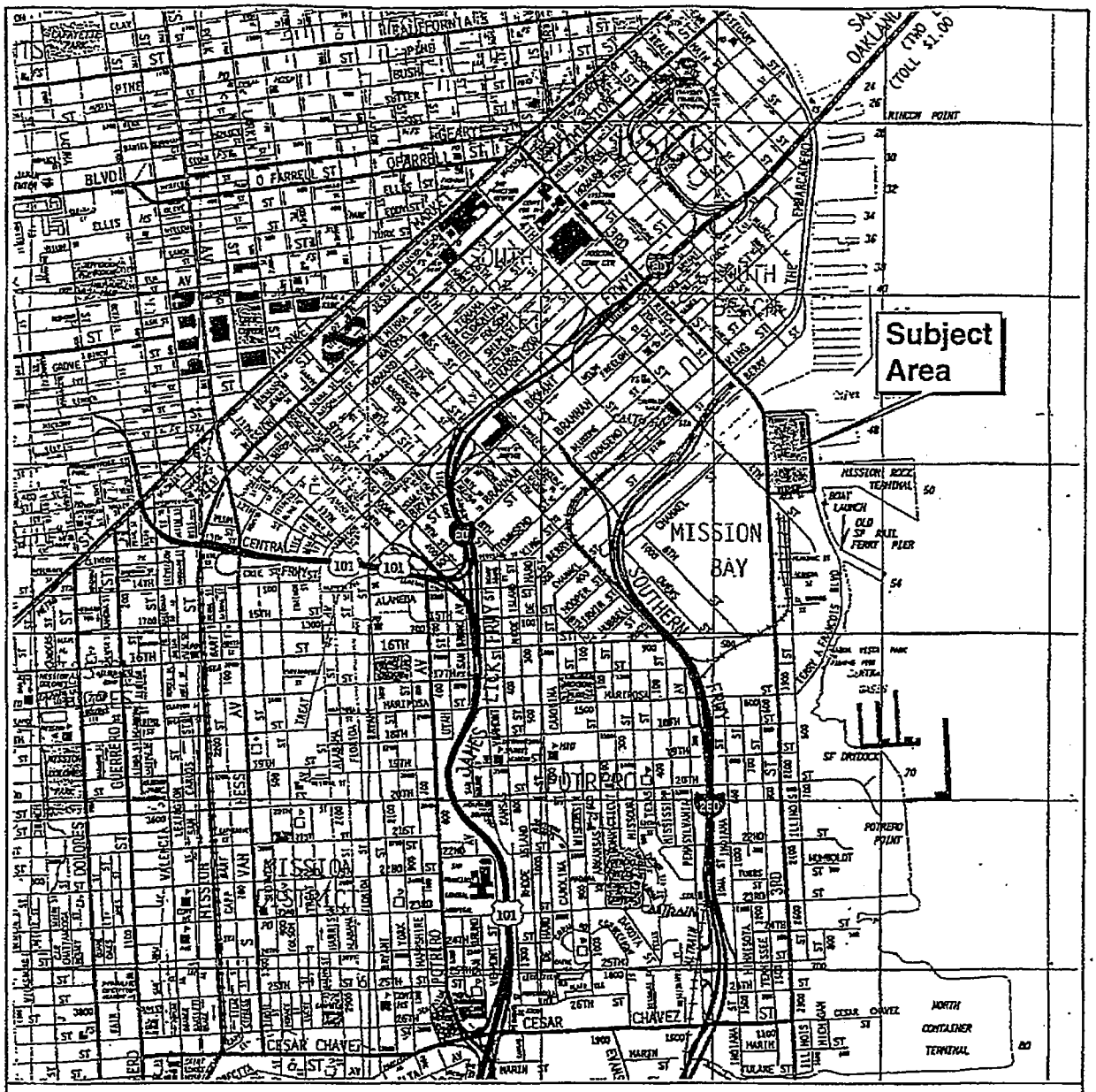
Theoretical Lifetime Excess Cancer Risks

Scenario	Incidental Ingestion of Soil	Dermal Contact with Soil	Inhalation of Particulates	Dermal Contact with Groundwater	Excess Cancer Risk
Future On-site Construction Worker	3E-07	1E-08	7E-08	4E-06	4E-06
Future On-site Visitor	5E-07	3E-07	9E-10	NA	8E-07

Note:

NA = Not applicable

4952 summary table.xls\smp



Base map from *The Thomas Guide, 1997Golden Gate Street Guide and Directory*. Reproduced with permission granted by THOMAS BROS. MAPS®. This map is copyrighted by THOMAS BROS. MAPS®. It is unlawful to copy or reproduce all or any part thereof, whether for personal use or resale, without permission. All rights reserved.

0 2500 Feet

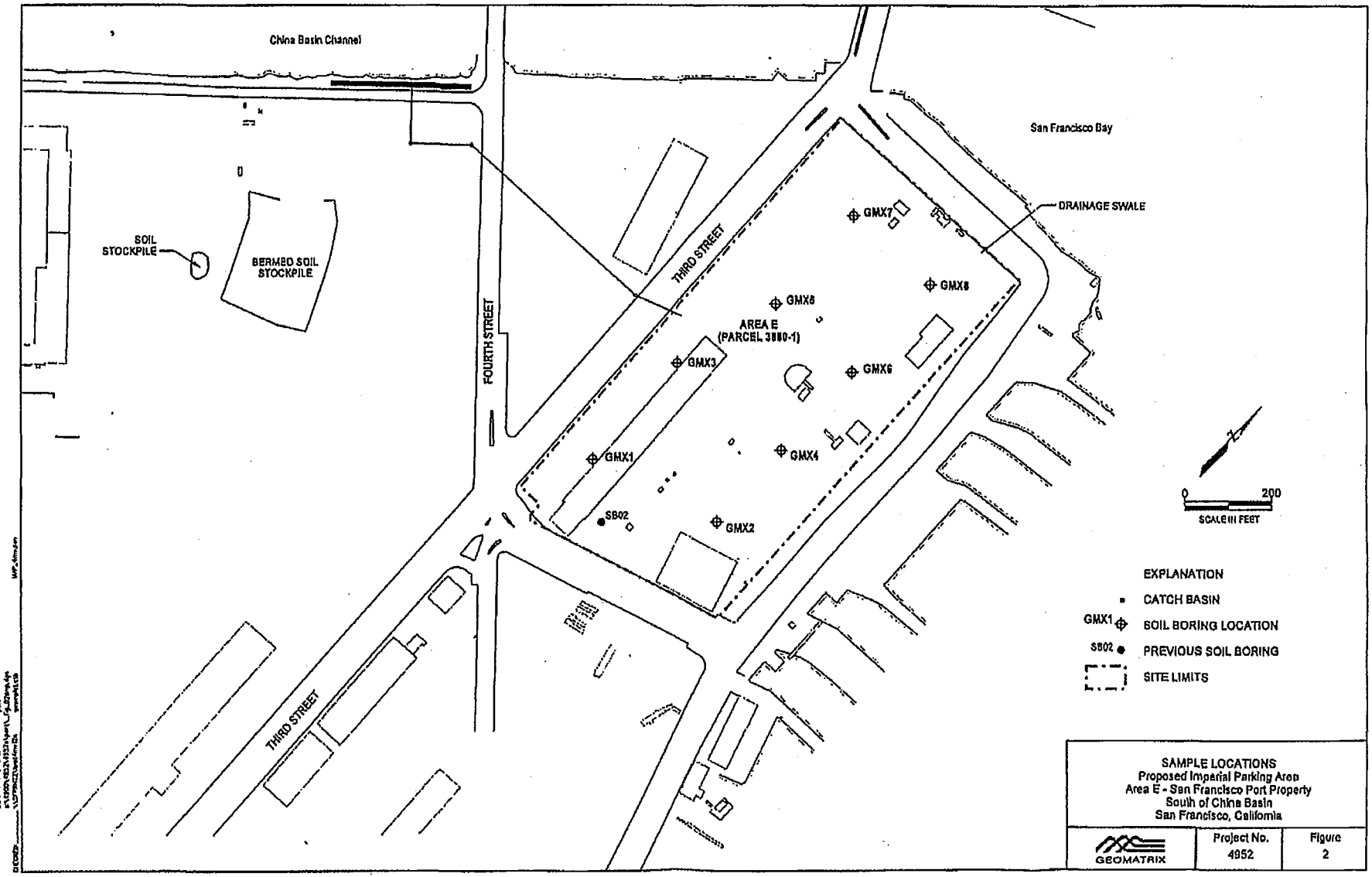
GEOMATRIX

SITE LOCATION MAP
Proposed Imperial Parking Area
Area E - San Francisco Port Property
South of China Basin
San Francisco, California

Figure 1

Project No. 4952

s:\4952\4952a\port_fig_01.ai



SAMPLE LOCATIONS
Proposed Imperial Parking Area
Area E - San Francisco Port Property
South of China Basin
San Francisco, California

GEOMATRIX	Project No. 4952	Figure 2

GEOMATRIX

APPENDIX A

Data Summaries from Previous Investigations

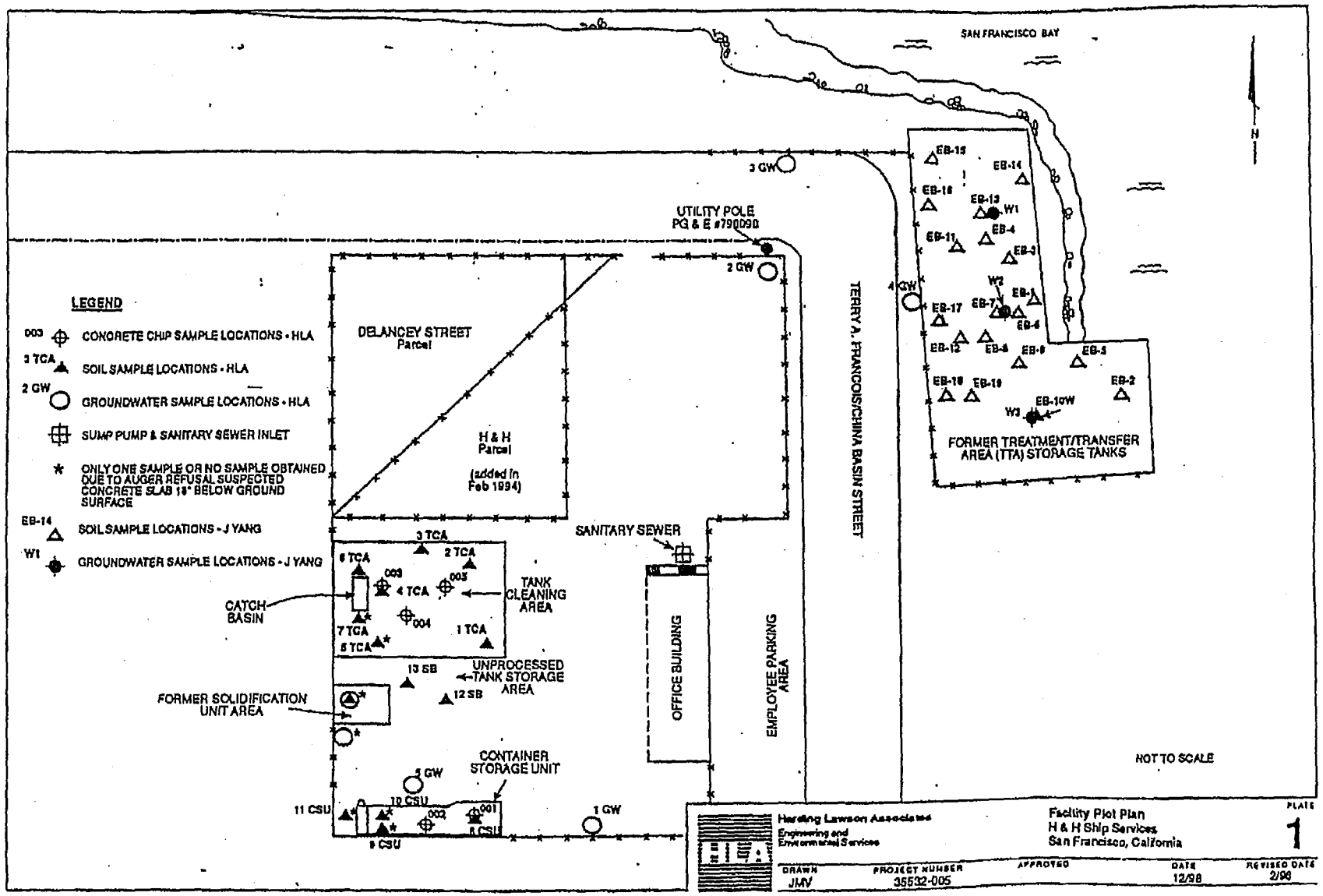

SAN FRANCISCO BAY
N
LEGEND
003 CONCRETE CHIP SAMPLE LOCATIONS - HLA
3 TCA SOIL SAMPLE LOCATIONS - HLA
2 GW GROUNDWATER SAMPLE LOCATIONS - HLA
SUMP PUMP & SANITARY SEWER INLET
* ONLY ONE SAMPLE OR NO SAMPLE OBTAINED DUE TO AUGER REFUSAL SUSPECTED CONCRETE SLAB 18" BELOW GROUND SURFACE
EB-14 SOIL SAMPLE LOCATIONS - J YANG
W1 GROUNDWATER SAMPLE LOCATIONS - J YANG
DELANCEY STREET Parcel
H & H Parcel
(added in Feb 1994)
UTILITY POLE PG & E #790090
3 GW
2 GW
4 GW
TERRY A. FRANCOIS/CHINA BASIN STREET
SANITARY SEWER
OFFICE BUILDING
EMPLOYEE PARKING AREA
FORMER TREATMENT/TRANSFER AREA (TTA) STORAGE TANKS
EB-15
EB-14
EB-16
EB-13
W1
EB-4
EB-11
EB-3
W2
EB-1
EB-17
EB-7
EB-6
EB-12
EB-8
EB-9
EB-5
EB-18
EB-19
EB-2
EB-10W
W3
3 TCA
2 TCA
6 TCA
003
005
4 TCA
TANK CLEANING AREA
CATCH BASIN
004
7 TCA
1 TCA
5 TCA
13 SB
UNPROCESSED TANK STORAGE AREA
12 SB
FORMER SOLIDIFICATION UNIT AREA
CONTAINER STORAGE UNIT
5 GW
10 CSU
11 CSU
002
001
9 CSU
8 CSU
1 GW
NOT TO SCALE
Harding Lawson Associates
Engineering and Environmental Services
Facility Plot Plan
H & H Ship Services
San Francisco, California
PLATE
1
DRAWN JMV
PROJECT NUMBER 35532-005
APPROVED
DATE 12/98
REVISED DATE 2/99

Table 4. Summary of Chemicals Detected in Soil
Tank Cleaning Area, Container Storage Unit, and Solidification Unit
H & H Ship Service Company
San Francisco, California

Analyte	Units	Number of Detections	Number of Analyses	Frequency of Detection	Minimum Detected Conc.	Maximum Detected Conc.	Location of Maximum Conc.
Inorganics							
Arsenic	mg/kg	16	17	94%	ND	9.2E+01	3TCA-008
Barium	mg/kg	17	17	100%	3.8E+01	6.5E+02	12SB-023
Cadmium	mg/kg	1	17	6%	ND	5.3E-01	3TCA-008
Chromium	mg/kg	17	17	100%	7.3E+00	7.0E+01	1TCA-001
Cobalt	mg/kg	17	17	100%	3.8E+00	4.0E+01	3TCA-007
Copper	mg/kg	17	17	100%	8.9E+00	1.4E+02	10CSU-021
Lead	mg/kg	16	17	94%	ND	2.1E+02	1TCA-001
Mercury	mg/kg	16	17	94%	ND	4.8E-01	2TCA-005
Nickel	mg/kg	17	17	100%	1.3E+01	3.2E+02	6TCA-014
Silver	mg/kg	3	17	18%	ND	3.0E+00	3TCA-007
Thallium	mg/kg	11	17	65%	ND	1.1E+01	1TCA-001
Vanadium	mg/kg	17	17	100%	1.6E+01	4.8E+01	5TCA-013
Zinc	mg/kg	17	17	100%	3.2E+01	2.5E+02	4TCA-011
Petroleum							
Oil and Grease (Total)	mg/kg	17	17	100%	1.1E+02	6.4E+03	4TCA-011
Oil and Grease (Non-Polar)	mg/kg	16	17	94%	ND	5.0E+03	3TCA-007
TPH-Diesel	mg/kg	17	17	100%	5.0E+00	2.1E+03	4TCA-011
TPH-Gasoline	mg/kg	4	17	24%	ND	1.0E+02	4TCA-011
Toluene	mg/kg	17	17	100%	1.2E-02	1.3E+00	3TCA-007
Ethylbenzene	mg/kg	3	17	18%	ND	6.3E-01	4TCA-011
Xylene	mg/kg	6	17	35%	ND	9.3E+00	4TCA-011
PCBs							
Aroclor 1016	mg/kg	2	17	12%	ND	1.0E-01	5TCA-013
Aroclor 1254	mg/kg	7	17	41%	ND	2.4E-01	5TCA-013
Aroclor 1260	mg/kg	3	17	18%	ND	5.5E-01	5TCA-013
PAHs							
Acenaphthene	mg/kg	2	17	12%	ND	9.3E-01	8CSU-018
Acenaphthylene	mg/kg	3	17	18%	ND	1.5E+00	8CSU-018
Anthracene	mg/kg	5	17	29%	ND	3.1E+00	8CSU-018
Benz(a)anthracene	mg/kg	11	17	65%	ND	2.4E+00	8CSU-018
Benzo(b,k)fluoranthene	mg/kg	11	17	65%	ND	2.6E+00	8CSU-018
Benzo(a)pyrene	mg/kg	10	17	59%	ND	1.8E+00	8CSU-018
Benzo(g,h,i)perylene	mg/kg	10	17	59%	ND	8.6E-01	8CSU-018
Chrysene	mg/kg	11	17	65%	ND	2.3E+00	8CSU-018
Dibenz(a,h)anthracene	mg/kg	7	17	41%	ND	3.7E-01	8CSU-018
Fluoranthene	mg/kg	14	17	82%	ND	4.3E+00	8CSU-018
Fluorene	mg/kg	5	17	29%	ND	3.7E+00	8CSU-018
Indeno(1,2,3-cd)pyrene	mg/kg	9	17	53%	ND	7.0E-01	8CSU-018
Naphthalene	mg/kg	5	17	29%	ND	2.5E+00	4TCA-011
Phenanthrene	mg/kg	15	17	88%	ND	6.3E+00	8CSU-018
Pyrene	mg/kg	15	17	88%	ND	4.7E+00	8CSU-018

mg/kg Milligrams per kilogram.
Note: Only detected compounds are listed.

Table 6. Summary of Chemicals Detected in Groundwater
Tank Cleaning Area, Container Storage Unit, and Solidification Unit
H & H Ship Service Company
San Francisco, California

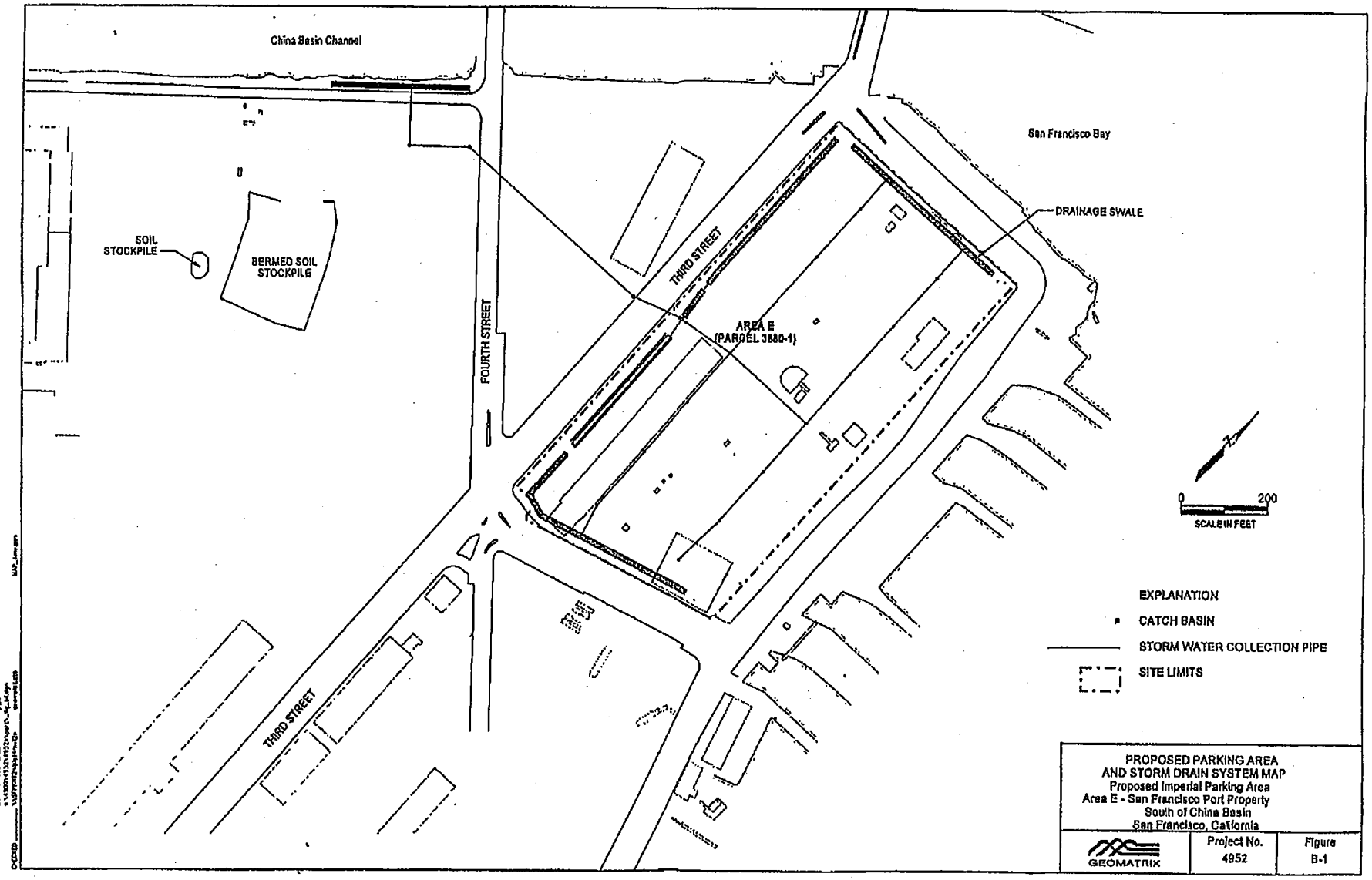
Chemical	Units	Number of Detections	Number of Analyses	Frequency of Detection	Minimum Detected Concentration	Maximum Detected Concentration	Location of Maximum Concentration
Inorganics (filtered)							
Arsenic	mg/L	1	5	20%	0.812	0.812	3GW
Barium	mg/L	5	5	100%	0.0847	0.748	3GW
Cobalt	mg/L	1	5	20%	0.0165	0.0165	2GW
Molybdenum	mg/L	1	5	20%	0.0207	0.0207	4GW
Nickel	mg/L	2	5	40%	0.0419	0.0683	2GW
Zinc	mg/L	1	5	20%	0.126	0.126	4GW
Inorganics (unfiltered)							
Arsenic	mg/L	2	4	50%	0.3	9.2	1GW
Barium	mg/L	4	4	100%	0.27	5.1	1GW
Cadmium	mg/L	3	4	75%	0.012	0.026	1GW
Chromium	mg/L	4	4	100%	0.049	1.1	3GW
Cobalt	mg/L	4	4	100%	0.31	2.5	3GW
Copper	mg/L	4	4	100%	0.056	2	2GW
Lead	mg/L	4	4	100%	0.66	5.8	2GW
Mercury	mg/L	4	4	100%	0.0017	2	4GW
Nickel	mg/L	4	4	100%	0.32	12	3GW
Thallium	mg/L	1	4	25%	0.15	0.15	1GW
Vanadium	mg/L	3	4	75%	0.061	0.47	1GW
Zinc	mg/L	4	4	100%	1	7.2	1GW
Petroleum (unfiltered)							
TPH-Diesel	mg/L	1	4	25%	2.4	2.4	1GW
PCBs (unfiltered) None Detected							
PAHs (unfiltered)							
Acenaphthylene	µg/L	1	5	20%	0.5	0.5	1GW
Anthracene	µg/L	1	5	20%	1.1	1.1	1GW
Benz(a)anthracene	µg/L	3	5	60%	0.14	5.1	1GW
Benzo(b)fluoranthene	µg/L	1	1	100%	0.56	0.56	5GW
Benzo(k)fluoranthene	µg/L	1	1	100%	0.12	0.12	5GW
Benzo(b,k)fluoranthene	µg/L	3	4	75%	0.6	10	1GW
Benzo(a)pyrene	µg/L	3	5	60%	0.34	6.6	1GW
Benzo(g,h,i)perylene	µg/L	3	5	60%	0.5	5.5	1GW
Chrysene	µg/L	2	5	40%	7	7	1GW
Dibenz(a,h)anthracene	µg/L	1	5	20%	1.2	1.2	1GW
Fluoranthene	µg/L	3	5	60%	0.7	10	1GW
Fluorene	µg/L	1	5	20%	1.5	1.5	5GW
Indeno(1,2,3-cd)pyrene	µg/L	1	5	20%	4.2	4.2	1GW
Naphthalene	µg/L	3	5	60%	0.5	1.1	5GW
Phenanthrene	µg/L	4	5	80%	0.5	4.8	1GW
Pyrene	µg/L	4	5	80%	0.6	10	1GW
PAHs (filtered) None Detected							

mg/L Milligrams per liter.
µg/L Micrograms per liter.
ND Not detected.
NA Not available.
Note: Only detected analytes are listed.

GEOMATRIX

APPENDIX B

Site Plans Illustrating Alternative Storm Drainage Systems


China Basin Channel
San Francisco Bay
DRAINAGE SWALE
SOIL STOCKPILE
BERMED SOIL STOCKPILE
THIRD STREET
FOURTH STREET
AREA E (PARCEL 3880-1)
THIRD STREET
0
200
SCALE IN FEET
EXPLANATION
CATCH BASIN
STORM WATER COLLECTION PIPE
SITE LIMITS
PROPOSED PARKING AREA
AND STORM DRAIN SYSTEM MAP
Proposed Imperial Parking Area
Area E - San Francisco Port Property
South of China Basin
San Francisco, California
GEOMATRIX
Project No.
4952
Figure
B-1

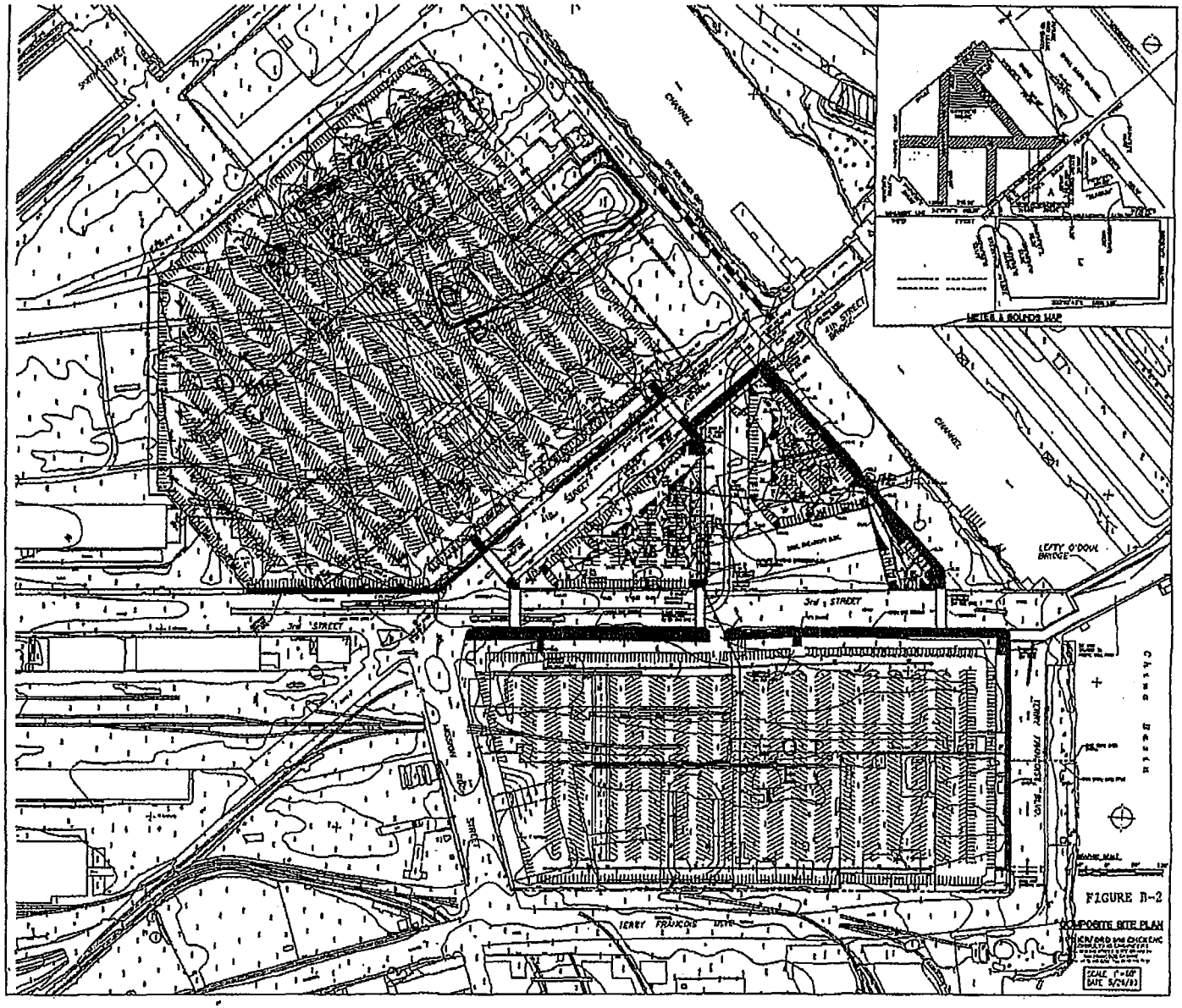

3rd STREET
JACKSON STREET
JERSEY FRANCOIS DRIVE
LEFTY O'DOUL BRIDGE
CHANNEL
CHINA BASIN
METES & BOUNDS MAP
COMPOSITE SITE PLAN

FIGURE B-2

Attachment B

Use Restriction

RECORDING REQUESTED BY:
The Port of San Francisco
Ferry Building
San Francisco, California 94111

San Francisco Assessor-Recorder
Doris M. Ward, Assessor-Recorder
DOC- 2000-G723986-00
Acct 25-NO CHARGE DOCUMENT
Thursday, JAN 27, 2000 10:47:55
FRE $0.00
Ttl Pd $0.00 Nbr-0001346614
REEL H561 IMAGE 0199 oed/ER/1-15

WHEN RECORDED, MAIL TO:

Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, California 94710
Attention: Mohinder S. Sandhu, P.E., Chief
Standardized Permits and Corrective
Action Branch

N/C
16

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

(Re: H&H Site located at Seawall Lot 337, City and County of San Francisco)

This Covenant and Agreement ("Covenant") is made by and between COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

Re: H&H Site located at Seawall Lot 337, City and County of San Francisco

This Covenant and Agreement ("Covenant") is made by and between the City and County of San Francisco, a charter city and county in trust (the "Covenantor"), the current owner, of certain property situated in the City and County of San Francisco, State of California, described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Property"), and the Department of Toxic Substances Control (the

"Department"). Pursuant to Civil Code section 1471(c), the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code ("H&SC") section 25260. The Covenantor and the Department, collectively referred to as the "Parties", therefore intend that the use of the Property be restricted as set forth in this Covenant, in order to protect human health, safety and the environment.

ARTICLE I
STATEMENT OF FACTS

1.01. The Property, totaling approximately 14 acres, is more particularly described in Exhibit "A" and depicted in Exhibit "A-1", attached hereto and incorporated herein by this reference. The Property is located in the area now generally bounded by Terry Francois Boulevard on the North and East, in the City and County of San Francisco, California.

1.02. The site was created by filling marshlands and shallow tidal flats bordering San Francisco Bay between 1877 and 1913. Sources of fill are unknown, but likely included construction/demolition debris and rubble, and rock and dirt cut from nearby hills. Historical uses of the Site include railroad tracks and related support structures, parking and shipping by truck, and truck maintenance. From 1950 to 1996 H&H Ship Service operated a hazardous waste treatment facility, including a tank cleaning area and drum storage unit, and used portions of the Property for vehicle parking and offices.

In 1978 several of the wastes managed at the H&H Ship Service facility were determined to be hazardous wastes subject to federal and state hazardous waste management regulations. Since that time, the Department of Toxic Substances Control (or its predecessor in interest, the Department of Health Services) authorized H&H Ship Service's operations pursuant to an interim status document. Under this authorization the property was a hazardous waste facility (Facility), regulated by the Department, subject to the requirements of the California Hazardous Waste Control Law ("HWCL"), at Health and Safety Code ("H&S Code") section 25100 et seq., and the federal Resource Conservation and Recovery Act ("RCRA"), at 42 U.S.C. section 6901 et seq.

The Department is requiring this Covenant pursuant to the closure requirements of the HWCL, including H&S Code section 25246 and post-closure notices provisions of Title 22 California Code of Regulations [section 66265.119(b) for interim status hazardous waste facilities], as part of the facility closure. The Department circulated a closure plan, dated August 30, 1996 and a draft Categorical Exemption pursuant to the California Environmental Quality Act, Public Resources Code section 21000 et seq for

public review and comment from December 23, 1999 to January 24, 2000. The Department approved the closure plan, closure certification report titled, *RCRA Closure Certification Report, Former H&H Ship Service Facility, San Francisco, California, dated February 4, 1999*, containing a health risk assessment, and the Categorical Exemption on January 26, 2000. Hazardous wastes, which are also hazardous materials as defined in Health and Safety Code sections 25117 and 25260, including petroleum hydrocarbons, polynuclear aromatic hydrocarbons, metals and arsenic, remain in the soil and groundwater at the Site at concentrations below those which would pose a significant human health risk under proposed reuse scenarios. The health risk assessment did not evaluate an unrestricted land use scenario, recreational use involving direct contact with soil, or potential impacts from use of groundwater. Therefore a deed restriction to limit use of the property to those exposure scenarios evaluated and found to be below acceptable risk limits is required as part of the facility closure.

1.03. As detailed in the health risk assessment within the *RCRA Closure Certification Report*, as approved by the Department on January 26, 2000, portions of the surface and subsurface soils on the Site contain hazardous wastes and hazardous materials, as defined in H&S Code section 25117 and 25260, including the following contaminants of concern: arsenic (up to 92 mg/kg) and benzo(a)pyrene (up to 2.5 mg/kg). Groundwater beneath the Property is found within 10 to 20 feet below ground surface. Dissolved arsenic was found in groundwater at up to 812 ug/l. California drinking water standards are arsenic at 50 ug/l. Because the health risk assessment did not evaluate an unrestricted land use scenario, recreational use involving direct contact with soil, or potential impacts from use of groundwater, the Department concluded that use of the Property as a residence, hospital, school for persons under the age of 21, day care center, or recreational use involving direct contact with soil would entail an unacceptable potential human health risk. The Department further concluded that the Property, subject to the restrictions of this Covenant, does not present an unacceptable threat to human safety or the environment.

ARTICLE II
DEFINITIONS

2.01. Department. "Department" shall mean the California Department of Toxic Substances Control and shall include its successor agencies, if any.

2.02. Owner. "Owner" shall mean the Covenantor, its successors in interest, and their successors in interest, including heirs and assigns, who at any time hold title to all or any portion of the Property.

2.03. Occupant. "Occupant" shall mean Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

ARTICLE III
GENERAL PROVISIONS

3.01. Restrictions to Run With the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every one of the Restrictions: (a) shall run with the land pursuant to H&SC sections 25202.5, and 25202.6 and Civil Code section 1471; (b) shall inure to the benefit of and pass with each and every portion of the Property, (c) shall apply to and bind the respective successors in interest to the Property, (d) are for the benefit of, and shall be enforceable by the Department, and (e) are imposed upon the entire Property unless expressly stated as applicable only to a specific portion thereof.

3.02. Binding Upon Owners/Occupants. Pursuant to Health and Safety Code section 25202.5(b), this Covenant shall be binding upon all of the owners of the land, their heirs, successors, and assignees, and the agents, employees, and lessees of the owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471(b), all successive owners of the Property are expressly bound hereby for the benefit of the covenantee(s) herein. "Owner" shall include "Covenantor".

3.04. Written Notice of Hazardous Substance Release. The Owner shall, prior to the sale, lease, or rental of the Property, give written notice that a release of hazardous substances has come to be located on or beneath the Property, pursuant to Health and Safety Code section 25359.7. Such written notice shall include a copy of this Covenant.

ARTICLE IV
RESTRICTIONS

4.01. Prohibited Uses. The Property shall not be used for any of the following purposes:

(a) A residence, including any mobile home or factory built housing, constructed or installed for use as residential human habitation;

(b) A hospital for humans;

(c) A public or private school for persons under 21 years of age;

(d) A day care center for children; or

(e) Recreational use involving direct contact with soil.

4.02. Soil Management

(a) Any contaminated soils brought to the surface by grading, excavation, trenching or backfilling shall be managed in accordance with all applicable provisions of state and federal law.

(b) If more than 50 cubic yards of any surface or subsurface soil will be disturbed, including excavation and grading, then the soil shall be evaluated for potential human health risks in compliance with Article 20 of the SF Municipal Code ("the Maher Ordinance"), and managed accordingly.

4.03. Prohibited Activities. The following activities shall not be conducted at the Property:

(a) No raising of food (e.g., cattle, food crops, cotton, etc.) shall be permitted on the property.

(b) No groundwater shall be extracted on the Property for purposes other than site remediation or construction dewatering without prior written approval by the Department.

4.04. Access for Department. Covenantor agrees that the Department shall have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect the public health and safety.

ARTICLE V
ENFORCEMENT

5.01. Enforcement. Failure of the Covenantor and/or Owner to comply with any of the Restrictions specifically applicable to it shall be grounds for the Department, by reason of this Covenant, to require that the Covenantor and/or Owner modify or remove any improvements ("Improvements" herein shall mean all buildings, roads, driveways, and paved parking areas, constructed or placed upon any portion of the Property constructed in violation of the Restrictions.) Violation of this Covenant shall be grounds for the Department to file civil and/or criminal actions against the Covenantor and/or Owner as provided by law.

ARTICLE VI
VARIANCE, TERMINATION, AND TERM

6.01. Variance. Any Owner or, with the Owner's written consent, any Occupant of the Property or any portion thereof may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with H&S Code section 25202.6.

6.02. Termination. Any Owner, and/or, with the Owner's written consent, any Occupant of the Property, or any portion thereof, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with H&S Code section 25202.6.

6.03. Term. Unless ended in accordance with the Termination Paragraph above, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

ARTICLE VII
MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose whatsoever.

7.02. Department References. All references to the Department include successor agencies/departments or other successor entity.

7.03. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of San Francisco within ten (10) days of the Covenantor's receipt of a fully executed original.

7.04. Notices. Whenever any person gives or serves any notice ("Notice" as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owner:

G723986

On or Before 12/31/00:

Port of San Francisco
3100 Ferry Building
San Francisco, CA 94111
Attention: Carol Bach,

With a copy to

Noreen Ambrose
Port General Counsel
Port of San Francisco
3100 Ferry Building
San Francisco, CA 94111.

After 12/31/00:

Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Carol Bach,

With a copy to:
Noreen Ambrose
Port General Counsel
Port of San Francisco
Pier 1
San Francisco, CA 94111.

To Department:

California Environmental Protection Agency
Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, CA 94710-2737
Attention: Branch Chief
Standardized Permits and Corrective Action Branch

Any party may change its address or the individual to whose attention a notice is to be sent by giving written notice in compliance with this paragraph.

7.05. Partial Invalidity. If any portion of the Restrictions or other term set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

G723986

IN WITNESS WHEREOF, the Parties execute this Covenant.

"Covenantor" City & County of San Francisco

Date: 1/26/2000

By: _____
DOUGLAS F. WONG
Its: Executive Director
Port of San Francisco

"Department" Department of Toxic Substances Control

Date: 1/26/00

By: _____
MOHINDER S. SANDHU
Its: Chief, Standardized Permits and Corrective Action Branch

G723986

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On January 26, 2000, before me, Virna C. Wu, "Notary Public",
Date — Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Douglas Farrell Wong,
Name(s) of Signer(s)

☒ personally known to me
☐ ~~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.

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

WITNESS my hand and official seal.

Virna Wu
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Environmental Restriction
Document Date: 1/26/2000 Number of Pages: 8 + 6 (Parcel A, C, D)
Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Douglas Farrell Wong
☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: Port Executive Director
Signer Is Representing: Port of San Francisco

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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G723986

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On January 26, 2000 (Date), before me, Virna C. Wu, "Notary Public" (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),
personally appeared Mohinder Singh Sandhu (Name(s) of Signer(s)),

~~☐ personally known to me~~
☒ 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.

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

WITNESS my hand and official seal.

Virna C. Wu
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Environmental Restriction
Document Date: 01/26/2000 Number of Pages: 8+6 (Parcel A, C & D)
Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Mohinder Singh Sandhu
☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: Chief, Standardized Permits & Corrective Action Branch
Signer Is Representing: Dept. of Toxic Substances Control

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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SEAWALL LOT 337

PARCEL A

ALL THAT CERTAIN REAL PROPERTY SITUATED AT THE CITY AND COUNTY OF SAN FRANCISCO, BEING A PORTION OF SEAWALL LOT 337 OF THE SAN FRANCISCO PORT AUTHORITY, DESCRIBED AS FOLLOWS; COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET), SAID CORNER BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE ALONG SAID INNER WATERFRONT LINE AT S 3DEG 02'27" E A DISTANCE OF 2,217.59 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE LAST AFOREMENTIONED COURSE A DISTANCE OF 149.77 FEET; THENCE AT S 86DEG 57'33" W A DISTANCE OF 38.12 FEET; THENCE AT S 3DEG 14'22" E A DISTANCE OF 31.51 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 55.69 FEET; THENCE AT S 3DEG 02'27" E A DISTANCE OF 120.00 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 55.27 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 120.00 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 40.17 FEET; THENCE AT S 3DEG 14'22" E A DISTANCE OF 120.00 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 40.17 FEET; THENCE AT S 3DEG 14'22" E A DISTANCE OF 48.20 FEET; THENCE AT S 86DEG 57'33" W A DISTANCE OF 142.25 FEET; THENCE AT

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S 86DEG 50'57" W A DISTANCE OF 111.99 FEET; THENCE AT

N 3DEG 10'55" W A DISTANCE OF 200.00 FEET; THENCE AT

N 86DEG 57'33" E A DISTANCE OF 171.00 FEET; THENCE AT

N 3DEG 02'27" W A DISTANCE OF 149.48 FEET; THENCE AT

N 86DEG 49'20" E A DISTANCE OF 121.29 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 70,765.20 SQUARE FEET, MORE OR LESS.

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SEAWALL LOT 337

PARCEL C

BEING A PORTION OF SEAWALL LOT 337 OF THE SAN FRANCISCO PORT AUTHORITY ,CITY AND COUNTY OF SAN FRANCISCO, BRIEFLY DESCRIBED AS FOLLOWS; COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET), SAID CORNER BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE ALONG THE AFORESAID INNER WATERFRONT LINE AT S 3DEG 02'27" E A DISTANCE OF 2,367.36 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT S 48DEG 02'27" E A DISTANCE OF 25.00 FEET; THENCE AT S 3DEG 02'27" E A DISTANCE OF 13.64 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 55.69 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 31.51 FEET; THENCE AT N 86DEG 57'33" E A DISTANCE OF 38.12 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 1,594.90 SQUARE FEET, MORE OR LESS.

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ALSO INCLUDED IN THIS PARCEL IS A PORTION OF SEAWALL LOT 337 BRIEFLY DESCRIBED AS FOLLOWS;

COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET) SAID POINT BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE ALONG THE AFORESAID INNER WATERFRONT LINE A DISTANCE OF 2,518.74 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 17.66 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT S 3DEG 02'27" E DISTANCE OF 30.72 FEET; THENCE AT S 41DEG 57'33" W A DISTANCE OF 25.00 FEET; THENCE S 86DEG 57'33" W A DISTANCE OF 37.43 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 48.20 FEET; THENCE AT N 86DEG 45'38" E DISTANCE OF 55.27 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 2,509.60 SQUARE FEET, MORE OR LESS.

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SEAWALL LOT 337

PARCEL D

PARCEL D IS A TWO-STORY WAREHOUSE AND OFFICE BUILDING LOCATED AT CHINA BASIN STREET WHOSE FOOTPRINT IS BRIEFLY DESCRIBED AS FOLLOWS;

COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET), SAID POINT BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE SOUTHERLY ALONG THE AFORESAID INNER WATERFRONT LINE AT S 3DEG 02'27" E A DISTANCE OF 2,398.74 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 38.02 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT S 3DEG 14'22" E A DISTANCE OF 120.00 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 40.17 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 120.00 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 40.17 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 4,820.00 SQUARE FEET, MORE OR LESS.

ALSO INCLUDED IN THIS PARCEL IS THE SECOND FLOOR OFFICE SPACE OF THE AFOREMENTIONED TWO- STORY BUILDING WITH AN AREA OF 2,414.00 SQUARE FEET, MORE OR LESS.

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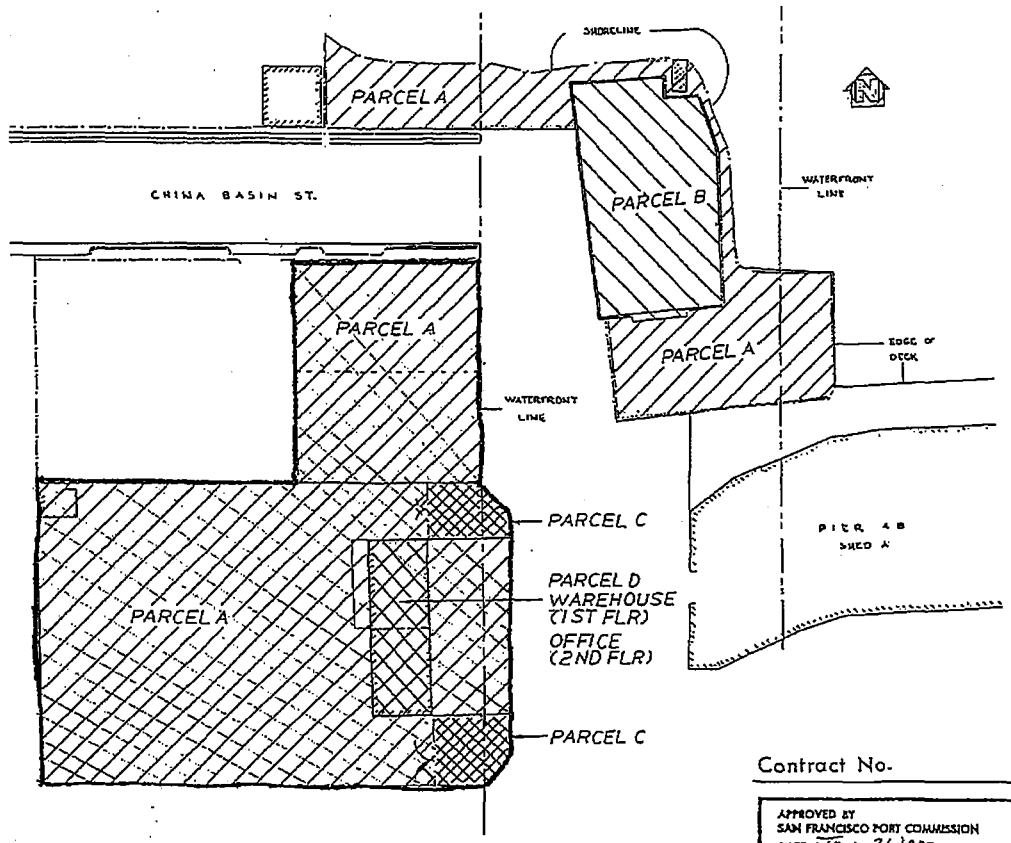

PARCEL A	91,844 SF
PARCEL B	14,071 SF
SUB-TOTAL	105,915 SF
PARCEL C	4,105 SF
PARCEL D	
WAREHOUSE	4,820 SF
OFFICE	2,414 SF
TOTAL	117,254 SF

Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE July 21, 1992
CHIEF ENGINEER

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

EXHIBIT A-1
H & H SHIP SERVICE CO.
LEASE NO. L-11679

DRAWN BY E.C.C.	CHECKED BY
DESIGNED BY	DATE 4-27-92
SECTION HEAD	SCALE
DRAWING NO.	SHEET NO. OF SHEETS

2002080702-Wong

DEPARTMENT OF TOXIC SUBSTANCES CONTROL
FACILITY PERMITTING BRANCH
BERKELEY
AUG 07 2002
STATE OF CALIFORNIA EPA
RECEIVED

RECORDING REQUESTED BY:
The Port of San Francisco
Ferry Building
San Francisco, California 94111

WHEN RECORDED, MAIL TO

Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, California 94710
Attention: Mohinder S. Sandhu, P.E., Chief
Standardized Permits and Corrective Action Branch

San Francisco Assessor-Recorder
Doris M. Ward, Assessor-Recorder
DOC- 2002-H209674-00
Acct 25-NO CHARGE DOCUMENT
Thursday, JUL 25, 2002 12:45:40
Ttl Pd $0.00 Nbr-0001906468
REEL I187 IMAGE 0545
oji/JL/1-14

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

(Re: H&H Site located at China Basin Channel and Terry Francois Blvd, City and County of San Francisco)

This Covenant and Agreement ("Covenant") is made by and between the City and County of San Francisco, a charter city and county in trust (the "Covenantor"), the current owner of certain property situated in the City and County of San Francisco, State of California, described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Property"), and the Department of Toxic Substances Control (the "Department"). Pursuant to Civil Code section 1471(c) and the California Health and Safety Code, Section 25222.1, the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code ("H&SC"), Section 25260. The Covenantor and the Department, collectively referred to as the "Parties", therefore intend that the use of the Property be restricted as set forth in this Covenant, in order to protect human health,

safety and the environment.

ARTICLE I
STATEMENT OF FACTS

1.01. The Property, totaling approximately 0.6 acres, is more particularly described in Exhibit "A" and depicted in Exhibit "A-1", attached hereto and incorporated herein by this reference. The Property is located in the area now generally bounded by Terry Francois Boulevard to the west, China Basin Channel to the north, and San Francisco Bay to the east, in the City and County of San Francisco, California.

1.02. The site was created by filling marshlands and shallow tidal flats bordering San Francisco Bay between 1877 and 1913. Sources of fill are unknown, but likely included construction/demolition debris and rubble, and rock and dirt cut from nearby hills. Historical uses of the Site include railroad tracks and related support structures and parking. From 1950 to 1996 H&H Ship Service occupied the area for wastewater treatment and transfer operations, including aboveground storage tanks for receiving, settling and treating wastewater containing petroleum.

In 1978 several of the wastes managed at the H&H Ship Service facility were determined to be hazardous wastes subject to federal and state hazardous waste management regulations. Since that time, the Department of Toxic Substances Control (or its predecessor in interest, the Department of Health Services) authorized H&H Ship Service's operations pursuant to an interim status document. Under this authorization the property was a hazardous waste facility (Facility), regulated by the Department, subject to the requirements of the California Hazardous Waste Control Law ("HWCL"), at Health and Safety Code ("H&S Code") section 25100 et seq., and the federal Resource Conservation and Recovery Act ("RCRA"), at 42 U.S.C. section 6901 et seq. Under Interim Status, the property was a portion of the Facility that was known as the Treatment/Transfer Area (TTA).

The Department is requiring this Covenant pursuant to the closure requirements of the HWCL, including H&S Code section 25246 and post-closure notices provisions of Title 22 California Code of Regulations [section 66265.119(b) for interim status hazardous waste facilities], as part of the facility closure. In 1994, the Department reviewed H&H's Closure Plan to ensure that the closure of the TTA met the requirements in Title 22, California Code of Regulations, Chapter 15, Article 7. The Department circulated the draft Closure Plan and Proposed Negative Declaration for public review and comment from August 11, 1994 to September 13, 1994. The Department approved the Closure Plan on January 13, 1995 and filed a Notice of Determination for the project with the

State Clearinghouse on February 15, 1995.

The Department reviewed the closure certification report titled, *RCRA Closure Certification Report, Former H&H Ship Service Facility, San Francisco, California,* (February 4, 1999), and subsequent submittals titled *Response to Comments, RCRA Closure Certification Report, Former H&H Ship Service Facility,* (November 2, 1999); *Results of Article 20 Sampling Program. Proposed China Basin Park Area* (July 2000); *Site Investigation and Surface Soil Sampling Results, Former H&H Ship Service Company – Treatment Transfer Area Parcel* (February 28, 2002); and *Addendum to the Article 20 Health Risk Assessment* (July 18, 2002). Upon filing of this deed restriction, the Department will approve the closure certification report.

Hazardous wastes, which are also hazardous materials as defined in Health and Safety Code sections 25117 and 25260, including petroleum hydrocarbons, polynuclear aromatic hydrocarbons, metals and arsenic, remain in the soil and groundwater at the Site at concentrations below those which would pose a significant human health risk under proposed reuse scenarios. Therefore a deed restriction to limit use of the property to those exposure scenarios evaluated and found to be below acceptable risk limits is required as part of the facility closure.

1.03. As detailed in the above-referenced reports, portions of the surface and subsurface soils on the Site contain hazardous wastes and hazardous materials, as defined in H&S Code section 25117 and 25260, including the following contaminants of concern: arsenic (up to 96 mg/kg)and benzo(a)pyrene (up to 11 mg/kg). Groundwater beneath the Property is found within 10 to 20 feet below ground surface. Dissolved arsenic was found in groundwater at up to 180 ug/l. The California drinking water standard for arsenic is 50 ug/l.

A review of the analytical results and the chemical distribution suggests that there are "hot spots". Hot spots are areas of affected soil or groundwater having concentrations higher than an empirically determined percentile of the distribution of concentrations in a particular population. 65 soil samples from 20 locations at various depths were collected within the TTA. Elevated concentrations of benzo(a)pyrene equivalent B(a)P EQ were measured in samples collected from two borings locations (EB-1, 19.8 milligrams per kilogram [mg/kg]) and (EB-20, 7.9 mg/kg). One surface soil sample (GMX-08) contained B(a)P EQ concentration of 1.5 mg/kg. All other concentrations of B(a)P EQ were less than 1 mg/kg. Elevated concentrations of arsenic and lead were observed in samples collected from borings EB-1 (3,000 mg/kg lead), EB-5 (96 mg/kg arsenic and 1,300 mg/kg lead), and EB-18 (2,400 mg/kg lead). Borings EB-1 and EB-5 are located in the eastern section of the TTA; GMX-08 is located near the northern perimeter; and borings EB-18 and EB-20 are located in the southwest section.

Based on these observations, borings EB-1, EB-5, GMX-08, EB-18, and EB-20 can be considered hot spots. However, each of borings is located under a concrete/asphalt

foundation or a compacted aggregate/crushed rock/roadbase material. The concrete/asphalt foundation or compacted aggregate/crushed rock/roadbase material serves as a physical barrier preventing direct contact with chemicals in soil; thus, there are no potential direct exposure pathways to chemicals at these hot spots by future receptors. If in the unlikely event that the concrete/asphalt foundation is removed, the excess cancer risk to a receptor from the hot spots would range from $9x10^{-5}$ to $3x10^{-6}$.

Imported topsoil at least 18 inches thick followed by a layer of sod will be placed over the existing asphalt-concrete foundation. The concrete is present at one foot thick to at least 3 feet thick across approximately two-third of the TTA. The remaining one-third of the TTA is currently overlain with an aggregate/crushed rock/roadbase material. The concrete/asphalt foundation and compacted aggregate/crushed rock/roadbase layer precludes a complete exposure pathway. Additional of the 18 inches of topsoil and sod layer will eliminate potential direct exposures to soil in fill material within the TTA.

In order to ensure that no complete pathways are established, the Department will require that the existing concrete/asphalt foundation remain undisturbed so long as the intended use of the Property is to be a recreational park. Additionally, the Department will require that the site be covered (capped) with at least eighteen (18) inches of imported topsoil on top of an indictor lining material to denote the separation of the topsoil from native fill. Because the health risk assessment also did not evaluate an unrestricted land use scenario or potential impacts from use of groundwater, the Department concluded that use of the Property as a residence, hospital, school for persons under the age of 21, or day care center would entail an unacceptable use. The Department further concluded that the Property, subject to the restrictions of this Covenant, does not present an unacceptable threat to human safety or the environment.

ARTICLE II
DEFINITIONS

2.01. Department. "Department" shall mean the California Department of Toxic Substances Control and shall include its successor agencies, if any.

2.02. Owner. "Owner" shall mean the Covenantor, its successors in interest, and their successors in interest, including heirs and assigns, who at any time hold title to all or any portion of the Property.

2.03. Occupant. "Occupant" shall mean Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

2.04. Cap. "Cap" shall mean eighteen (18) inches of imported topsoil on top of

an indicator lining material which is used to denote the separation of the imported topsoil from native fill.

2.05 Concrete/Asphalt Foundation. "Concrete/Asphalt Foundation" shall mean the existing concrete/asphalt surface which is overlain approximately two-third of the Property.

2.03. ARTICLE III
GENERAL PROVISIONS

3.01. Restrictions to Run With the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every one of the Restrictions: (a) shall run with the land pursuant to H&SC sections 25202.5, and 25202.6 and Civil Code section 1471; (b) shall inure to the benefit of and pass with each and every portion of the Property, (c) shall apply to and bind the respective successors in interest to the Property, (d) are for the benefit of, and shall be enforceable by the Department, and (e) are imposed upon the entire Property unless expressly stated as applicable only to a specific portion thereof.

3.02. Binding Upon Owners/Occupants. Pursuant to Health and Safety Code section 25202.5(b), this Covenant shall be binding upon all of the owners of the land, their heirs, successors, and assignees, and the agents, employees, and lessees of the owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471(b), all successive owners of the Property are expressly bound hereby for the benefit of the covenantee(s) herein. "Owner" shall include "Covenantor".

3.03. Written Notice of Hazardous Substance Release. The Owner shall, prior to the sale, lease, or rental of the Property, give written notice that a release of hazardous substances has come to be located on or beneath the Property, pursuant to Health and Safety Code section 25359.7. Such written notice shall include a copy of this Covenant.

3.04. Incorportion into Deeds and Leases. The Restrictions set forth herein shall be incorporated by reference in each and all deeds and leases for any portion of the Property.

3.05. Conveyance of Property. Covenantor agrees that the Owner shall provide notice to the Department not later than thirty (30) days after any conveyance of any ownership interest in the Property (excluding mortgages, liens, and other non-possessory encumbrances). The Department shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect such proposed conveyance, except as otherwise provided by law, by administrative order, or specific provision of this Covenant.

ARTICLE IV
RESTRICTIONS

4.01. Prohibited Uses. The Property shall not be used for any of the following purposes:

(a) A residence, including any mobile home or factory built housing, constructed or installed for use as residential human habitation;

(b) A public or private school for persons under 21 years of age; or

(c) A hospital for humans; or

(c) A day care center for children.

4.02 Prohibited Activities. The following activities shall not be conducted at the Property:

(a) No raising of food (e.g., cattle, food crops, cotton, etc.) shall be permitted on the property.

(b) No groundwater shall be extracted on the Property for purposes other than site remediation or construction dewatering without prior written approval by the Department.

4.03 Non-Interference with the Cap. Covenantor agrees:

(a) No activities which will disturb the Cap (e.g. excavation, grading, removal, trenching, filling, earth movement, or mining) shall be permitted on the Property without prior review and approval by the Department.

(b) All uses and development of the Property shall preserve the integrity of the Cap.

(c) Any proposed alteration of the Cap shall require written approval by the Department.

(d) Covenantor shall notify the Department of each of the following: (i) The type, cause, location and date of any disturbance to the Cap which could affect the ability of the Cap to contain subsurface hazardous materials in the Property, and (ii) the type and date of repair of such disturbance. Notification to the Department shall be made as provided below within ten (10) working days of both the discovery of any such disturbance(s) and the completion of any repairs. Timely and accurate notification by any Owner or Occupant shall satisfy this requirement on behalf of all other

Owners and Occupants.

4.04. Management of Native Fill and Concrete/Asphalt Foundation Material

(a) All uses and development of the Property shall preserve the integrity of the existing Concrete/Asphalt Foundation.

(b) No activities (e.g., excavation, grading, removal, trenching, filling, earth movement or mining) which will disturb the native fill and/or the Concrete/Asphalt Foundation material underlying the Cap as indicated in Exhibit B shall be permitted on the Property without a Department-approved Soil Management Plan and Health and Safety Plan.

(c) Native fill and/or Concrete/Asphalt Foundation material shall not be managed or handled such that it may migrate into the bay.

(d) Any native fill and/or Concrete/Asphalt Foundation material brought to the surface by grading, excavation, trenching or backfilling shall be managed in accordance with the applicable state and federal laws and their implementing regulations.

(e) The Owner shall provide the Department written notice at least fourteen (14) days prior to any building, filling, grading, mining or excavating at the Property.

(f) If more than 50 cubic yards of any native fill will be disturbed, including excavation and grading, then the soil shall be evaluated for potential human health risks in compliance with Article 20 of the SF Municipal Code ("the Maher Ordinance"), and managed accordingly.

(g) Covenantor shall notify the Department of each of the following: (i) The type, cause, location and date of any disturbance to the native fill and/or Concrete/Asphalt Foundation which could affect the ability of the Concrete/Asphalt Foundation to contain subsurface hazardous materials in the Property, and (ii) the type and date of repair of such disturbance. Notification to the Department shall be made as provided below within ten (10) working days of both the discovery of any such disturbance(s) and the completion of any repairs. Timely and accurate notification by any Owner or Occupant shall satisfy this requirement on behalf of all other Owners and Occupants.

4.05. Access for Department. Covenantor agrees that the Department shall

have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect the public health and safety.

ARTICLE V
ENFORCEMENT

5.01. Enforcement. Failure of the Covenantor and/or Owner to comply with any of the Restrictions specifically applicable to it shall be grounds for the Department, by reason of this Covenant, to require that the Covenantor and/or Owner modify or remove any improvements ("Improvements" herein shall mean all buildings, roads, driveways, and paved parking areas, constructed or placed upon any portion of the Property constructed in violation of the Restrictions.) Violation of this Covenant shall be grounds for the Department to file civil and/or criminal actions against the Covenantor and/or Owner as provided by law.

ARTICLE VI
VARIANCE, TERMINATION, AND TERM

6.01. Variance. Any Owner or, with the Owner's written consent, any Occupant of the Property or any portion thereof may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with H&S Code section 25202.6.

6.02. Termination. Any Owner, and/or, with the Owner's written consent, any Occupant of the Property, or any portion thereof, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with H&S Code section 25202.6.

6.03. Term. Unless ended in accordance with the Termination Paragraph above, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

ARTICLE VII
MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose whatsoever.

7.02. Department References. All references to the Department include successor agencies/departments or other successor entity.

7.03. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of San Francisco within ten (10) days of the Covenantor's receipt of a fully executed original.

7.04. Notices. Whenever any person gives or serves any notice ("Notice" as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owner:

Carol Bach
Assist. Deputy Director, Environmental Health and Safety
Port of San Francisco
Pier 1
San Francisco, CA 94111

With a copy to:

Noreen Ambrose
Port General Counsel
Port of San Francisco
Pier 1
San Francisco, CA 94111.

To Department:

California Environmental Protection Agency
Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, CA 94710-2737
Attention: Chief, Standardized Permits and Corrective Action Branch

Any party may change its address or the individual to whose attention a notice is to be sent by giving written notice in compliance with this paragraph.

7.05. Partial Invalidity. If any portion of the Restrictions or other term set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

H209674

IN WITNESS WHEREOF, the Parties execute this Covenant.

"Covenantor"

Date: 7/24/02

By: //original signed by//
DOUGLAS F. WONG
Its: Executive Director

"Department"

Date: 7/24/02

By: //original signed by//
Mohinder S. Sandhu, P.E.
Its: Chief, Standardized Permits and Corrective Action Branch

H209674

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On July 24, 2002 (Date) before me, Virna C. Wu "Notary Public" (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),

personally appeared Mohinder Singh Sandhu (Name(s) of Signer(s))

☒ personally known to me
~~☐ 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.

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

WITNESS my hand and official seal.

//original signed by// (Signature of Notary Public)

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Covenant to Restrict Use of Property
Document Date: None Number of Pages: 10 Pages + Exhibits A & B
Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Mohinder Singh Sandhu
☒ Individual
☒ Corporate Officer — Title(s):
☒ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: Port Executive Director
Signer Is Representing: Port of San Francisco

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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H209674

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On July 24, 2002 (Date), before me, Virna C. Wu "Notary Public" (Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Mohinder Singh Sandhu (Name(s) of Signer(s))

~~☐ personally known to me~~
☒ 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.

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

WITNESS my hand and official seal.

//original signed by//
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Covenant to Restrict Use of Property Environmental Restriction
Document Date: None Number of Pages: 10 Pages + Exhibits A & B
Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Mohinder Singh Sandhu
☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: Chief, Standardized Permits & Corrective Action Branch
Signer Is Representing: Department of Toxic Substances Control

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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H[illegible]9674

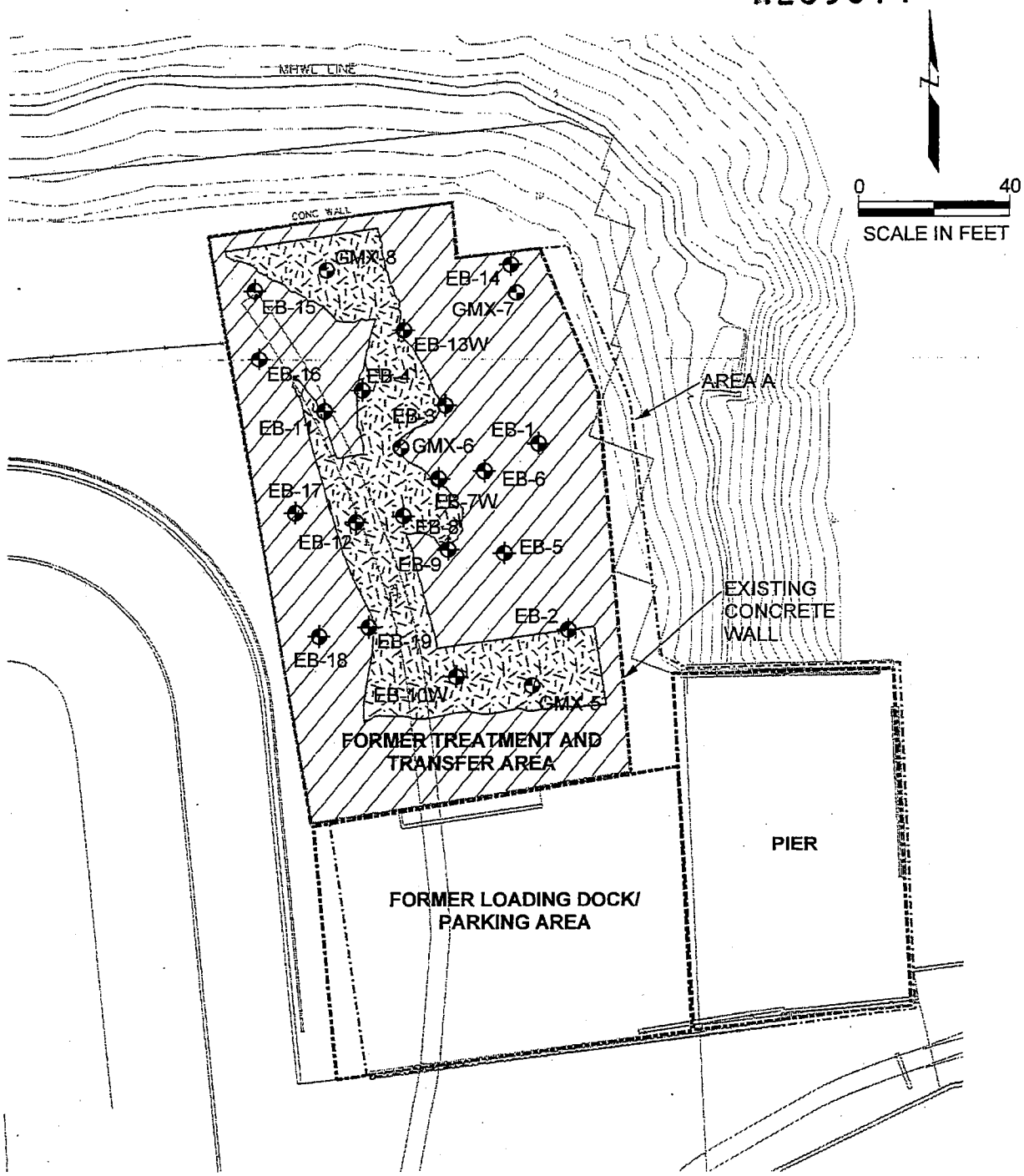
EXHIBIT A

H&H Parcel – Tank Treatment Area

All that certain real property of the San Francisco Port Commission, City and County of San Francisco, State of California, situate at the northeast corner of Terry A. Francois Boulevard (formerly China Basin Street), more particularly described as follows:

Commencing at the point of intersection of the northwesterly line of Townsend Street with the southwesterly line of Delancey Street (formerly First Street), said point being Inner 14 of the Inner Waterfront Line as described in records on file in the office of Engineering of said San Francisco Port Commission; Thence along said Inner Waterfront Line, S 03°02'27" E a distance of 2132.11 feet; Thence N 86°51'14" E a distance of 65.28 feet, to the True Point Of Beginning; Thence S 10°21'36" E a distance of 127.93 feet; Thence N 80°50'39" E a distance of 4.70 feet; Thence S 09°13'14" E a distance of 68.59 feet; Thence N 81°09'11" E a distance of 146.17 feet; Thence N 03°21'24" W a distance of 85.74 feet; Thence S 88°44'14" W a distance of 54.91 feet; Thence N 66°55'27" W a distance of 9.19 feet; Thence N 07°12'31" W a distance of 68.86 feet; Thence N 21°58'29" W a distance of 44.82 feet; Thence S 83°22'07" W a distance of 28.09 feet; Thence N 05°44'30" W a distance of 14.69 feet; Thence S 81°59'17" W a distance of 65.99 feet; Thence S 10°21'36" E a distance of 30.22 feet to the True Point Of Beginning; Containing 26,592 square feet (0.61 acres), more or less.

H209674



EXPLANATION

- Soil samples collected at multiple depths by J. Yang and Assoc. March 15, 1995
- Surface soil samples collected by Geomatrix, November 16, 2001
- Area of aggregate/crushed rock/ road base material
- Concrete/asphalt foundation

EXHIBIT B

APPENDIX C
Soil Management Plan
June 1999

GEOMATRIX

SOIL MANAGEMENT PLAN

Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property

San Francisco, California

Prepared for:

Imperial Weitz, LLC
800 Second Avenue, Suite 300
Des Moines, Iowa 50309

Prepared by:

Geomatrix Consultants, Inc.
2101 Webster Street, 12th Floor
Oakland, California 94612
(510) 663-4100

June 1999

Project No. 4952

Geomatrix Consultants

GEOMATRIX

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GEOMATRIX

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GEOMATRIX

SOIL MANAGEMENT PLAN
Imperial Weitz Parking Lots for the
Giants Pacific Bell Ball Park
Area E - Port of San Francisco Property
San Francisco, California

1.0 INTRODUCTION

Geomatrix Consultants, Inc. (Geomatrix) has prepared this Soil Management Plan (SMP) on behalf of Imperial Weitz, LLC for the proposed 14-acre parking lot for the Giants' Pacific Bell Ball Park. The proposed parking lot site is located south of China Basin Channel and east of Third Street in San Francisco, California (the site; Figure 1). The site is part of a total of approximately 36 acres of parking to be developed by Imperial Weitz south of China Basin Channel and has been referred to as Area E in previous environmental documents prepared by Geomatrix on behalf of Imperial Weitz.

2.0 BACKGROUND

Imperial Weitz is proposing to construct a paved parking lot on the site. A site history review, environmental investigation and risk evaluation were performed to meet Article 20 requirements and assess potential risks to construction worker and site visitor health associated with soil and groundwater quality at the site. The following summarizes the results of the site history review, environmental investigations, and risk assessment, and describes the proposed parking lot development.

2.1 SITE SETTING AND HISTORICAL USAGE

The approximately 19 acre site is currently owned by the Port of San Francisco (the Port). The subject area was originally marshlands and shallow tidal flats bordering San Francisco Bay. It was filled between 1877 and 1913; the source of the fill is unknown but likely included construction debris and rubble from the 1906 earthquake and cut material from nearby hills and construction areas.

Historical site uses include: railroad trackage and support structures for rail-related activities, parking and shipping, and truck maintenance. H&H Shipping Service Company, Inc. (H&H) occupied the northeastern corner of the site from 1950 to 1996. H&H used the area for vehicle parking and offices, and maintained a tank cleaning area and drum storage unit. No known underground storage tanks (USTs) have been identified on the site. Recently, the site has been

leased by multiple tenants. Tenant uses consist of a recycling center, an automobile sales center, the Mission Rock Recovery Center, a moving company, maritime offices, and automobile storage.

2.2 SITE INVESTIGATIONS

2.2.1 Previous Site Investigations

Burlington Northern Santa Fe Railway Company ("the Railroad") conducted Phase I and Phase II Environmental Assessments of property formerly operated by the Railroad located east of Third Street, between Sixteenth Street and China Basin Channel; this property included the western half of the site. The scope of the Railroad's investigations included one soil boring in the southern portion of the site. Soil samples were collected at depths of 0.5, 5, and 8 feet bgs and analyzed for total petroleum hydrocarbons as gasoline (TPHg), TPH as motor oil (TPHmo), lead, nickel, arsenic, chromium, cadmium, and zinc. Results of chemical analyses on these soil samples indicated that several metals were present at concentrations exceeding typical regional background concentrations (Geomatrix, March 1999).

In addition, HLA has performed an investigation of the former H&H Shipping parcel located in the northeast corner of the site (HLA; 1999). Seventeen soil samples were collected and analyzed for metals, TPH as diesel (TPHd), TPHg, oil and grease, volatile organic compounds (VOCs), polychlorinated biphenyls (PCBs), and polynuclear aromatic hydrocarbons (PNAs). Five groundwater samples were collected and one or more samples were analyzed for metals, TPHd, TPHg, benzene, toluene, ethylbenzene, xylenes [BTEX], PCBs, and PNAs. Several soil samples contained PNAs and metals; very low concentrations of some aromatic hydrocarbons and PCBs were detected in a few soil samples. The groundwater samples contained low to trace concentrations of several metals. Filtered groundwater samples did not contain PNAs; however, unfiltered samples contained low concentrations of several PNA compounds. PCBs and BTEX were not detected in the groundwater samples. Summary tables for the soil and groundwater analysis results of the H&H investigation are contained in Appendix A.

2.2.2 Recent Site Investigation

In April 1999, Geomatrix installed 8 soil borings and collected 16 soil samples (two soil samples per boring) and 2 groundwater samples (from 2 of the 8 locations) for chemical analysis. Sampling locations are illustrated on Figure 2. Primary chemicals detected in soil were PNAs and some metals (i.e., antimony, arsenic, copper, lead, nickel, and mercury). Soil sample results from the recent investigation are summarized in Tables 1 through 5. Several

metals were detected in groundwater; however, chemical concentrations were generally low to non-detect (Table 6). PNAs were not detected in the groundwater samples.

2.3 PROPOSED DEVELOPMENT

The proposed development for the subject area is asphalt paved parking. Two alternatives for storm drainage are being considered, as described below. Figures illustrating the two alternatives for the storm drainage system are contained in Appendix B.

Alternative 1

This alternative for the drainage system consists of a series of storm drainage lines and catch basins to collect and transport storm water from the parking lot site to the main City box culvert located on Channel Street, west of Fourth Street. During a 5 year storm event, the City system could reach capacity and overflows would result. Overflows from the parking lot site would be diverted to a small treatment plant to be located east of Fourth Street, near China Basin Channel. Under this alternative, Area E will be entirely paved with asphalt and surrounded by a 3- to 4-foot fence.

The catch basins will be installed in excavations with aerial dimensions of approximately 4 feet by 4 feet and extending to depths of 4 to 6 feet. Trenches will be excavated to install the piping; the trenches are anticipated to be approximately 2 to 3 feet wide and will extend between 4 to 6 feet below grade. Estimated maximum excavation depth for the piping system is 6 feet bgs. The parking area will be graded and bermed to enhance flow to each of the catch basins, and paved with asphaltic concrete.

Alternative 2

This alternative includes perimeter grassy drainage swales to collect and drain storm water overflows.

The parking area will contain a storm drain system to collect surface water runoff. The storm drain system will consist of a network of catch basins and drainage swales to collect storm water on the parking lot. The storm water will be conveyed through a series of pipes and the drainage swales to one point of discharge. The discharge pipe will collect into one main and flow into the City box sewer in Channel Street near Fourth Street.

The catch basins will be installed in excavations with aerial dimensions of approximately 4 feet by 4 feet and extending to depths of 4 to 6 feet. Trenches will be excavated to install the

piping; the trenches are anticipated to be approximately 2 to 3 feet wide and will extend between 4 to 6 feet below grade. Estimated maximum excavation depth for the piping system is 6 feet bgs. The swales will be approximately 32 feet in width and 2 to 3 feet in depth. The swales will be covered with a geotextile fabric and grass. The parking area will be graded and bermed to enhance flow to each of the catch basins, and paved with asphaltic concrete.

2.4 RISK ASSESSMENT

A health risk assessment (HRA) was conducted to evaluate the potential human health risks associated with the presence of chemicals in soil and groundwater assuming future use of the site as a parking lot with grassy swales (Geomatrix, May 1999). Potential noncarcinogenic hazard indexes and theoretical lifetime excess cancer risks were estimated for future on-site construction workers and future on-site visitors assuming conservative estimates of human exposure. Future on-site construction workers may be exposed to chemicals in soil across the site to the depth required for installation of the storm drain system or in groundwater if encountered in excavation areas. Following construction, potential exposure to future on-site visitors would be limited to exposed soil in the grass-covered swale areas.

The results of the HRA indicate that the presence of chemicals in soil and groundwater at the site should not pose an unacceptable noncarcinogenic or carcinogenic risk to future on-site construction workers and visitors. A summary table for the HRA results is provided as Table 7. Based on these results, it was also concluded that potential risks to nearby residents during construction and future on-site maintenance workers and trespassers after construction would also not be of concern.

3.0 OBJECTIVES

As described above, the results of the HRA indicate that chemicals in site soil do not present an unacceptable human health risk. However, dust from a construction site can present a nuisance if not controlled. Likewise, erosion of on-site soil during construction activities can increase the turbidity of surface water run-off.

Therefore, the objectives of the SMP are to:

- provide guidelines for soil handling, stockpiling, dust and erosion minimization and, if needed, soil disposal during site construction activities for the proposed parking lot; and

- describe procedures for soil management following site construction for the duration of the use of the Site as a parking lot.

4.0 PROPOSED SOIL MANAGEMENT PROCEDURES

The following two sections describe the soil management procedures that will be implemented during and following site construction.

4.1 SOIL MANAGEMENT PROCEDURES FOR SITE CONSTRUCTION

The following procedures will be implemented during site construction activities to minimize dust and control erosion.

4.1.1 Dust Control

The dust control measures to be implemented at the site correspond to the PM_{10} control measures recommended by the Bay Area Air Quality Management District (BAAQMD) in their California Environmental Quality Act Guidelines. These measures consist of:

- Water all active construction areas at least twice daily or as necessary to prevent visible dust plumes from migrating outside of the site limits.
- Mist or spray water while loading transportation vehicles.
- Minimize drop heights while loading transportation vehicles.
- Use tarpaulins or other effective covers for trucks carrying soils that travel on public streets.
- Pave, apply water 3 times daily, or apply non-toxic soil stabilizers on all unpaved access roads, parking areas, and staging areas.
- Sweep all paved access routes parking areas and staging areas daily, if visibly soiled.
- Sweep street daily if visible soil material is carried onto public streets from the site.

4.1.2 Erosion Control

A Stormwater Pollution Prevention Plan (SWPPP) will be developed by the site contractor prior to initiation of Site work that details procedures for minimizing erosion. The SWPPP will include elements such as silt traps and hay bales to minimize surface water runoff from the Site into storm drains or the San Francisco Bay, berms to control Site runoff, and covering soil stockpiles during the rainy season (November through March) to minimize sediment runoff.

4.1.3 Soil Stockpile Management

Temporary stockpiling of excavated soil may be necessary throughout site construction. Soil stockpiled at the Site will be lightly sprayed with water as needed to minimize dust. To the extent practical, the soil stockpiles will be covered with plastic sheeting or other similar material at times when not in active use. When a soil stockpile is uncovered during the rainy season, it will be surrounded by hay bales and/or silt traps to minimize sediment runoff.

4.1.4 Soil Disposal

Site development has been designed to minimize the generation of excess soil; therefore, soil requiring off-site disposal is not anticipated. Although not anticipated at this time, if excess soil is generated from the site, the excess soil will be profiled to determine appropriate disposal options. Handling and disposal of the soil will be conducted in accordance with all applicable state and federal laws.

Based on chemical analysis results of soil samples collected from the site, total metal and organic concentrations are less than the Total Threshold Limit Concentrations (TTLCs) for designation as California Hazardous Waste. However, additional solubility testing of some of the metals (e.g., lead) would likely be required by disposal facilities to better assess the waste profile for the soil.

4.1.5 Site Access Control

The construction site will be fenced to control pedestrian or vehicular entry, except at controlled points (i.e., gates). Gates will be closed and locked during non-construction hours. "No-trespassing" signs will be posted every 500 feet along the fencing.

4.2 SOIL MANAGEMENT FOLLOWING SITE DEVELOPMENT

Following site development, the soil will be covered by asphalt pavement or grass (in the swale areas) and it is unlikely that the soil will be accessed, with the exception of future maintenance work on subsurface utilities. The HRA assessed possible health risks to future maintenance workers at the parking lot and concluded that chemicals in soil at the site should not pose an unacceptable carcinogenic or noncarcinogenic risk (Geomatrix, May 1999). Soil management procedures during future site maintenance work requiring soil excavation will be as described in Section 4.1 of this SMP; if waste soil is generated, the soil will be disposed in accordance with the procedures described in Section 4.1.4.

5.0 MAINTENANCE OF SITE COVER

Procedures in this section are applicable only if Alternative 2 is selected for the storm drainage system.

Although the HRA concluded that soil in the grass-covered swale area would not present an unacceptable risk to human health for parking lot visitors or trespassers, it is prudent that the grass-covered swale areas be well maintained. Therefore, the swale areas will be inspected monthly during the baseball season, and quarterly during the off-season to visually observe the condition of the grass cover. Large areas of exposed soil (e.g., areas larger than several feet in diameter) should be reseeded as quickly as practical. A log of the parking area inspections ("Inspection Log") will be maintained at the site and will include written comments on the condition of the grass cover, areas requiring repairs, and repair dates.

Annual inspections of the paved parking areas will be performed to observe whether breaches in the pavement that may allow prolonged access to site soil are visible. If observed, the breach would be repaired such that the soil cover is maintained. Results of the annual inspections of the paved parking areas will be documented in the Inspection Log, described above.

6.0 CONTINGENCY PLAN

A Contingency Plan for this site is not warranted. The purpose of a Contingency Plan is to present response actions to an emergency situation. The results of the HRA indicate that exposure to site soil or groundwater while breaches in the pavement or grassy areas are being repaired would not present a situation requiring an emergency response.

7.0 HEALTH AND SAFETY GUIDELINES

A health and safety plan for site construction will be developed by the site contractor before initiation of the development activities. The results of the HRA indicate that the presence of chemicals in soil and groundwater at the site should not pose an unacceptable health risk to future construction workers or nearby receptors during construction or future maintenance workers, visitors or trespassers after construction. Therefore, a health and safety plan for known chemical hazards at the Site is not warranted, and the health and safety plan will focus on physical hazards. Additionally, contingency actions for encountering unanticipated buried hazards (e.g., drums, or other containers) will also be included in the health and safety plan.

8.0 FACILITY MAP

The final construction plan for the Site development is not complete. A copy of this plan will be forwarded to the SFDPH as an addendum to this SMP once it has been finalized.

9.0 REFERENCES

Geomatrix Consultants, Inc., 1999, Site Use History and Article 20 Sampling Program, March.

Harding Lawson Associates, 1999, RCRA Closure Certification Report, Former H&H Ship Service Facility, San Francisco, California, February 4.

GEOMATRIX

TABLE 1
SUMMARY OF ANALYTICAL RESULTS
METALS DETECTED IN SOIL SAMPLES[1]

Proposed Imperial Parking Area
Area E - Port of San Francisco Property
South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg)

Sample I.D.	Sample Interval (feet bgs)	Antimony	Arsenic	Barium	Beryl-lium	Cadmium	Total Chrom-ium	Cobalt	Copper	Lead	Mercury	Molyb-denum	Nickel	Selenium	Silver	Thallium	Vanad-ium	Zinc
GMX-1-1.0	0.5 - 1.0	<5.0	<0.35	27	<5.0	<5.0	120	16	9.6	8.7	<0.1	<5.0	220	<5.0	<5.0	<5.0	36	37
GMX-1-4.5	4.5 - 5.0	<5.0	2.5	35	<5.0	<5.0	200	24	12	13	<0.1	<5.0	370	<5.0	<5.0	<5.0	20	32
GMX-2-1.0	0.5 - 1.0	<5.0	<0.35	170	<5.0	<5.0	62	15	50	220	0.13	<5.0	71	<5.0	<5.0	<5.0	49	150
GMX-2-4.5	4.5 - 5.0	<5.0	<0.35	160	<5.0	<5.0	91	17	31	54	<0.1	18	110	<5.0	<5.0	<5.0	40	83
GMX-3-1.0	0.5 - 1.0	33	64	84	<5.0	<5.0	35	12	93	250	0.28	<5.0	140	<5.0	<5.0	<5.0	20	250
GMX-3-4.5	4.5 - 5.0	15	7.7	76	<5.0	<5.0	110	14	44	98	0.23	<5.0	240	<5.0	<5.0	<5.0	24	130
GMX-4-1.0	0.5 - 1.0	<5.0	1.8	170	<5.0	<5.0	42	16	40	110	0.16	<5.0	100	<5.0	<5.0	<5.0	31	94
GMX-4-4.5	4.5 - 5.0	<5.0	<0.35	100	<5.0	<5.0	36	8.7	26	53	<0.1	<5.0	40	<5.0	<5.0	<5.0	27	60
GMX-5-1.0	0.5 - 1.0	<5.0	0.47	26	<5.0	<5.0	21	<5.0	7.1	42	<0.1	<5.0	20	<5.0	<5.0	<5.0	17	69
GMX-5-7.0	4.5 - 5.0	<5.0	2.5	47	<5.0	<5.0	11	<5.0	13	60	0.57	<5.0	12	<5.0	<5.0	<5.0	12	35
GMX-6-1.0	0.5 - 1.0	<5.0	<0.35	360	<5.0	<5.0	17	12	66	17	<0.1	<5.0	21	<5.0	<5.0	<5.0	28	40
GMX-6-4.5	4.5 - 5.0	<5.0	<0.35	210	<5.0	<5.0	43	14	46	62	0.18	<5.0	59	<5.0	<5.0	<5.0	29	55
GMX-7-1.0	0.5 - 1.0	<5.0	10	160	<5.0	<5.0	21	5.3	93	290	5.7	<5.0	28	<5.0	<5.0	<5.0	17	320
GMX-7-5.0	4.5 - 5.0	<5.0	<0.35	180	<5.0	<5.0	87	21	35	750	<0.1	<5.0	250	<5.0	<5.0	<5.0	29	160
GMX-8-1.0	0.5 - 1.0	<5.0	<0.35	680	<5.0	<5.0	21	32	130	18	<0.1	<5.0	34	<5.0	<5.0	<5.0	40	49
GMX-8-4.5	4.5 - 5.0	<5.0	5	100	<5.0	<5.0	6.8	<5.0	21	61	<0.1	<5.0	9.1	<5.0	<5.0	<5.0	12	41
Background[2]		5.5	19.1	323	1	2.7	99	22	69	16	0.4	7.4	120	5.6	1.8	27	74	106
95% UTL		25.7	45.7	572.3	5.0	5.0	190.0	32.8	133.1	602.0	4.0	14.0	379.8	5.0	5.0	5.0	53.7	311.7
95% UTL > Background?		Yes	Yes	Yes	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	NA	No	Yes

Note:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Entech Analytical Laboratories of Sunnyvale, California, for Title 22 metals using EPA Methods 6000/7000 Series.

[2] Background = Lawrence Berkeley National Laboratory, 1995.

Abbreviations:

feet bgs = feet below ground surface.

< = analyte not detected at or above method detection limit shown.

NA = not applicable; sample results below detection limit reported by the analytical laboratory.

95% UTL = 95 percent upper tolerance limit.

I:\Project\4952\Excel\Area E Soil Plan Tbls.xls\Soil Metals

GEOMATRIX

TABLE 2

SUMMARY OF ANALYTICAL RESULTS

VOLATILE ORGANIC COMPOUNDS DETECTED IN SOIL SAMPLES[1]

Proposed Imperial Parking Area

Area E - Port of San Francisco Property

South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg)

Sample I.D.	Sample Interval (feet bgs)	Toluene	Ethyl-benzene	Xylenes	1,2,4-Trimethyl-benzene
GMX-1-1.0	0.5 - 1.0	0.030	<0.005	0.029	0.010
GMX-1-4.5	4.5 - 5.0	0.008	<0.005	<0.005	<0.005
GMX-2-1.0	0.5 - 1.0	0.013	<0.005	0.009	0.005
GMX-2-4.5	4.5 - 5.0	0.007	<0.005	<0.005	<0.005
GMX-3-1.0	0.5 - 1.0	0.014	<0.005	0.006	<0.005
GMX-3-4.5	4.5 - 5.0	0.023	<0.005	0.018	0.014
GMX-4-1.0	0.5 - 1.0	0.020	<0.005	0.030	<0.005
GMX-4-4.5	4.5 - 5.0	<0.005	<0.005	<0.005	<0.005
GMX-5-1.0	0.5 - 1.0	0.027	<0.005	0.014	0.008
GMX-5-7.0	4.5 - 5.0	<0.005	<0.005	<0.005	<0.005
GMX-6-1.0	0.5 - 1.0	0.037	<0.005	0.056	0.036
GMX-6-4.5	4.5 - 5.0	<0.005	<0.005	<0.005	<0.005
GMX-7-1.0	0.5 - 1.0	0.008	<0.005	0.009	<0.005
GMX-7-5.0	4.5 - 5.0	0.021	<0.005	0.009	<0.005
GMX-8-1.0	0.5 - 1.0	<0.005	0.023	0.046	<0.005
GMX-8-4.5	4.5 - 5.0	0.008	<0.005	0.010	<0.005

Note:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Entech Analytical Laboratories of Sunnyvale, California, for VOCs using EPA Method 8260B.

Abbreviations:

feet bgs = feet below ground surface.

< = indicates result less than the laboratory detection limit indicated.

VOCs = volatile organic compounds.

I:\Project\4952\Excel\Area E Soil Plan Tbls.xls\VOC mgkg

GEOMATRIX

TABLE 3
SUMMARY OF ANALYTICAL RESULTS
POLYNUCLEAR AROMATIC COMPOUNDS DETECTED IN SOIL SAMPLES[1]

Proposed Imperial Parking Area

Area E - Port of San Francisco Property

South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg)

Sample I.D.	Sample Interval (feet bgs)	Acenaph-thene	Acenaph-thylene	Anthra-cene	Benzo(a) anthra-cene	Benzo(b) fluor-anthene	Benzo(k) fluor-anthene	Benzo (g,h,i) perylene	Benzo(a) pyrene	Chrysene	Dibenzo (a,h) anthra-cene	Fluor-anthene	Fluorene	Indeno (1,2,3-cd) pyrene	Naph-thalene[2]	Phenan-threne	Pyrene
GMX-1-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	<0.04	<0.002	<0.04	<0.04	<0.04	0.089	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	0.058
GMX-1-4.5	4.5 - 5.0	<0.01	<0.01	0.023	<0.01	0.029	<0.01	<0.01	<0.01	<0.01	<0.01	0.025	<0.01	<0.01	<0.01	0.024	0.029
GMX-2-1.0	0.5 - 1.0	<0.02	0.024	0.103	0.141	<0.002	<0.02	<0.02	<0.02	0.08	<0.02	0.363[3]	<0.02	<0.02	<0.02	0.105	0.415[3]
GMX-2-4.5	4.5 - 5.0	<0.002	0.0024	0.0066	0.022	0.022	0.0048	<0.002	<0.002	0.011	<0.002	0.023	<0.002	<0.002	0.0058	0.0068	0.025
GMX-3-1.0	0.5 - 1.0	<0.02	<0.02	0.078	0.114	<0.002	<0.02	<0.02	<0.02	0.064	<0.02	0.169	<0.02	<0.02	<0.02	0.08	0.16
GMX-3-4.5	4.5 - 5.0	<0.01	<0.01	<0.01	0.025	0.04	<0.01	<0.01	<0.01	0.014	<0.01	0.036	<0.01	<0.01	<0.01	0.024	0.045
GMX-4-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	0.072	<0.04	<0.04	<0.04	<0.04	0.061	<0.04	0.142	<0.04	<0.04	<0.04	0.071	0.183
GMX-4-4.5	4.5 - 5.0	0.053	0.107	0.129	<0.02	<0.2	<0.2	<0.2	0.295	0.18	<0.2	0.628[4]	<0.02	<0.2	0.057	0.668[4]	0.777[4]
GMX-5-1.0	0.5 - 1.0	<0.02	<0.02	<0.02	<0.002	<0.02	<0.02	<0.02	<0.02	<0.02	<0.02	0.032	<0.02	<0.02	<0.02	0.02	0.034
GMX-5-7.0	4.5 - 5.0	<0.002	<0.002	0.026	<0.002	<0.002	<0.002	<0.002	<0.002	0.004	<0.002	0.011	<0.002	<0.002	<0.002	0.026	0.013
GMX-6-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	0.205	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	0.046	<0.04	<0.04	<0.04	0.06	0.107
GMX-6-4.5	4.5 - 5.0	<0.01	<0.01	0.029	0.122	0.1	0.023	0.038	0.072	0.056	<0.01	0.11	<0.01	0.042	<0.01	0.029	0.111
GMX-7-1.0	0.5 - 1.0	<0.02	<0.02	0.024	0.187	<0.02	<0.02	<0.02	<0.02	0.098	<0.02	0.196	<0.02	<0.02	<0.02	0.194	0.224
GMX-7-5.0	4.5 - 5.0	<0.01	<0.01	<0.01	0.031	<0.01	<0.01	<0.01	<0.01	<0.04	<0.01	<0.01	<0.01	<0.01	<0.04	0.072	<0.01
GMX-8-1.0	0.5 - 1.0	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	<0.04	0.288	<0.04	<0.04	0.095	0.156	0.374
GMX-8-4.5	4.5 - 5.0	0.019	0.078	<0.01	0.314[4]	0.457[4]	<0.01	<0.01	<0.01	0.323[4]	<0.01	0.772[4]	<0.01	<0.01	<0.01	0.288[4]	0.680[4]

Notes:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Advanced Technology Laboratories of Signal Hill, California, for PNAs using EPA Method 8270 SIMS.

[2] Detected concentration reported as part of EPA Method 8260.

[3] Results reported from a 1:100 dilution.

[4] Results reported from a 1:50 dilution.

Abbreviations:

feet bgs = feet below ground surface.

< = indicates result less than the laboratory detection limit indicated.

PNAs = polynuclear aromatic hydrocarbons.

I:\Project\4952\Excel\Area E Soil Plan Tbls.xls\PNAs mgkg

GEOMATRIX

TABLE 4

SUMMARY OF ANALYTICAL RESULTS

OTHER MAHER PARAMETERS[1]

Proposed Imperial Parking Area

Area E - Port of San Francisco Property

South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per kilogram (mg/kg) unless noted

Sample I.D.	Sample Interval (feet bgs)	Asbestos	Cyanide	Fluoride	Total Sulfide	pH (no units)	FID (ppmv)
GMX-1-1.0	0.5 - 1.0	<1%	<0.5	<0.5	<0.5	8.4	0
GMX-1-4.5	4.5 - 5.0	NA	NA	NA	NA	NA	
GMX-2-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	100
GMX-2-4.5	4.5 - 5.0	<1%	NA	NA	NA	9.4	
GMX-3-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	0
GMX-3-4.5	4.5 - 5.0	<1%	<0.5	<0.5	<0.5	8.8	
GMX-4-1.0	0.5 - 1.0	<1%	NA	NA	NA	9.4	100
GMX-4-4.5	4.5 - 5.0	NA	NA	NA	NA	NA	
GMX-5-1.0	0.5 - 1.0	<1%	<0.5	<0.5	<0.5	9.1	100
GMX-5-7.0	4.5 - 5.0	NA	NA	NA	NA	NA	
GMX-6-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	1100
GMX-6-4.5	4.5 - 5.0	<1%	NA	NA	NA	9.2	
GMX-7-1.0	0.5 - 1.0	NA	NA	NA	NA	NA	10
GMX-7-5.0	4.5 - 5.0	<1%	<0.5	<0.5	<0.5	9.2	
GMX-8-1.0	0.5 - 1.0	<1%	NA	NA	NA	7.7	150
GMX-8-4.5	4.5 - 5.0	NA	NA	NA	NA	NA	

Note:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed for pH, cyanide, total sulfide, fluoride, and asbestos using EPA Methods 9045, 9010, 9030, and 340.2M, and polarized light microscopy. Analyses performed by Entech Analytical Laboratories, Inc. of Sunnyvale, California (pH and fluoride), Advanced Technology Laboratories of Signal Hill, California (cyanide and total sulfide), and EMSL Analytical, Inc. of Milpitas, California (asbestos).

Abbreviations:

feet bgs = feet below ground surface.
< = analyte not detected at or above method detection limit shown.
NA = not analyzed.
FID = flame ionization detector.
ppmv = parts per million vapor.

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GEOMATRIX

TABLE 5

SUMMARY OF ANALYTICAL RESULTS
METALS DETECTED IN GRAB GROUNDWATER SAMPLES[1]

Proposed Imperial Parking Area
Area E - Port of San Francisco Property
South of China Basin Channel, San Francisco, California

Concentrations are reported in milligrams per liter (mg/l)

Sample I.D.	Sb	Ar	Ba	Be	Cd	Cr.Total	Co	Cu	Pb	Hg	Mo	Ni	Se	Ag	Tl	V	Zn
GMX-1[2]	0.092/ 0.1	<0.005	0.1	<0.004	<0.005	<0.005	<0.005	<0.005	<0.015	<0.0005	0.018/ 0.02	0.010/ 0.011	<0.015	<0.005	<0.002	<0.010	0.014
GMX-5	<0.005	<0.005	1.7	<0.004	<0.005	0.006	0.008	<0.005	<0.015	<0.0005	0.051	0.006	<0.015	0.034	<0.002	<0.010	0.025

Notes:

[1] Soil samples collected by Geomatrix Consultants, Inc. and analyzed by Entech Analytical Laboratories, of Sunnyvale, California for Title 22 metals using EPA Methods 6000/7000 Series.

[2] Second result from duplicate sample GMX-11.

Abbreviation:

< = indicates result less than the laboratory detection limit indicated.

Sb = Antimony
Ar = Arsenic
Ba = Barium
Be = Beryllium
Cd = Cadmium
Cr Total = Total Chromium
Co = Cobalt
Cu = Copper
Pb = Lead
Hg = Mercury
Mo = Molybdenum
Ni = Nickel
Se = Selenium
Ag = Silver
Tl = Thallium
V = Vanadium
Zn = Zinc

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GEOMATRIX

TABLE 6

SUMMARY OF HEALTH RISK ASSESSMENT RESULTS

Proposed Imperial Weitz Parking Lot Areas
Area E - Port of San Francisco Property
South of China Basin Channel, San Francisco, California

Noncancer Hazard Indexes

Scenario	Incidental Ingestion of Soil	Dermal Contact with Soil	Inhalation of Particulates	Dermal Contact with Groundwater	Hazard Index
Future On-site Construction Worker	6E-02	2E-03	8E-04	7E-03	7E-02
Future On-site Visitor	1E-02	5E-03	7E-07	NA	1E-02

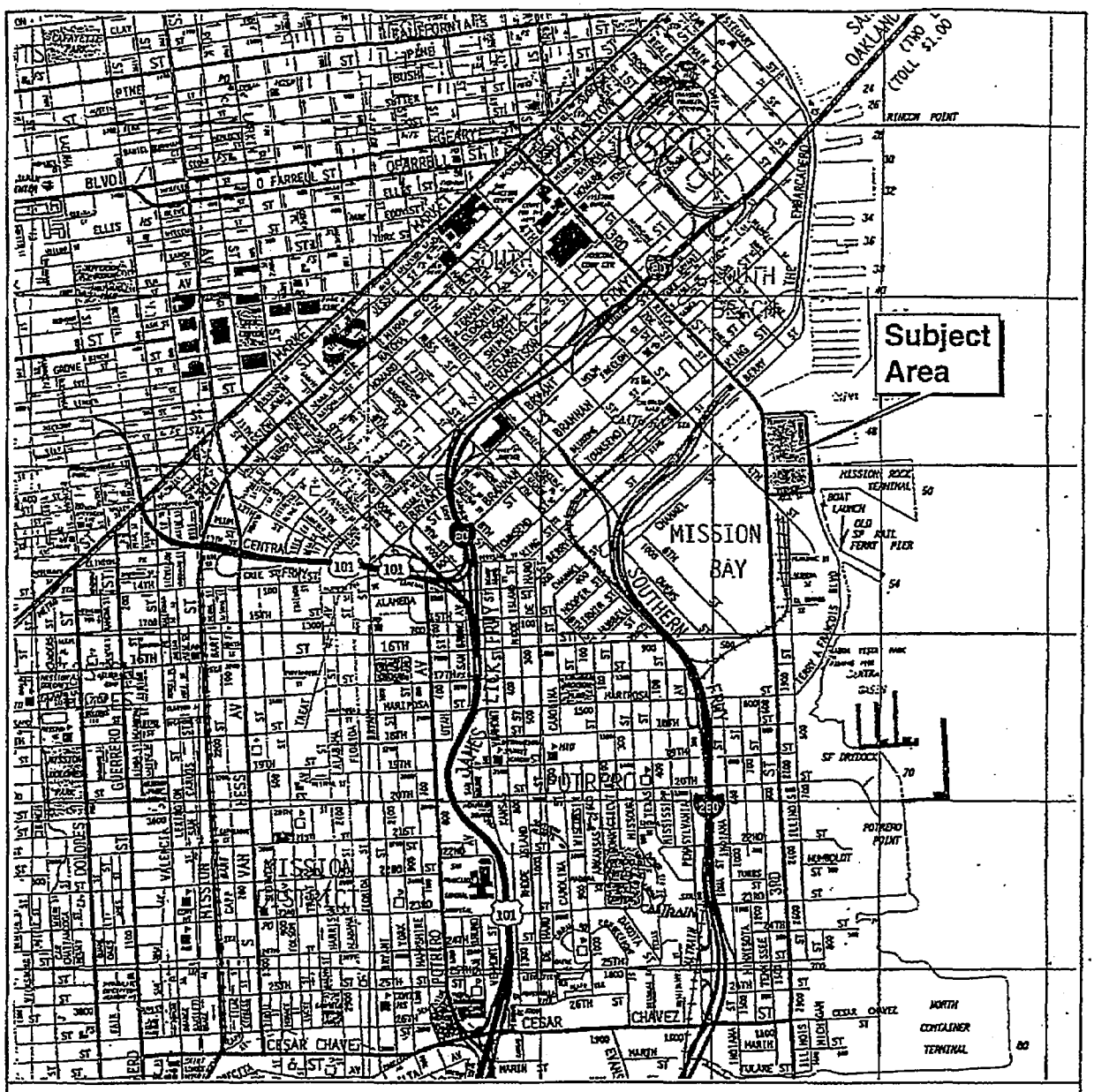
Theoretical Lifetime Excess Cancer Risks

Scenario	Incidental Ingestion of Soil	Dermal Contact with Soil	Inhalation of Particulates	Dermal Contact with Groundwater	Excess Cancer Risk
Future On-site Construction Worker	3E-07	1E-08	7E-08	4E-06	4E-06
Future On-site Visitor	5E-07	3E-07	9E-10	NA	8E-07

Note:

NA = Not applicable

4952 summary table.xls\smp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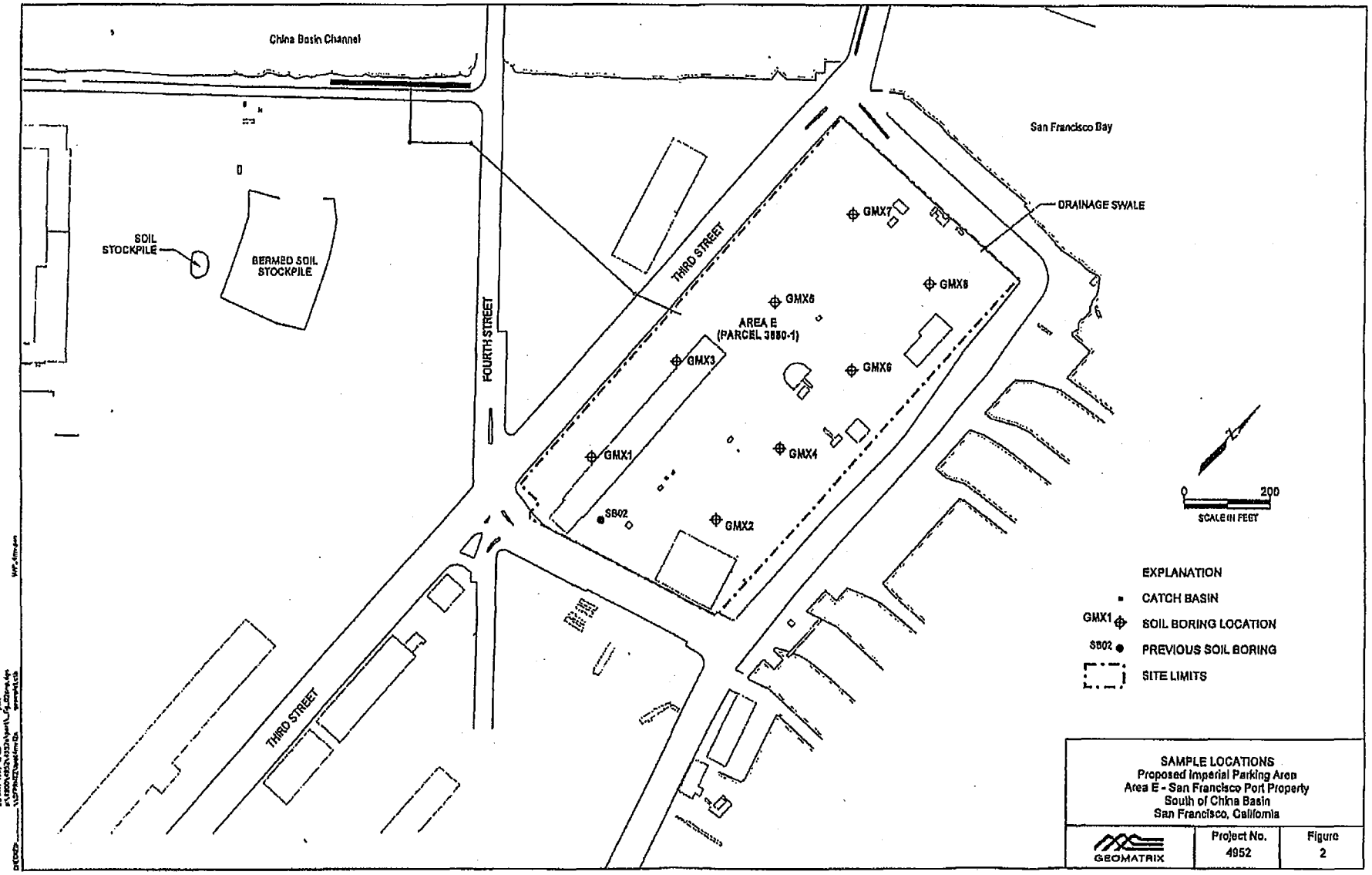
MISSION BAY
SOUTHERN
CENTRAL
BAYSHORE
CESAR CHAVEZ
16TH
17TH
18TH
19TH
20TH
21ST
22ND
23RD
24TH
25TH
26TH
MISSION
POTRERO
BRYANT
BRANNAN
TOWNSEND
KING
DE HARO
VERMONT
CAROLINA
MISSOURI
MISSISSIPPI
PENNSYLVANIA
INDIANA
MINNESOTA
TENNESSEE
MICHIGAN
HUMBOLDT
HARRISON
HARLEM
ALABAMA
ALAMEDA
MARIPOSA
MARIN
CAMPANILE
CAMPANILE
CAMPANILE



SAMPLE LOCATIONS
Proposed Imperial Parking Area
Area E - San Francisco Port Property
South of China Basin
San Francisco, California

GEOMATRIX	Project No. 4952	Figure 2

GEOMATRIX

APPENDIX A

Data Summaries from Previous Investigations

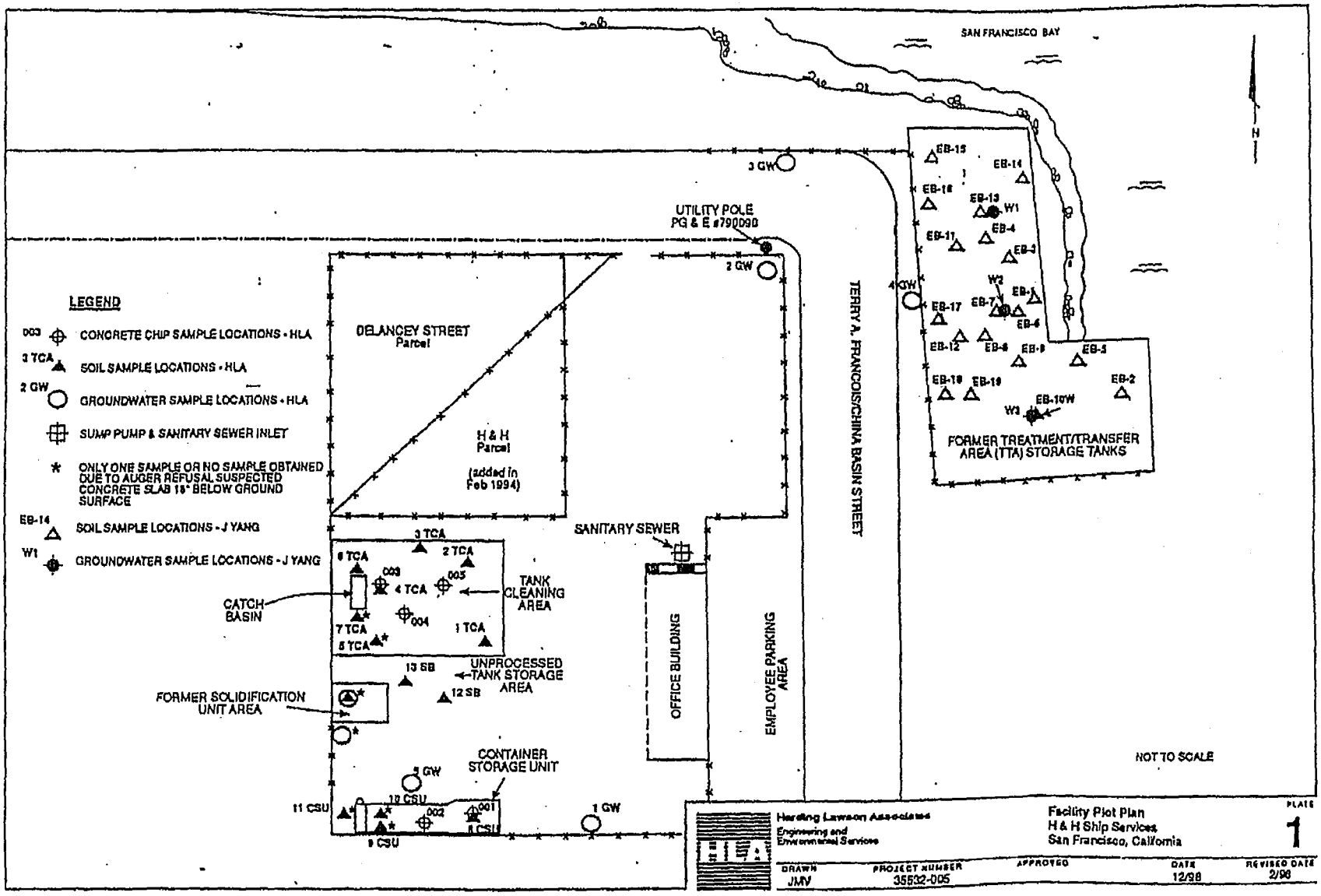

SAN FRANCISCO BAY
N
LEGEND
003 CONCRETE CHIP SAMPLE LOCATIONS - HLA
3 TCA SOIL SAMPLE LOCATIONS - HLA
2 GW GROUNDWATER SAMPLE LOCATIONS - HLA
SUMP PUMP & SANITARY SEWER INLET
* ONLY ONE SAMPLE OR NO SAMPLE OBTAINED DUE TO AUGER REFUSAL SUSPECTED CONCRETE SLAB 18" BELOW GROUND SURFACE
EB-14 SOIL SAMPLE LOCATIONS - J YANG
W1 GROUNDWATER SAMPLE LOCATIONS - J YANG
DELANCEY STREET Parcel
H & H Parcel
(added in Feb 1994)
UTILITY POLE PG & E #790090
3 GW
2 GW
4 GW
TERRY A. FRANCOIS/CHINA BASIN STREET
EB-15
EB-14
EB-16
EB-13
W1
EB-4
EB-11
EB-3
W2
EB-1
EB-7
EB-17
EB-6
EB-12
EB-8
EB-9
EB-5
EB-18
EB-19
EB-2
EB-10W
W3
FORMER TREATMENT/TRANSFER AREA (TTA) STORAGE TANKS
SANITARY SEWER
3 TCA
2 TCA
6 TCA
003
4 TCA
005
TANK CLEANING AREA
CATCH BASIN
7 TCA
004
1 TCA
5 TCA
13 SB
UNPROCESSED TANK STORAGE AREA
12 SB
FORMER SOLIDIFICATION UNIT AREA
OFFICE BUILDING
EMPLOYEE PARKING AREA
CONTAINER STORAGE UNIT
5 GW
11 CSU
10 CSU
002
001
8 CSU
9 CSU
1 GW
NOT TO SCALE
Harding Lawson Associates
Engineering and Environmental Services
Facility Plot Plan
H & H Ship Services
San Francisco, California
PLATE 1
DRAWN JMV
PROJECT NUMBER 35532-005
APPROVED
DATE 12/98
REVISED DATE 2/99

Table 4. Summary of Chemicals Detected in Soil
Tank Cleaning Area, Container Storage Unit, and Solidification Unit
H & H Ship Service Company
San Francisco, California

Analyte	Units	Number of Detections	Number of Analyses	Frequency of Detection	Minimum Detected Conc.	Maximum Detected Conc.	Location of Maximum Conc.
Inorganics							
Arsenic	mg/kg	16	17	94%	ND	9.2E+01	3TCA-008
Barium	mg/kg	17	17	100%	3.8E+01	6.5E+02	12SB-023
Cadmium	mg/kg	1	17	6%	ND	5.3E-01	3TCA-008
Chromium	mg/kg	17	17	100%	7.3E+00	7.0E+01	1TCA-001
Cobalt	mg/kg	17	17	100%	3.8E+00	4.0E+01	3TCA-007
Copper	mg/kg	17	17	100%	8.9E+00	1.4E+02	10CSU-021
Lead	mg/kg	16	17	94%	ND	2.1E+02	1TCA-001
Mercury	mg/kg	16	17	94%	ND	4.8E-01	2TCA-005
Nickel	mg/kg	17	17	100%	1.3E+01	3.2E+02	6TCA-014
Silver	mg/kg	3	17	18%	ND	3.0E+00	3TCA-007
Thallium	mg/kg	11	17	65%	ND	1.1E+01	1TCA-001
Vanadium	mg/kg	17	17	100%	1.6E+01	4.6E+01	5TCA-013
Zinc	mg/kg	17	17	100%	3.2E+01	2.5E+02	4TCA-011
Petroleum							
Oil and Grease (Total)	mg/kg	17	17	100%	1.1E+02	6.4E+03	4TCA-011
Oil and Grease (Non-Polar)	mg/kg	16	17	94%	ND	5.0E+03	3TCA-007
TPH-Diesel	mg/kg	17	17	100%	5.0E+00	2.1E+03	4TCA-011
TPH-Gasoline	mg/kg	4	17	24%	ND	1.0E+02	4TCA-011
Toluene	mg/kg	17	17	100%	1.2E-02	1.3E+00	3TCA-007
Ethylbenzene	mg/kg	3	17	18%	ND	6.3E-01	4TCA-011
Xylene	mg/kg	6	17	35%	ND	9.3E+00	4TCA-011
PCBs							
Aroclor 1016	mg/kg	2	17	12%	ND	1.0E-01	5TCA-013
Aroclor 1254	mg/kg	7	17	41%	ND	2.4E-01	5TCA-013
Aroclor 1260	mg/kg	3	17	18%	ND	5.5E-01	5TCA-013
PAHs							
Acenaphthene	mg/kg	2	17	12%	ND	9.3E-01	8CSU-018
Acenaphthylene	mg/kg	3	17	18%	ND	1.5E+00	8CSU-018
Anthracene	mg/kg	5	17	29%	ND	3.1E+00	8CSU-018
Benz(a)anthracene	mg/kg	11	17	65%	ND	2.4E+00	8CSU-018
Benzo(b,k)fluoranthene	mg/kg	11	17	65%	ND	2.6E+00	8CSU-018
Benzo(a)pyrene	mg/kg	10	17	59%	ND	1.8E+00	8CSU-018
Benzo(g,h,i)perylene	mg/kg	10	17	59%	ND	6.6E-01	8CSU-018
Chrysene	mg/kg	11	17	65%	ND	2.3E+00	8CSU-018
Dibenz(a,h)anthracene	mg/kg	7	17	41%	ND	3.7E-01	8CSU-018
Fluoranthene	mg/kg	14	17	82%	ND	4.3E+00	8CSU-018
Fluorene	mg/kg	5	17	29%	ND	3.7E+00	8CSU-018
Indeno(1,2,3-cd)pyrene	mg/kg	9	17	53%	ND	7.0E-01	8CSU-018
Naphthalene	mg/kg	5	17	29%	ND	2.5E+00	4TCA-011
Phenanthrene	mg/kg	15	17	88%	ND	6.3E+00	8CSU-018
Pyrene	mg/kg	15	17	88%	ND	4.7E+00	8CSU-018

mg/kg Milligrams per kilogram.
Note: Only detected compounds are listed.

Table 6. Summary of Chemicals Detected in Groundwater
Tank Cleaning Area, Container Storage Unit, and Solidification Unit
H & H Ship Service Company
San Francisco, California

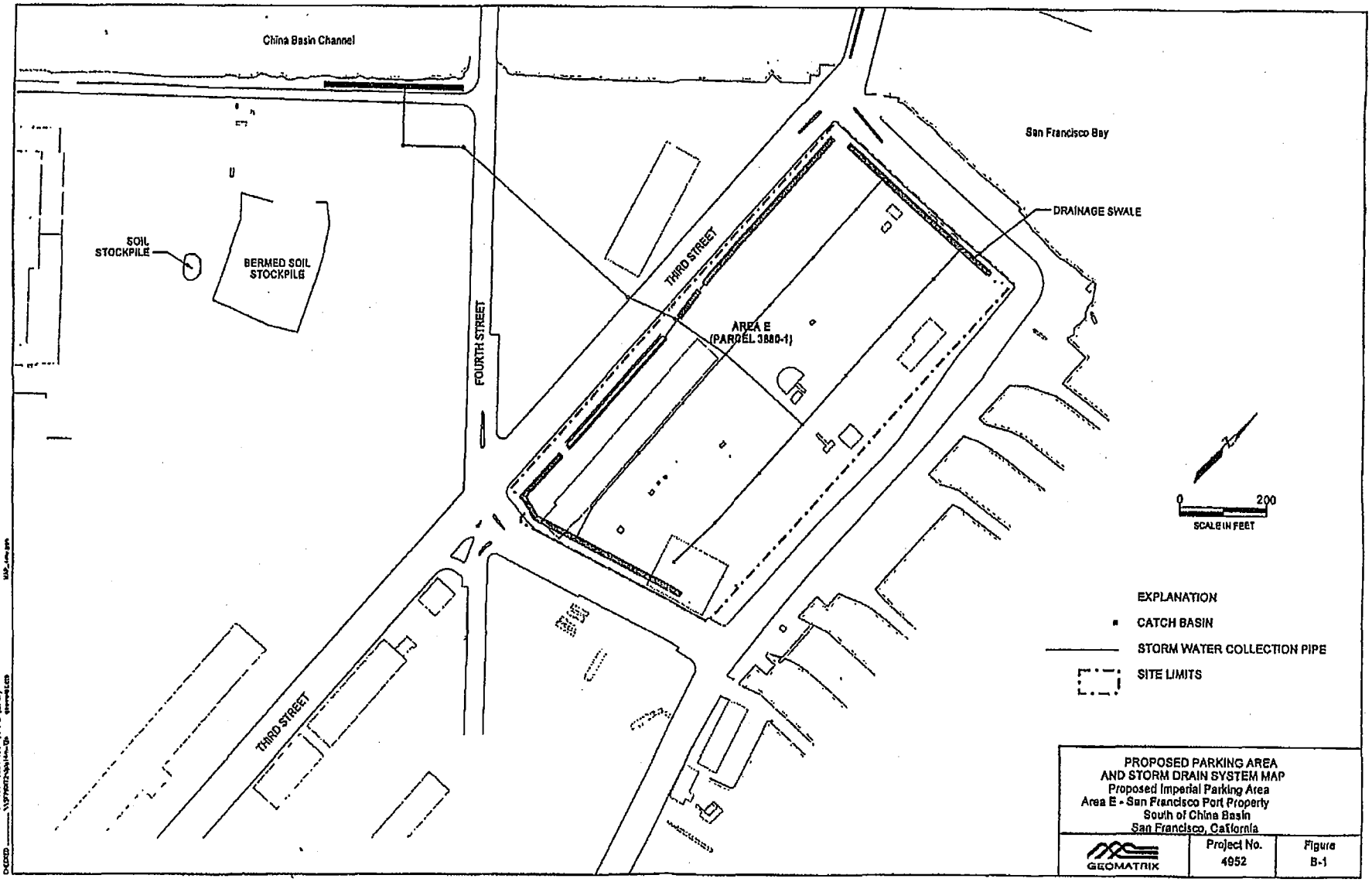
Chemical	Units	Number of Detections	Number of Analyses	Frequency of Detection	Minimum Detected Concentration	Maximum Detected Concentration	Location of Maximum Concentration
Inorganics (filtered)							
Arsenic	mg/L	1	5	20%	0.812	0.812	3GW
Barium	mg/L	5	5	100%	0.0847	0.748	3GW
Cobalt	mg/L	1	5	20%	0.0165	0.0165	2GW
Molybdenum	mg/L	1	5	20%	0.0207	0.0207	4GW
Nickel	mg/L	2	5	40%	0.0419	0.0883	2GW
Zinc	mg/L	1	5	20%	0.126	0.126	4GW
Inorganics (unfiltered)							
Arsenic	mg/L	2	4	50%	0.3	9.2	1GW
Barium	mg/L	4	4	100%	0.27	5.1	1GW
Cadmium	mg/L	3	4	75%	0.012	0.026	1GW
Chromium	mg/L	4	4	100%	0.049	1.1	3GW
Cobalt	mg/L	4	4	100%	0.31	2.5	3GW
Copper	mg/L	4	4	100%	0.056	2	2GW
Lead	mg/L	4	4	100%	0.66	5.8	2GW
Mercury	mg/L	4	4	100%	0.0017	2	4GW
Nickel	mg/L	4	4	100%	0.32	12	3GW
Thallium	mg/L	1	4	25%	0.15	0.15	1GW
Vanadium	mg/L	3	4	75%	0.061	0.47	1GW
Zinc	mg/L	4	4	100%	1	7.2	1GW
Petroleum (unfiltered)							
TPH-Diesel	mg/L	1	4	25%	2.4	2.4	1GW
PCBs (unfiltered) None Detected							
PAHs (unfiltered)							
Acenaphthylene	µg/L	1	5	20%	0.5	0.5	1GW
Anthracene	µg/L	1	5	20%	1.1	1.1	1GW
Benz(a)anthracene	µg/L	3	5	60%	0.14	5.1	1GW
Benzo(b)fluoranthene	µg/L	1	1	100%	0.56	0.56	5GW
Benzo(k)fluoranthene	µg/L	1	1	100%	0.12	0.12	5GW
Benzo(b,k)fluoranthene	µg/L	3	4	75%	0.6	10	1GW
Benzo(a)pyrene	µg/L	3	5	60%	0.34	6.8	1GW
Benzo(g,h,i)perylene	µg/L	3	5	60%	0.5	5.5	1GW
Chrysene	µg/L	2	5	40%	7	7	1GW
Dibenz(a,h)anthracene	µg/L	1	5	20%	1.2	1.2	1GW
Fluoranthene	µg/L	3	5	60%	0.7	10	1GW
Fluorene	µg/L	1	5	20%	1.5	1.5	5GW
Indeno(1,2,3-cd)pyrene	µg/L	1	5	20%	4.2	4.2	1GW
Naphthalene	µg/L	3	5	60%	0.5	1.1	5GW
Phenanthrene	µg/L	4	5	80%	0.5	4.8	1GW
Pyrene	µg/L	4	5	80%	0.6	10	1GW
PAHs (filtered) None Detected							

mg/L Milligrams per liter.
µg/L Micrograms per liter.
ND Not detected.
NA Not available.
Note: Only detected analytes are listed.

GEOMATRIX

APPENDIX B

Site Plans Illustrating Alternative Storm Drainage Systems



PROPOSED PARKING AREA
AND STORM DRAIN SYSTEM MAP
Proposed Imperial Parking Area
Area E - San Francisco Port Property
South of China Basin
San Francisco, California

GEOMATRIX	Project No. 4952	Figure B-1

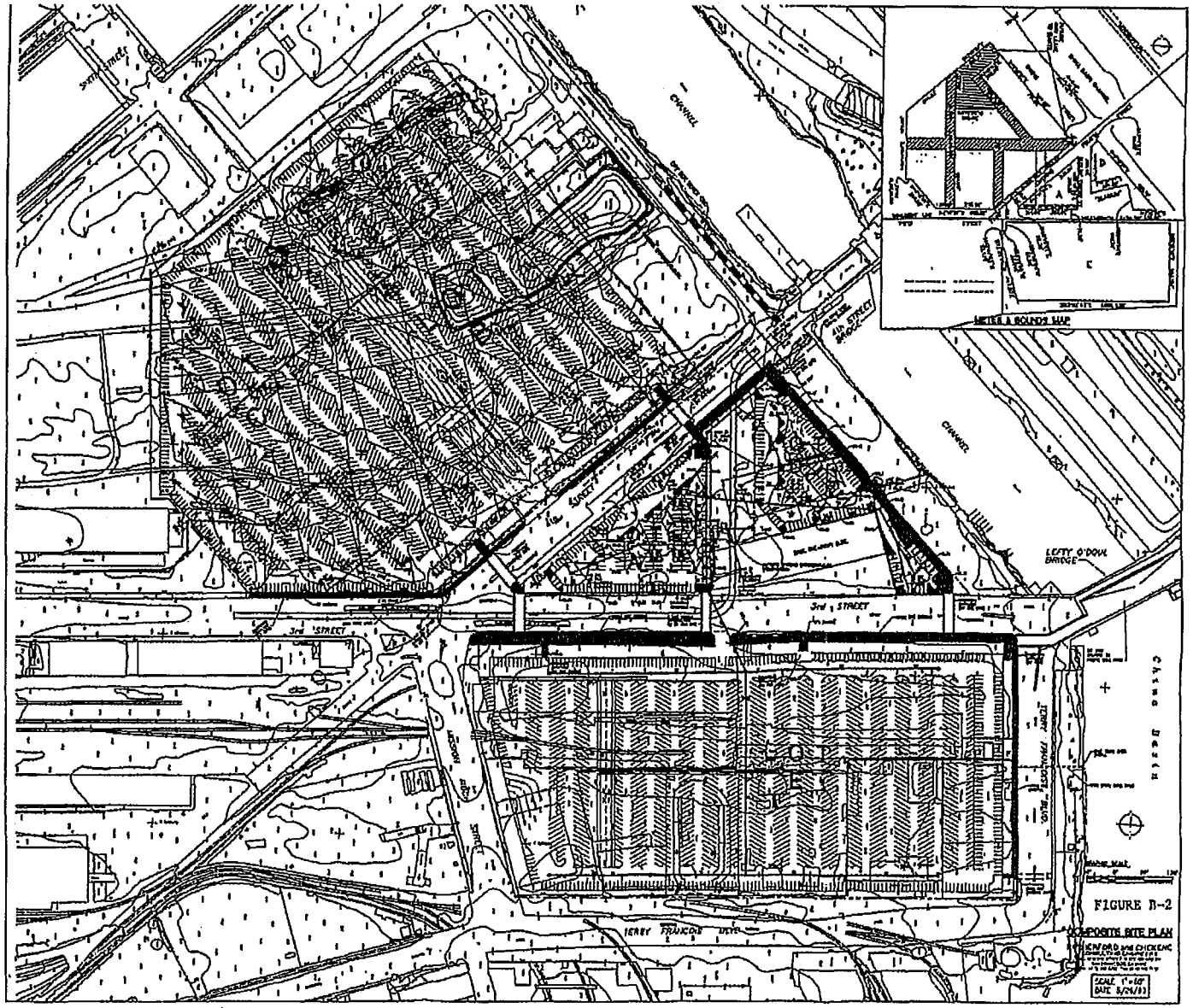


FIGURE B-2

COMPOSITE SITE PLAN

APPENDIX D
Covenant to Restrict Use of Property
Recorded January 27, 2000

RECORDING REQUESTED BY:
The Port of San Francisco
Ferry Building
San Francisco, California 94111

WHEN RECORDED, MAIL TO:

Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, California 94710
Attention: Mohinder S. Sandhu, P.E., Chief
Standardized Permits and Corrective
Action Branch

San Francisco Assessor-Recorder
Doris M. Ward, Assessor-Recorder
DOC- 2000-G723986-00
Acct 25-NO CHARGE DOCUMENT
Thursday, JAN 27, 2000 10:47:55
FRE $0.00
Ttl Pd $0.00 Nbr-0001346614
REEL H561 IMAGE 0199 oed/ER/1-16

N/C
16

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

(Re: H&H Site located at Seawall Lot 337, City and County of San Francisco)

This Covenant and Agreement ("Covenant") is made by and between COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

Re: H&H Site located at Seawall Lot 337, City and County of San Francisco

This Covenant and Agreement ("Covenant") is made by and between the City and County of San Francisco, a charter city and county in trust (the "Covenantor"), the current owner, of certain property situated in the City and County of San Francisco, State of California, described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Property"), and the Department of Toxic Substances Control (the

"Department"). Pursuant to Civil Code section 1471(c), the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code ("H&SC") section 25260. The Covenantor and the Department, collectively referred to as the "Parties", therefore intend that the use of the Property be restricted as set forth in this Covenant, in order to protect human health, safety and the environment.

ARTICLE I
STATEMENT OF FACTS

1.01. The Property, totaling approximately 14 acres, is more particularly described in Exhibit "A" and depicted in Exhibit "A-1", attached hereto and incorporated herein by this reference. The Property is located in the area now generally bounded by Terry Francois Boulevard on the North and East, in the City and County of San Francisco, California.

1.02. The site was created by filling marshlands and shallow tidal flats bordering San Francisco Bay between 1877 and 1913. Sources of fill are unknown, but likely included construction/demolition debris and rubble, and rock and dirt cut from nearby hills. Historical uses of the Site include railroad tracks and related support structures, parking and shipping by truck, and truck maintenance. From 1950 to 1996 H&H Ship Service operated a hazardous waste treatment facility, including a tank cleaning area and drum storage unit, and used portions of the Property for vehicle parking and offices.

In 1978 several of the wastes managed at the H&H Ship Service facility were determined to be hazardous wastes subject to federal and state hazardous waste management regulations. Since that time, the Department of Toxic Substances Control (or its predecessor in interest, the Department of Health Services) authorized H&H Ship Service's operations pursuant to an interim status document. Under this authorization the property was a hazardous waste facility (Facility), regulated by the Department, subject to the requirements of the California Hazardous Waste Control Law ("HWCL"), at Health and Safety Code ("H&S Code") section 25100 et seq., and the federal Resource Conservation and Recovery Act ("RCRA"), at 42 U.S.C. section 6901 et seq.

The Department is requiring this Covenant pursuant to the closure requirements of the HWCL, including H&S Code section 25246 and post-closure notices provisions of Title 22 California Code of Regulations [section 66265.119(b) for interim status hazardous waste facilities], as part of the facility closure. The Department circulated a closure plan, dated August 30, 1996 and a draft Categorical Exemption pursuant to the California Environmental Quality Act, Public Resources Code section 21000 et seq for

public review and comment from December 23, 1999 to January 24, 2000. The Department approved the closure plan, closure certification report titled, *RCRA Closure Certification Report, Former H&H Ship Service Facility, San Francisco, California, dated February 4, 1999*, containing a health risk assessment, and the Categorical Exemption on January 26, 2000. Hazardous wastes, which are also hazardous materials as defined in Health and Safety Code sections 25117 and 25260, including petroleum hydrocarbons, polynuclear aromatic hydrocarbons, metals and arsenic, remain in the soil and groundwater at the Site at concentrations below those which would pose a significant human health risk under proposed reuse scenarios. The health risk assessment did not evaluate an unrestricted land use scenario, recreational use involving direct contact with soil, or potential impacts from use of groundwater. Therefore a deed restriction to limit use of the property to those exposure scenarios evaluated and found to be below acceptable risk limits is required as part of the facility closure.

1.03. As detailed in the health risk assessment within the *RCRA Closure Certification Report*, as approved by the Department on January 26, 2000, portions of the surface and subsurface soils on the Site contain hazardous wastes and hazardous materials, as defined in H&S Code section 25117 and 25260, including the following contaminants of concern: arsenic (up to 92 mg/kg) and benzo(a)pyrene (up to 2.5 mg/kg). Groundwater beneath the Property is found within 10 to 20 feet below ground surface. Dissolved arsenic was found in groundwater at up to 812 ug/l. California drinking water standards are arsenic at 50 ug/l. Because the health risk assessment did not evaluate an unrestricted land use scenario, recreational use involving direct contact with soil, or potential impacts from use of groundwater, the Department concluded that use of the Property as a residence, hospital, school for persons under the age of 21, day care center, or recreational use involving direct contact with soil would entail an unacceptable potential human health risk. The Department further concluded that the Property, subject to the restrictions of this Covenant, does not present an unacceptable threat to human safety or the environment.

ARTICLE II
DEFINITIONS

2.01. Department. "Department" shall mean the California Department of Toxic Substances Control and shall include its successor agencies, if any.

2.02. Owner. "Owner" shall mean the Covenantor, its successors in interest, and their successors in interest, including heirs and assigns, who at any time hold title to all or any portion of the Property.

2.03. Occupant. "Occupant" shall mean Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

ARTICLE III
GENERAL PROVISIONS

3.01. Restrictions to Run With the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every one of the Restrictions: (a) shall run with the land pursuant to H&SC sections 25202.5, and 25202.6 and Civil Code section 1471; (b) shall inure to the benefit of and pass with each and every portion of the Property, (c) shall apply to and bind the respective successors in interest to the Property, (d) are for the benefit of, and shall be enforceable by the Department, and (e) are imposed upon the entire Property unless expressly stated as applicable only to a specific portion thereof.

3.02. Binding Upon Owners/Occupants. Pursuant to Health and Safety Code section 25202.5(b), this Covenant shall be binding upon all of the owners of the land, their heirs, successors, and assignees, and the agents, employees, and lessees of the owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471(b), all successive owners of the Property are expressly bound hereby for the benefit of the covenantee(s) herein. "Owner" shall include "Covenantor".

3.04. Written Notice of Hazardous Substance Release. The Owner shall, prior to the sale, lease, or rental of the Property, give written notice that a release of hazardous substances has come to be located on or beneath the Property, pursuant to Health and Safety Code section 25359.7. Such written notice shall include a copy of this Covenant.

ARTICLE IV
RESTRICTIONS

4.01. Prohibited Uses. The Property shall not be used for any of the following purposes:

(a) A residence, including any mobile home or factory built housing, constructed or installed for use as residential human habitation;

(b) A hospital for humans;

(c) A public or private school for persons under 21 years of age;

(d) A day care center for children; or

(e) Recreational use involving direct contact with soil.

4.02. Soil Management

(a) Any contaminated soils brought to the surface by grading, excavation, trenching or backfilling shall be managed in accordance with all applicable provisions of state and federal law.

(b) If more than 50 cubic yards of any surface or subsurface soil will be disturbed, including excavation and grading, then the soil shall be evaluated for potential human health risks in compliance with Article 20 of the SF Municipal Code ("the Maher Ordinance"), and managed accordingly.

4.03. Prohibited Activities. The following activities shall not be conducted at the Property:

(a) No raising of food (e.g., cattle, food crops, cotton, etc.) shall be permitted on the property.

(b) No groundwater shall be extracted on the Property for purposes other than site remediation or construction dewatering without prior written approval by the Department.

4.04. Access for Department. Covenantor agrees that the Department shall have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect the public health and safety.

ARTICLE V
ENFORCEMENT

5.01. Enforcement. Failure of the Covenantor and/or Owner to comply with any of the Restrictions specifically applicable to it shall be grounds for the Department, by reason of this Covenant, to require that the Covenantor and/or Owner modify or remove any improvements ("Improvements" herein shall mean all buildings, roads, driveways, and paved parking areas, constructed or placed upon any portion of the Property constructed in violation of the Restrictions.) Violation of this Covenant shall be grounds for the Department to file civil and/or criminal actions against the Covenantor and/or Owner as provided by law.

ARTICLE VI
VARIANCE, TERMINATION, AND TERM

6.01. Variance. Any Owner or, with the Owner's written consent, any Occupant of the Property or any portion thereof may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with H&S Code section 25202.6.

6.02. Termination. Any Owner, and/or, with the Owner's written consent, any Occupant of the Property, or any portion thereof, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with H&S Code section 25202.6.

6.03. Term. Unless ended in accordance with the Termination Paragraph above, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

ARTICLE VII
MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose whatsoever.

7.02. Department References. All references to the Department include successor agencies/departments or other successor entity.

7.03. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of San Francisco within ten (10) days of the Covenantor's receipt of a fully executed original.

7.04. Notices. Whenever any person gives or serves any notice ("Notice" as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owner:

G723986

On or Before 12/31/00:

Port of San Francisco
3100 Ferry Building
San Francisco, CA 94111
Attention: Carol Bach,

With a copy to

Noreen Ambrose
Port General Counsel
Port of San Francisco
3100 Ferry Building
San Francisco, CA 94111.

After 12/31/00:

Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Carol Bach,

With a copy to:
Noreen Ambrose
Port General Counsel
Port of San Francisco
Pier 1
San Francisco, CA 94111.

To Department:

California Environmental Protection Agency
Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, CA 94710-2737
Attention: Branch Chief
Standardized Permits and Corrective Action Branch

Any party may change its address or the individual to whose attention a notice is to be sent by giving written notice in compliance with this paragraph.

7.05. Partial Invalidity. If any portion of the Restrictions or other term set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

G723986

IN WITNESS WHEREOF, the Parties execute this Covenant.

"Covenantor" City & County of San Francisco

Date: 1/26/2000

By: _____
DOUGLAS F. WONG
Its: Executive Director
Port of San Francisco

"Department" Department of Toxic Substances Control

Date: 1/26/00

By: _____
MOHINDER S. SANDHU
Its: Chief, Standardized Permits and Corrective Action Branch

G723986

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On January 26, 2000, before me, Virna C. Wu, "Notary Public",
Date — Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Douglas Farrell Wong,
Name(s) of Signer(s)

☒ personally known to me
~~☐ 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.

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

WITNESS my hand and official seal.

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Environmental Restriction

Document Date: 1/26/2000 Number of Pages: 8 + 6 (Parcel B, C, D)

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Douglas Farrell Wong

☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: Port Executive Director

Signer Is Representing: Port of San Francisco

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On January 26, 2000 (Date), before me, Virna C. Wu, "Notary Public" (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),
personally appeared Mohinder Singh Sandhu (Name(s) of Signer(s)),

~~☐ personally known to me~~
☒ 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.

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

WITNESS my hand and official seal.

Virna C Wu
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Environmental Restriction
Document Date: 01/26/2000 Number of Pages: 8+6 (Parcel A, C, D)
Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Mohinder Singh Sandhu
☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: Chief, Standardized Permits & Corrective Action Branch
Signer Is Representing: Dept. of Toxic Substances Control

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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SEAWALL LOT 337

PARCEL A

ALL THAT CERTAIN REAL PROPERTY SITUATED AT THE CITY AND COUNTY OF SAN FRANCISCO, BEING A PORTION OF SEAWALL LOT 337 OF THE SAN FRANCISCO PORT AUTHORITY, DESCRIBED AS FOLLOWS; COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET), SAID CORNER BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE ALONG SAID INNER WATERFRONT LINE AT S 3DEG 02'27" E A DISTANCE OF 2,217.59 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE LAST AFOREMENTIONED COURSE A DISTANCE OF 149.77 FEET; THENCE AT S 86DEG 57'33" W A DISTANCE OF 38.12 FEET; THENCE AT S 3DEG 14'22" E A DISTANCE OF 31.51 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 55.69 FEET; THENCE AT S 3DEG 02'27" E A DISTANCE OF 120.00 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 55.27 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 120.00 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 40.17 FEET; THENCE AT S 3DEG 14'22" E A DISTANCE OF 120.00 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 40.17 FEET; THENCE AT S 3DEG 14'22" E A DISTANCE OF 48.20 FEET; THENCE AT S 86DEG 57'33" W A DISTANCE OF 142.25 FEET; THENCE AT

G723986

S 86DEG 50'57" W A DISTANCE OF 111.99 FEET; THENCE AT

N 3DEG 10'55" W A DISTANCE OF 200.00 FEET; THENCE AT

N 86DEG 57'33" E A DISTANCE OF 171.00 FEET; THENCE AT

N 3DEG 02'27" W A DISTANCE OF 149.48 FEET; THENCE AT

N 86DEG 49'20" E A DISTANCE OF 121.29 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 70,765.20 SQUARE FEET, MORE OR LESS.

G723986

SEAWALL LOT 337

PARCEL C

BEING A PORTION OF SEAWALL LOT 337 OF THE SAN FRANCISCO PORT AUTHORITY ,CITY AND COUNTY OF SAN FRANCISCO, BRIEFLY DESCRIBED AS FOLLOWS; COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET), SAID CORNER BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE ALONG THE AFORESAID INNER WATERFRONT LINE AT S 3DEG 02'27" E A DISTANCE OF 2,367.36 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT S 48DEG 02'27" E A DISTANCE OF 25.00 FEET; THENCE AT S 3DEG 02'27" E A DISTANCE OF 13.64 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 55.69 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 31.51 FEET; THENCE AT N 86DEG 57'33" E A DISTANCE OF 38.12 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 1,594.90 SQUARE FEET, MORE OR LESS.

G723986

ALSO INCLUDED IN THIS PARCEL IS A PORTION OF SEAWALL LOT 337 BRIEFLY DESCRIBED AS FOLLOWS;

COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET) SAID POINT BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE ALONG THE AFORESAID INNER WATERFRONT LINE A DISTANCE OF 2,518.74 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 17.66 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT S 3DEG 02'27" E DISTANCE OF 30.72 FEET; THENCE AT S 41DEG 57'33" W A DISTANCE OF 25.00 FEET; THENCE S 86DEG 57'33" W A DISTANCE OF 37.43 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 48.20 FEET; THENCE AT N 86DEG 45'38" E DISTANCE OF 55.27 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 2,509.60 SQUARE FEET, MORE OR LESS.

G723986

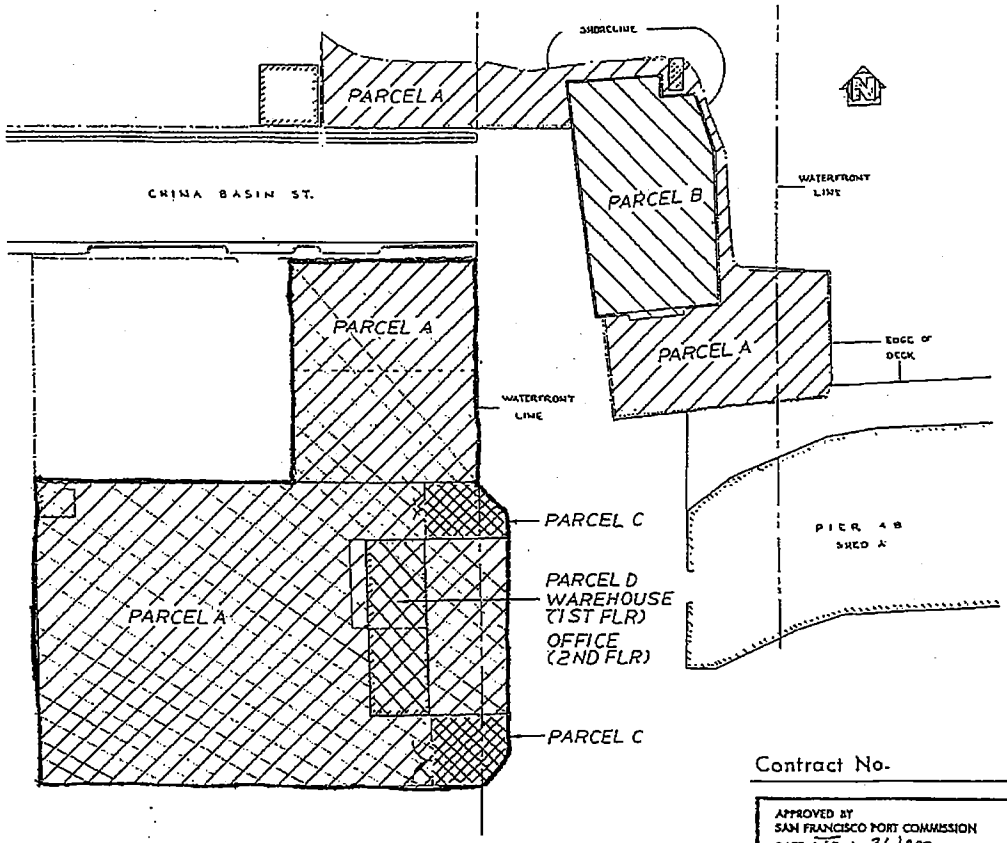
SEAWALL LOT 337

PARCEL D

PARCEL D IS A TWO-STORY WAREHOUSE AND OFFICE BUILDING LOCATED AT CHINA BASIN STREET WHOSE FOOTPRINT IS BRIEFLY DESCRIBED AS FOLLOWS;
COMMENCING AT THE SOUTHWEST CORNER OF THE INTERSECTION OF TOWNSEND STREET AND DELANCEY STREET (FORMERLY FIRST STREET), SAID POINT BEING INNER 14 OF THE INNER WATERFRONT LINE AS DESCRIBED IN THE RECORDS ON FILE AT THE OFFICE OF ENGINEERING OF THE SAN FRANCISCO PORT AUTHORITY; RUNNING THENCE SOUTHERLY ALONG THE AFORESAID INNER WATERFRONT LINE AT S 3DEG 02'27" E A DISTANCE OF 2,398.74 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 38.02 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT S 3DEG 14'22" E A DISTANCE OF 120.00 FEET; THENCE AT S 86DEG 45'38" W A DISTANCE OF 40.17 FEET; THENCE AT N 3DEG 14'22" W A DISTANCE OF 120.00 FEET; THENCE AT N 86DEG 45'38" E A DISTANCE OF 40.17 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING AN AREA OF 4,820.00 SQUARE FEET, MORE OR LESS.

ALSO INCLUDED IN THIS PARCEL IS THE SECOND FLOOR OFFICE SPACE OF THE AFOREMENTIONED TWO- STORY BUILDING WITH AN AREA OF 2,414.00 SQUARE FEET, MORE OR LESS.

G723986



PARCEL A	91,844 SF
PARCEL B	14,071 SF
SUB-TOTAL	105,915 SF
PARCEL C	4,105 SF
PARCEL D	
WAREHOUSE	4,820 SF
OFFICE	2,414 SF
TOTAL	117,254 SF

Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE JULY 21, 1992
CHIEF ENGINEER

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

EXHIBIT A-1
H & H SHIP SERVICE CO.
LEASE NO. L-11679

DRAWN BY E.C.C.	CHECKED BY
DESIGNED BY	DATE 4-27-92
SECTION HEAD	SCALE
DRAWING NO.	SHEET NO. OF SHEETS

APPENDIX E
Covenant to Restrict Use of Property
Recorded July 25, 2002

2002050[illegible]-Wong

DEPARTMENT OF TOXIC SUBSTANCES CONTROL
FACILITY PERMITTING BRANCH
BERKELEY
AUG 07 2002
STATE OF CALIFORNIA EPA
RECEIVED

RECORDING REQUESTED BY:
The Port of San Francisco
Ferry Building
San Francisco, California 94111

WHEN RECORDED, MAIL TO

Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, California 94710
Attention: Mohinder S. Sandhu, P.E., Chief
Standardized Permits and Corrective Action Branch

San Francisco Assessor-Recorder
Doris M. Ward, Assessor-Recorder
DOC- 2002-H209674-00
Acct 25-NO CHARGE DOCUMENT
Thursday, JUL 25, 2002 12:45:40
Ttl Pd $0.00 Nbr-0001906468
REEL I187 IMAGE 0545
ojl/JL/1-14

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

(Re: H&H Site located at China Basin Channel and Terry Francois Blvd, City and County of San Francisco)

This Covenant and Agreement ("Covenant") is made by and between the City and County of San Francisco, a charter city and county in trust (the "Covenantor"), the current owner of certain property situated in the City and County of San Francisco, State of California, described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Property"), and the Department of Toxic Substances Control (the "Department"). Pursuant to Civil Code section 1471(c) and the California Health and Safety Code, Section 25222.1, the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code ("H&SC"), Section 25260. The Covenantor and the Department, collectively referred to as the "Parties", therefore intend that the use of the Property be restricted as set forth in this Covenant, in order to protect human health,

safety and the environment.

ARTICLE I
STATEMENT OF FACTS

1.01. The Property, totaling approximately 0.6 acres, is more particularly described in Exhibit "A" and depicted in Exhibit "A-1", attached hereto and incorporated herein by this reference. The Property is located in the area now generally bounded by Terry Francois Boulevard to the west, China Basin Channel to the north, and San Francisco Bay to the east, in the City and County of San Francisco, California.

1.02. The site was created by filling marshlands and shallow tidal flats bordering San Francisco Bay between 1877 and 1913. Sources of fill are unknown, but likely included construction/demolition debris and rubble, and rock and dirt cut from nearby hills. Historical uses of the Site include railroad tracks and related support structures and parking. From 1950 to 1996 H&H Ship Service occupied the area for wastewater treatment and transfer operations, including aboveground storage tanks for receiving, settling and treating wastewater containing petroleum.

In 1978 several of the wastes managed at the H&H Ship Service facility were determined to be hazardous wastes subject to federal and state hazardous waste management regulations. Since that time, the Department of Toxic Substances Control (or its predecessor in interest, the Department of Health Services) authorized H&H Ship Service's operations pursuant to an interim status document. Under this authorization the property was a hazardous waste facility (Facility), regulated by the Department, subject to the requirements of the California Hazardous Waste Control Law ("HWCL"), at Health and Safety Code ("H&S Code") section 25100 et seq., and the federal Resource Conservation and Recovery Act ("RCRA"), at 42 U.S.C. section 6901 et seq. Under Interim Status, the property was a portion of the Facility that was known as the Treatment/Transfer Area (TTA).

The Department is requiring this Covenant pursuant to the closure requirements of the HWCL, including H&S Code section 25246 and post-closure notices provisions of Title 22 California Code of Regulations [section 66265.119(b) for interim status hazardous waste facilities], as part of the facility closure. In 1994, the Department reviewed H&H's Closure Plan to ensure that the closure of the TTA met the requirements in Title 22, California Code of Regulations, Chapter 15, Article 7. The Department circulated the draft Closure Plan and Proposed Negative Declaration for public review and comment from August 11, 1994 to September 13, 1994. The Department approved the Closure Plan on January 13, 1995 and filed a Notice of Determination for the project with the

State Clearinghouse on February 15, 1995.

The Department reviewed the closure certification report titled, *RCRA Closure Certification Report, Former H&H Ship Service Facility, San Francisco, California,* (February 4, 1999), and subsequent submittals titled *Response to Comments, RCRA Closure Certification Report, Former H&H Ship Service Facility,* (November 2, 1999); *Results of Article 20 Sampling Program. Proposed China Basin Park Area* (July 2000); *Site Investigation and Surface Soil Sampling Results, Former H&H Ship Service Company – Treatment Transfer Area Parcel* (February 28, 2002); and *Addendum to the Article 20 Health Risk Assessment* (July 18, 2002). Upon filing of this deed restriction, the Department will approve the closure certification report.

Hazardous wastes, which are also hazardous materials as defined in Health and Safety Code sections 25117 and 25260, including petroleum hydrocarbons, polynuclear aromatic hydrocarbons, metals and arsenic, remain in the soil and groundwater at the Site at concentrations below those which would pose a significant human health risk under proposed reuse scenarios. Therefore a deed restriction to limit use of the property to those exposure scenarios evaluated and found to be below acceptable risk limits is required as part of the facility closure.

1.03. As detailed in the above-referenced reports, portions of the surface and subsurface soils on the Site contain hazardous wastes and hazardous materials, as defined in H&S Code section 25117 and 25260, including the following contaminants of concern: arsenic (up to 96 mg/kg)and benzo(a)pyrene (up to 11 mg/kg). Groundwater beneath the Property is found within 10 to 20 feet below ground surface. Dissolved arsenic was found in groundwater at up to 180 ug/l. The California drinking water standard for arsenic is 50 ug/l.

A review of the analytical results and the chemical distribution suggests that there are "hot spots". Hot spots are areas of affected soil or groundwater having concentrations higher than an empirically determined percentile of the distribution of concentrations in a particular population. 65 soil samples from 20 locations at various depths were collected within the TTA. Elevated concentrations of benzo(a)pyrene equivalent B(a)P EQ were measured in samples collected from two borings locations (EB-1, 19.8 milligrams per kilogram [mg/kg]) and (EB-20, 7.9 mg/kg). One surface soil sample (GMX-08) contained B(a)P EQ concentration of 1.5 mg/kg. All other concentrations of B(a)P EQ were less than 1 mg/kg. Elevated concentrations of arsenic and lead were observed in samples collected from borings EB-1 (3,000 mg/kg lead), EB-5 (96 mg/kg arsenic and 1,300 mg/kg lead), and EB-18 (2,400 mg/kg lead). Borings EB-1 and EB-5 are located in the eastern section of the TTA; GMX-08 is located near the northern perimeter; and borings EB-18 and EB-20 are located in the southwest section.

Based on these observations, borings EB-1, EB-5, GMX-08, EB-18, and EB-20 can be considered hot spots. However, each of borings is located under a concrete/asphalt

foundation or a compacted aggregate/crushed rock/roadbase material. The concrete/asphalt foundation or compacted aggregate/crushed rock/roadbase material serves as a physical barrier preventing direct contact with chemicals in soil; thus, there are no potential direct exposure pathways to chemicals at these hot spots by future receptors. If in the unlikely event that the concrete/asphalt foundation is removed, the excess cancer risk to a receptor from the hot spots would range from $9x10^{-5}$ to $3x10^{-6}$.

Imported topsoil at least 18 inches thick followed by a layer of sod will be placed over the existing asphalt-concrete foundation. The concrete is present at one foot thick to at least 3 feet thick across approximately two-third of the TTA. The remaining one-third of the TTA is currently overlain with an aggregate/crushed rock/roadbase material. The concrete/asphalt foundation and compacted aggregate/crushed rock/roadbase layer precludes a complete exposure pathway. Additional of the 18 inches of topsoil and sod layer will eliminate potential direct exposures to soil in fill material within the TTA.

In order to ensure that no complete pathways are established, the Department will require that the existing concrete/asphalt foundation remain undisturbed so long as the intended use of the Property is to be a recreational park. Additionally, the Department will require that the site be covered (capped) with at least eighteen (18) inches of imported topsoil on top of an indictor lining material to denote the separation of the topsoil from native fill. Because the health risk assessment also did not evaluate an unrestricted land use scenario or potential impacts from use of groundwater, the Department concluded that use of the Property as a residence, hospital, school for persons under the age of 21, or day care center would entail an unacceptable use. The Department further concluded that the Property, subject to the restrictions of this Covenant, does not present an unacceptable threat to human safety or the environment.

ARTICLE II
DEFINITIONS

2.01. Department. "Department" shall mean the California Department of Toxic Substances Control and shall include its successor agencies, if any.

2.02. Owner. "Owner" shall mean the Covenantor, its successors in interest, and their successors in interest, including heirs and assigns, who at any time hold title to all or any portion of the Property.

2.03. Occupant. "Occupant" shall mean Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

2.04. Cap. "Cap" shall mean eighteen (18) inches of imported topsoil on top of

an indicator lining material which is used to denote the separation of the imported topsoil from native fill.

2.05 Concrete/Asphalt Foundation. "Concrete/Asphalt Foundation" shall mean the existing concrete/asphalt surface which is overlain approximately two-third of the Property.

2.03. ARTICLE III
GENERAL PROVISIONS

3.01. Restrictions to Run With the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every one of the Restrictions: (a) shall run with the land pursuant to H&SC sections 25202.5, and 25202.6 and Civil Code section 1471; (b) shall inure to the benefit of and pass with each and every portion of the Property, (c) shall apply to and bind the respective successors in interest to the Property, (d) are for the benefit of, and shall be enforceable by the Department, and (e) are imposed upon the entire Property unless expressly stated as applicable only to a specific portion thereof.

3.02. Binding Upon Owners/Occupants. Pursuant to Health and Safety Code section 25202.5(b), this Covenant shall be binding upon all of the owners of the land, their heirs, successors, and assignees, and the agents, employees, and lessees of the owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471(b), all successive owners of the Property are expressly bound hereby for the benefit of the covenantee(s) herein. "Owner" shall include "Covenantor".

3.03. Written Notice of Hazardous Substance Release. The Owner shall, prior to the sale, lease, or rental of the Property, give written notice that a release of hazardous substances has come to be located on or beneath the Property, pursuant to Health and Safety Code section 25359.7. Such written notice shall include a copy of this Covenant.

3.04. Incorportion into Deeds and Leases. The Restrictions set forth herein shall be incorporated by reference in each and all deeds and leases for any portion of the Property.

3.05. Conveyance of Property. Covenantor agrees that the Owner shall provide notice to the Department not later than thirty (30) days after any conveyance of any ownership interest in the Property (excluding mortgages, liens, and other non-possessory encumbrances). The Department shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect such proposed conveyance, except as otherwise provided by law, by administrative order, or specific provision of this Covenant.

ARTICLE IV
RESTRICTIONS

4.01. Prohibited Uses. The Property shall not be used for any of the following purposes:

(a) A residence, including any mobile home or factory built housing, constructed or installed for use as residential human habitation;

(b) A public or private school for persons under 21 years of age; or

(c) A hospital for humans; or

(c) A day care center for children.

4.02 Prohibited Activities. The following activities shall not be conducted at the Property:

(a) No raising of food (e.g., cattle, food crops, cotton, etc.) shall be permitted on the property.

(b) No groundwater shall be extracted on the Property for purposes other than site remediation or construction dewatering without prior written approval by the Department.

4.03 Non-Interference with the Cap. Covenantor agrees:

(a) No activities which will disturb the Cap (e.g. excavation, grading, removal, trenching, filling, earth movement, or mining) shall be permitted on the Property without prior review and approval by the Department.

(b) All uses and development of the Property shall preserve the integrity of the Cap.

(c) Any proposed alteration of the Cap shall require written approval by the Department.

(d) Covenantor shall notify the Department of each of the following: (i) The type, cause, location and date of any disturbance to the Cap which could affect the ability of the Cap to contain subsurface hazardous materials in the Property, and (ii) the type and date of repair of such disturbance. Notification to the Department shall be made as provided below within ten (10) working days of both the discovery of any such disturbance(s) and the completion of any repairs. Timely and accurate notification by any Owner or Occupant shall satisfy this requirement on behalf of all other

Owners and Occupants.

4.04. Management of Native Fill and Concrete/Asphalt Foundation Material

(a) All uses and development of the Property shall preserve the integrity of the existing Concrete/Asphalt Foundation.

(b) No activities (e.g., excavation, grading, removal, trenching, filling, earth movement or mining) which will disturb the native fill and/or the Concrete/Asphalt Foundation material underlying the Cap as indicated in Exhibit B shall be permitted on the Property without a Department-approved Soil Management Plan and Health and Safety Plan.

(c) Native fill and/or Concrete/Asphalt Foundation material shall not be managed or handled such that it may migrate into the bay.

(d) Any native fill and/or Concrete/Asphalt Foundation material brought to the surface by grading, excavation, trenching or backfilling shall be managed in accordance with the applicable state and federal laws and their implementing regulations.

(e) The Owner shall provide the Department written notice at least fourteen (14) days prior to any building, filling, grading, mining or excavating at the Property.

(f) If more than 50 cubic yards of any native fill will be disturbed, including excavation and grading, then the soil shall be evaluated for potential human health risks in compliance with Article 20 of the SF Municipal Code ("the Maher Ordinance"), and managed accordingly.

(g) Covenantor shall notify the Department of each of the following: (i) The type, cause, location and date of any disturbance to the native fill and/or Concrete/Asphalt Foundation which could affect the ability of the Concrete/Asphalt Foundation to contain subsurface hazardous materials in the Property, and (ii) the type and date of repair of such disturbance. Notification to the Department shall be made as provided below within ten (10) working days of both the discovery of any such disturbance(s) and the completion of any repairs. Timely and accurate notification by any Owner or Occupant shall satisfy this requirement on behalf of all other Owners and Occupants.

4.05. Access for Department. Covenantor agrees that the Department shall

have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect the public health and safety.

ARTICLE V
ENFORCEMENT

5.01. Enforcement. Failure of the Covenantor and/or Owner to comply with any of the Restrictions specifically applicable to it shall be grounds for the Department, by reason of this Covenant, to require that the Covenantor and/or Owner modify or remove any improvements ("Improvements" herein shall mean all buildings, roads, driveways, and paved parking areas, constructed or placed upon any portion of the Property constructed in violation of the Restrictions.) Violation of this Covenant shall be grounds for the Department to file civil and/or criminal actions against the Covenantor and/or Owner as provided by law.

ARTICLE VI
VARIANCE, TERMINATION, AND TERM

6.01. Variance. Any Owner or, with the Owner's written consent, any Occupant of the Property or any portion thereof may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with H&S Code section 25202.6.

6.02. Termination. Any Owner, and/or, with the Owner's written consent, any Occupant of the Property, or any portion thereof, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with H&S Code section 25202.6.

6.03. Term. Unless ended in accordance with the Termination Paragraph above, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

ARTICLE VII
MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose whatsoever.

7.02. Department References. All references to the Department include successor agencies/departments or other successor entity.

7.03. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of San Francisco within ten (10) days of the Covenantor's receipt of a fully executed original.

7.04. Notices. Whenever any person gives or serves any notice ("Notice" as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owner:

Carol Bach
Assist. Deputy Director, Environmental Health and Safety
Port of San Francisco
Pier 1
San Francisco, CA 94111

With a copy to:

Noreen Ambrose
Port General Counsel
Port of San Francisco
Pier 1
San Francisco, CA 94111.

To Department:

California Environmental Protection Agency
Department of Toxic Substances Control
700 Heinz Avenue, Suite 300
Berkeley, CA 94710-2737
Attention: Chief, Standardized Permits and Corrective Action Branch

Any party may change its address or the individual to whose attention a notice is to be sent by giving written notice in compliance with this paragraph.

7.05. Partial Invalidity. If any portion of the Restrictions or other term set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

H209674

IN WITNESS WHEREOF, the Parties execute this Covenant.

"Covenantor"

Date: 7/24/02

By: //original signed by//
DOUGLAS F. WONG
Its: Executive Director

"Department"

Date: 7/24/02

By: //original signed by//
Mohinder S. Sandhu, P.E.
Its: Chief, Standardized Permits and Corrective Action Branch

H209674

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On July 24, 2002 (Date) before me, Virna C. Wu "Notary Public" (Name and Title of Officer (e.g., "Jane Doe, Notary Public"))

personally appeared Mohinder Singh Sandhu (Name(s) of Signer(s))

☒ personally known to me
~~☐ proved to me on the basis of satisfactory evidence~~

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

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.

WITNESS my hand and official seal.

//original signed by//
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Covenant to Restrict Use of Property
Document Date: None Number of Pages: 10 Pages + Exhibits A & B
Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Mohinder Singh Sandhu
☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: Port Executive Director
Signer Is Representing: Port of San Francisco

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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H209674

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Francisco } ss.

On July 24, 2002 (Date), before me, Virna C. Wu "Notary Public" (Name and Title of Officer (e.g., "Jane Doe, Notary Public"))

personally appeared Mohinder Singh Sandhu (Name(s) of Signer(s))

~~☐ personally known to me~~
☒ 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.

WITNESS my hand and official seal.

//original signed by//
Signature of Notary Public

VIRNA CHERN WU
Commission # 1203557
Notary Public - California
San Francisco County
My Comm. Expires Dec 3, 2002

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Covenant to Restrict Use of Property Environmental Restriction
Document Date: None Number of Pages: 10 Pages + Exhibits A & B
Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer
Signer's Name: Mohinder Singh Sandhu
☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: Chief, Standardized Permits & Corrective Action Branch
Signer Is Representing: Department of Toxic Substances Control

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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H[illegible]9674

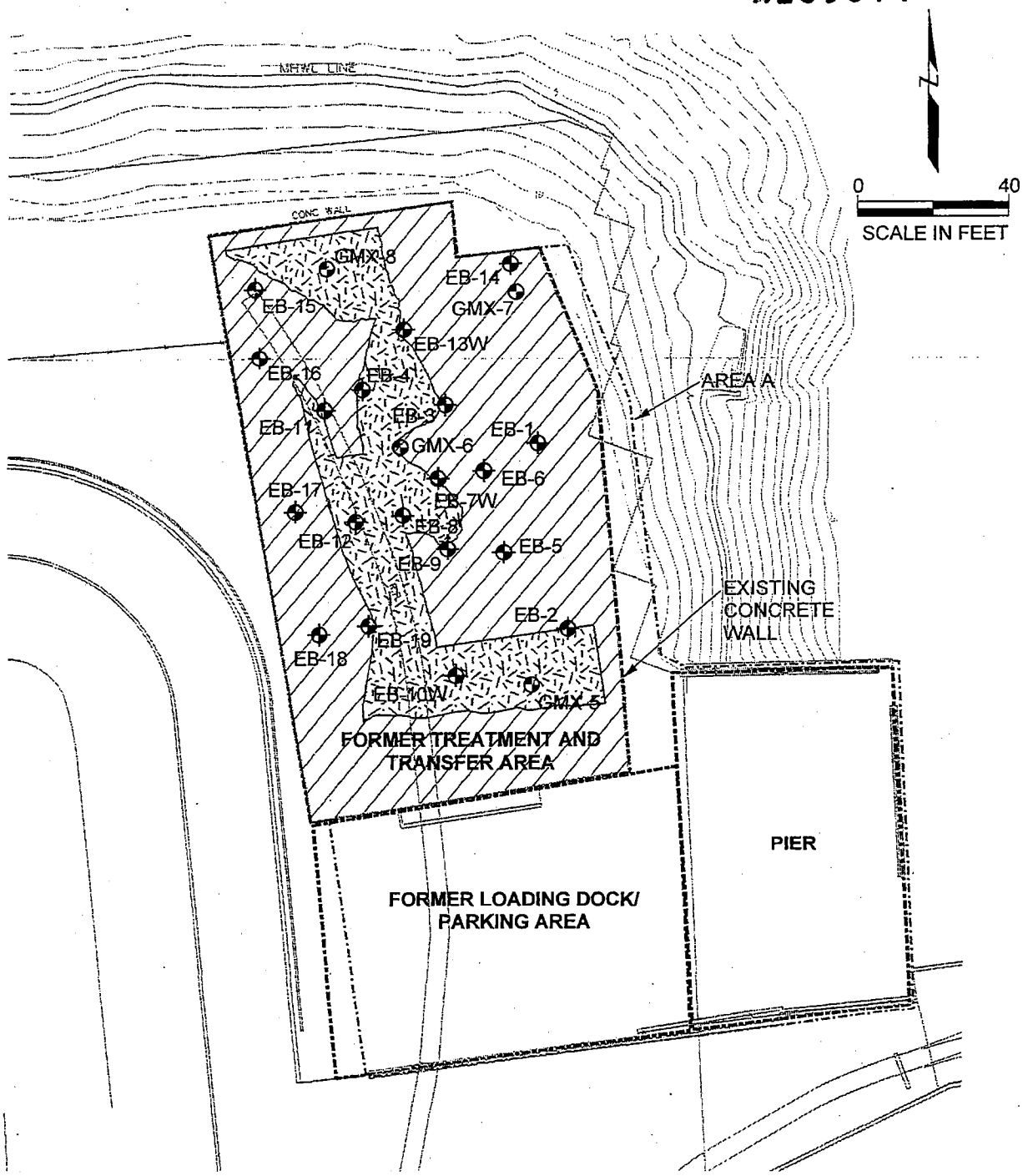
EXHIBIT A

H&H Parcel – Tank Treatment Area

All that certain real property of the San Francisco Port Commission, City and County of San Francisco, State of California, situate at the northeast corner of Terry A. Francois Boulevard (formerly China Basin Street), more particularly described as follows:

Commencing at the point of intersection of the northwesterly line of Townsend Street with the southwesterly line of Delancey Street (formerly First Street), said point being Inner 14 of the Inner Waterfront Line as described in records on file in the office of Engineering of said San Francisco Port Commission; Thence along said Inner Waterfront Line, S 03°02'27" E a distance of 2132.11 feet; Thence N 86°51'14" E a distance of 65.28 feet, to the True Point Of Beginning; Thence S 10°21'36" E a distance of 127.93 feet; Thence N 80°50'39" E a distance of 4.70 feet; Thence S 09°13'14" E a distance of 68.59 feet; Thence N 81°09'11" E a distance of 146.17 feet; Thence N 03°21'24" W a distance of 85.74 feet; Thence S 88°44'14" W a distance of 54.91 feet; Thence N 66°55'27" W a distance of 9.19 feet; Thence N 07°12'31" W a distance of 68.86 feet; Thence N 21°58'29" W a distance of 44.82 feet; Thence S 83°22'07" W a distance of 28.09 feet; Thence N 05°44'30" W a distance of 14.69 feet; Thence S 81°59'17" W a distance of 65.99 feet; Thence S 10°21'36" E a distance of 30.22 feet to the True Point Of Beginning; Containing 26,592 square feet (0.61 acres), more or less.

H209674



EXPLANATION

- Soil samples collected at multiple depths by J. Yang and Assoc. March 15, 1995
- Surface soil samples collected by Geomatrix, November 16, 2001
- Area of aggregate/crushed rock/ road base material
- Concrete/asphalt foundation

EXHIBIT B

APPENDIX F
Preliminary Geotechnical Recommendations and Summary Memorandum No. 1
(Langan Treadwell & Rollo - January 26, 2016)

LANGAN TREADWELL ROLLO

Memorandum

555 Montgomery Street, Suite 1300 San Francisco, CA 94111 T: 415.955.5200 F: 415.955.5201

To: Ms. Fran Weld – San Francisco Giants
Mr. Jon Knorpp – San Francisco Giants

From: Cary E. Ronan, GE 2741
Lori A. Simpson, GE 2396

cc: Mr. Gerry Tierney – Perkins + Will Architects
Mr. Marc Press – KPFF Structural Engineers
Mr. Darin Peterson – Hathaway Dinwiddie General Contractors
Mr. Joe Olla – Nibbi Brothers

Date: 26 January 2016

PROJECT: Mission Rock Development
Seawall Lot 337
San Francisco, California
Langan Project No. 750604203

Subject: Preliminary Geotechnical Recommendations and Summary Memorandum No. 1

This memorandum is in fulfillment of our proposal dated 20 January 2016. It presents preliminary geotechnical design recommendations and a summary of geotechnical issues and concepts regarding development at SWL337 that have not been formally memorialized, in addition to an overview summary of some geotechnical issues that have been discussed in the previously published documents listed above. The topics addressed in this memorandum include:

1) axial capacity of piles bearing above bedrock, including friction-only piles in clay and friction plus end-bearing piles bearing in dense sand
2) impacts of raising site and surrounding street grades, including settlement and downdrag, and measures to mitigate adverse impacts, including discussion of surcharge/wick drains, Geofoam, ground improvement/deep soil mixing beneath streets, and pile-supported streets
3) preliminary geotechnical recommendations for design of the Mission Rock Square garage (MRSG)
4) liquefaction mitigation considerations, including discussion of deep dynamic compaction (DDC), compaction grouting, rapid impact compaction (RIC), and stone columns

We have previously studied the Mission Rock development site by performing: 1) a preliminary geotechnical investigation at Seawall Lot 337 (SWL337), 2) a liquefaction and lateral spreading evaluation for SWL337 and Pier 48 shoreline, and 3) a geotechnical evaluation of the shoreline conditions at Pier 48. The results of these evaluations were presented in reports dated 8 September 2011, 23 December 2013, and 5 March 2014 (draft), respectively.

PROPOSED DEVELOPMENT

Plans for the SWL337 site, which is bound by Terry A. Francois Boulevard on the north and east, Third Street on the west, and Mission Rock Street on the south, include constructing 12 structures between 90 and 240 feet in height (Blocks A through K, mixed residential and commercial), a large open park in the central portion of the site (Mission Rock Square), another large open park at the northern portion of the site (China Basin Park), a three-level, below-grade parking garage beneath Mission Rock Square (MRSG), and associated infrastructure, including streets, sidewalks, and utilities, as shown on Figure 1. We understand site grades will be raised to accommodate future sea level rise; the high point will be at the middle of the site at Mission Rock Square and may be about four to six feet above existing and surrounding Third Street and Terry Francois Boulevard grades. We further understand up to 1-1/2 and 4-1/2 feet of fill was placed recently (since 1997) to raise grades along the southern approximately 750 to 800 feet of Third Street adjacent to SWL337 and Mission Rock Street, respectively, and no new fill is planned along either of these streets or along Terry Francois Boulevard. On the basis of a review of drawings by Perkins + Will (Option 1 – Channel Street/Channel Plaza Entry/Exit Ramp Plan, dated 17 December 2013), it appears the lowest finished floor of the garage will be approximately 30 feet below the proposed finished grade of Mission Rock Square Park. Pier 48 will also be upgraded and be part of the Mission Rock Development.

SUBSURFACE CONDITIONS

Originally, the site was below water in a shallow bay known as Mission Bay. Starting in the 1880s, the bay was reclaimed by placing fill. Based on historic maps, we believe the majority of the site was reclaimed between 1880 and 1906. Some of the material used to reclaim the site is likely building rubble and debris from the 1906 San Francisco earthquake.

Boring logs from investigations of the site and the site vicinity indicate the site is underlain by approximately 13 to 37 feet of heterogeneous fill which varies in density and, in some areas, contains rubble comprised of brick, rock and debris. The fill is underlain by approximately 46 to 72 feet of weak, soft to medium stiff, compressible clay, locally referred to as Bay Mud. Where tested, the Bay Mud at the site appears to be slightly overconsolidated, which indicates that settlement of the Bay Mud is complete under the weight of existing fill. The deeper fill material (below a depth of about 20 to 25 feet) adjacent to thin fill (thinner than about 15 feet) is indicative of a "Bay Mud wave". A Bay Mud wave can occur when heavy fill loads are placed on the Bay Mud and cause a bearing capacity failure of the Bay Mud. As the Bay Mud fails, the gravel sinks into the soil and the Bay Mud pushes up around the failure zone, causing the thick and thin fill soil profile. The Bay Mud wave fill material encountered at this site is generally comprised of clayey gravel and gravelly clay.

The borings drilled at the site indicate the Bay Mud is generally underlain by an older marine clay, known as Old Bay Clay that is 68 to 74 feet thick where explored. Old Bay Clay is typically stiff to very stiff and overconsolidated. In one area of the site, a 28-foot-thick layer of dense to

very dense clayey sand was encountered below the Bay Mud, which was, in turn, underlain by Old Bay Clay. Sand may be present beneath the Bay Mud in other unexplored areas of the site, as well.

Alluvial sand and clay layers are typically encountered below the Old Bay Clay. Dense to very dense sand layers with varying fines contents are present below the Old Bay Clay in some of the borings around the site. The top of this sand layer was encountered at approximately 165 to 180 feet below the existing ground surface and, where present, the sand is about 10 to 15 feet thick near the project site. Based on available borings this sand layer is not present across the entire site and, where present, varies in thickness, fines content, and density.

The top of the bedrock surface has been encountered in borings around the site at depths of about 160 feet (near the northwest corner of the site) to 260 feet (in the northeast corner of the site) below the ground surface. The bedrock surface appears to be steeply sloping down from west to east in the northern portion of the site and more gently sloping up along the eastern side of the site from a depth of 260 feet at the northeast corner to 220 feet at the southeast corner. The bedrock surface and quality are expected to vary significantly across the site.

Groundwater was encountered at the site and in the site vicinity approximately 7 to 9 feet below the existing ground surface (bgs), corresponding to approximate Elevations 91 to 93 feet[1], but has been found within five feet of the ground surface at some sites in Mission Bay. No springs or seepages were observed on site.

AXIAL PILE CAPACITY FOR PILES BEARING ABOVE BEDROCK

We provided estimates of axial and lateral capacities of 14-inch steel H-piles driven to bedrock in our preliminary geotechnical investigation report, dated 8 September 2011. Since then, the design team has requested preliminary axial capacities for piles bearing above bedrock, i.e. friction-only piles in clay and friction plus end-bearing piles bearing in dense sand. Preliminary pile capacities for all of these cases are presented below.

End-Bearing Piles

Piles can typically encounter refusal in very dense, relatively clean sand layers (typically less than 10 percent fines, passing the No. 200 sieve), at least 10 feet thick. If significant fines are present, the pile will generally continue driving through the layer. Although some borings encountered a relatively dense sand at depth, a continuous sand layer does not appear to be present across the site. However, as described in the subsurface section above, there may be

[1] Elevations reference Mission Bay datum, which is based on San Francisco City datum (SFCD) plus 100 feet.

a dense, end-bearing sand layer present below the Bay Mud in a few areas of the site; it should be noted that this condition is not typical across Mission Bay sites. Additionally, dense sand may be present below the Old Bay Clay in some areas of the site. The capacities provided in our preliminary report are for piles with downdrag loads on them. We have been requested to provide capacities of piles without downdrag loads imposed on them. For completeness, we are including end-bearing pile capacities for piles bearing in dense sand or bedrock for driven 14-inch steel H-piles or 14-inch-square precast prestressed concrete piles with no downdrag in Table 1.

TABLE 1

Preliminary Estimated Single Pile Axial Capacity
End-Bearing Driven 14-Inch Steel H-Piles or 14-Inch-Square Precast Prestressed Concrete Piles (No Downdrag)

Estimated Pile Tip Elevation (feet, SFCD + 100 feet)	Anticipated End-Bearing Condition	$Q_{ultimate}$ Axial Capacity (kips)	$Q_{allowable}$ Dead plus Live (kips)	$Q_{allowable}$ Total Design Load (kips)
Average of -150	Bedrock	960	480	640
30 (representative of conditions in the vicinity of Boring BSWL337-2)	Dense Sand just below Bay Mud	500	175	230
-60	Dense Sand below Old Bay Clay	860	430	570

Notes:
1) Capacities of piles presented in Table 1 represent the capacity of the soil and bedrock only; the structural capacity of the pile should be checked and should govern if less.
2) For the bedrock and deeper sand (tip at Elevation -60 feet) end-bearing piles, $Q_{allowable}$ includes a factor of safety of 2 (these capacities are based on nearby pile load tests).
3) $Q_{allowable}$ for the shallower sand end-bearing piles (tip at Elevation 30 feet), dead plus live loads represents a factor of safety of 2 for friction and 3 for end-bearing.
4) $Q_{allowable}$ for total design loads (including earthquake loads) represents a 1/3 increase over $Q_{allowable}$ for dead plus live loads.

Friction-Only Piles Bearing in Clay

We developed preliminary friction-only capacity for piles extending below the Bay Mud and gaining friction in the sand and clay below the Bay Mud; these capacities are presented on Figure 2. The capacities shown on Figure 2 consider:

- capacity starting at the bottom of the Bay Mud (see Figure 1 for estimated contours of the bottom of Bay Mud elevations)
- piles do not gain capacity in the fill and Bay Mud
- a factor of safety of 2

IMPACTS OF RAISING SITE AND SURROUNDING STREET GRADES

As previously described, site grades will be raised to accommodate future sea level rise; the high point will be at the middle of the site at Mission Rock Square and may be about four to six feet above surrounding Third Street and Terry Francois Boulevard grades. We further understand up to 1-1/2 and 4-1/2 feet of fill was recently placed to raise grades along the southern portion of Third Street and Mission Rock Street, respectively, and no additional fill is planned along either of these streets or along Terry Francois Boulevard.

Using soil fill to raise grades will create a new cycle of consolidation settlement of the Bay Mud beneath the site, causing ground settlement of up to several feet. This settlement will create differential settlement between pile-supported buildings, where there will be little to no settlement, and surrounding streets, sidewalks, and other improvements. The differential settlement will affect utility connections and building entrances. The settlement will also cause an additional load (downdrag) to act on piles on the order of 200 to 225 kips, as the fill and Bay Mud move downward relative to the pile, thus reducing the pile capacity.

Where site grades have been raised in the public right-of-way around the site, the design team will need to accommodate the effects of settlement. Within the site, however, there are a variety of ways the site grades can be raised. The design team has explored several alternatives to adding soil fill loads to the site, including:

- preloading the site with soil mound surcharge and wick drains to "pre-settle" the Bay Mud, such that adding new fill would not cause new settlement of the Bay Mud (Surcharge and Wick Drains)
    - Because of the Giants' baseball operations and parking needs and the time required for the surcharge program, this option was deemed to be infeasible; the mounds would need to be at least ten feet tall, making parking access impractical.

- improving the ground through the bottom of the Bay Mud using deep soil mixing (DSM) (Ground Improvement)
    - We understand that for DSM to be a cost-effective alternative over piles, the depth of the soil to improve should be less than about 30 to 40 feet. With the thickness of fill and Bay Mud at this site averaging on the order of 90 feet, it would be cost prohibitive and impractical to try to improve the ground to support new fill loads.
- using lightweight foam (geofoam, or similar) to raise site grades (geofoam)
    - Utilities and streets would need to be supported on and within geofoam; when they needed to be repaired, the geofoam would need to be cut through and replaced in kind. We anticipate on-going maintenance of the geofoam would be required, which could be difficult.
    - Several of the gravity-fed utilities require that trenches be on the order of 10 to 12 feet deep; this would put Geofoam below groundwater, which renders installation and maintenance difficult and impractical.
- supporting the streets and utility corridors on piles (Pile-Supported Streets)
    - This option was deemed to be the most practical, economical, and feasible for the site because:
        - relatively little street and utility settlement would occur and, thus, relatively little to no differential settlement between pile-supported streets and adjacent pile-supported buildings would occur
        - by pile supporting the streets, no new fill would be required; therefore, no downdrag loads would be induced on new piles supporting adjacent buildings (except where the streets surrounding the site have been raised)

Therefore, on a preliminary basis, the Mission Rock design team is moving forward with evaluating pile-supported streets and utility corridors for the proposed development.

We estimate that, due to the relatively recent placement of new fill along the southern portion of Third Street and along Mission Rock Street, new piles along the western and southern edges of SWL337 will be subjected to downdrag. We estimate this will affect piles for the southern 50 feet of planned structures at Parcels D and H and the proposed Bridgeview Street and for the western 25 feet of Parcels B, C, and D and the proposed Channel and Bosque Streets.

PRELIMINARY RECOMMENDATIONS FOR MISSION ROCK SQUARE GARAGE

Plans are to construct a three-level below-grade garage below the Mission Rock Square park and surrounding streets that will abut proposed Parcels B, C, E, F, I, and J, as shown on Figure 2. Preliminary plans show that the proposed lowest garage finished floor will be at approximate Elevation 73 feet. We are currently planning a geotechnical investigation in the

MRSG footprint to develop site-specific preliminary geotechnical recommendations for design; however, we have performed preliminary analyses based on the existing data at the site, and have the following preliminary conclusions:

- We are anticipating that the structural loads of the MRSG plus some new soil atop the garage may be nearly balanced by the weight of soil removed for the excavation of the MRSG, such that the new loads may be nearly a "net zero" addition.
- Although there may be a nearly "net zero" new load addition, there will be some rebound/heave of Bay Mud below the garage due to removal of soil load and some recompression of the Bay Mud as the new loads are applied.
- We anticipate it may be difficult logistically to add the same amount of fill at the proposed street and ramp areas as can be added in the park area, such that there may be some differential settlement between these structures.
- We are anticipating that a pile-supported mat or "raft" foundation system may be appropriate for support of the MRSG; piles will likely be required mainly for settlement and uplift/heave control rather than actual structural load support.
- The shoring system should consist of a relatively rigid soil-cement-mixed, secant pile, soldier pile tremie concrete (SPTC) or diaphragm cutoff wall to resist earth and water pressures
- With a cutoff shoring wall extending into relatively impermeable Bay Mud, only the interior of the excavation will require dewatering.
- A concrete working pad with steel reinforcement should be constructed at the base of the excavation to reduce the potential for base heave and provide a relatively stable working pad for construction activities.
- On a preliminary basis, we estimate the allowable bearing capacity of the Bay Mud at Elevation 73 feet is on the order of 1,400 pounds per square foot (psf) for the temporary construction condition; this value includes a factor of safety of 2. For the permanent condition, we estimate the allowable bearing capacity of the Bay Mud at Elevation 73 feet is on the order of 1,900 psf; this value includes a factor of safety of 3. Care should be taken to minimize disturbance of the Bay Mud during construction. Disturbed Bay Mud will have lower strength and lower bearing capacity.

LIQUEFACTION MITIGATION CONSIDERATIONS

As discussed in our 23 December 2013 letter, *Liquefaction and Lateral Spread Potential at Seawall Lot 337*, there is a potential for the fill across the majority of the site to liquefy[2] and settle during a major earthquake. Additionally, we estimate there are localized areas within the site that are susceptible to lateral spreading[3] as a result of liquefaction.

If liquefaction occurs, the ability of piles to resist lateral loads will be reduced, induced moments in the piles will be increased, and passive resistance at basement walls, pile caps and grade beams will be reduced. Where lateral spreading occurs, additional loading on piles and basement walls will occur due to the soil movement, which could cause significant foundation damage.

The Mission Rock design team is currently undergoing a study of the comparison of effects on design with and without liquefaction at the site. However, based on our experience, it may not be practical to design a foundation system to accommodate the loss of lateral capacity due to liquefaction and the lateral movement from lateral spreading. Deep foundation elements such as piles would need to be designed to resist large lateral deflections and associated moments.

Should it be decided to improve the ground against liquefaction, on the basis of our experience with different methods of improvement, we judge that the most appropriate methods to mitigate the potential for liquefaction and lateral spreading to occur at the site are:

- deep dynamic compaction[4] (DDC)
- stone columns[5]

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2 Liquefaction is a transformation of soil from a solid to a liquefied state during which saturated soil temporarily loses strength resulting from the buildup of excess pore water pressure, especially during earthquake-induced cyclic loading. Soil susceptible to liquefaction includes loose to medium dense sand and gravel, low-plasticity silt, and some low-plasticity clay deposits.

3 Lateral spreading is a phenomenon in which surficial soil displaces along a shear zone that has formed within an underlying liquefied layer. The surficial blocks are transported downslope or in the direction of a free face, such as a bay, by earthquake and gravitational forces. Lateral spreading is generally the most pervasive and damaging type of liquefaction-induced ground failure generated by earthquakes.

4 Deep dynamic compaction (DDC) consists of the systematic dropping of a 10- to 20-ton weight or tamper from heights as high as 40 to 80 feet. The weight or tamper typically drops about 5 to 15 times per location at a rate of one to three drops per minute. Depending on the total energy input into the ground and subsurface conditions, deep dynamic compaction can generally be effective at densifying granular soils up to 20 to 30 feet deep.

5 Stone columns are a ground improvement technique that results in in-situ densification of granular soil. Stone column installation is accomplished using vibrating probes that are inserted to the desired depth of improvement and withdrawn. The voids created through densification are backfilled with gravel or crushed rock and compacted while withdrawing the probe, leaving a dense stone column typically 3 to 4 feet in diameter surrounded by densified soil.

Compaction grouting[6] and rapid impact compaction[7] (RIC) were also considered; however, both of these ground improvement methods were rejected for this site. Because of the grout injection pressures required for compaction grouting, we believe there is insufficient overburden (soil weight) to resist heave and properly improve the fill. Additionally, it has been our experience across Mission Bay that RIC has been only moderately successful in improving the ground and mitigating the potential for liquefaction and lateral spreading and, when successful on recent projects, the ground improvement was evident only in the upper about 10 feet. There are potentially liquefiable layers at the site that extend deeper than 10 feet below ground.

Further details regarding the use of DDC and stone columns at the site are provided in our 23 December 2013 letter.

PLANNED INVESTIGATION AND EVALUATIONS

We are planning additional subsurface investigation at the site, including drilling four borings at the four corners of the proposed MRSG footprint and three additional borings in the western portion of the site to fill in data gaps from previous investigations. Drilling for the additional investigation is currently scheduled to begin on 16 February 2016. The results of our investigation will be presented in a data report, which will present all of the previous borings and cone penetration tests (CPTs) performed at the site and the laboratory test results. We will also perform additional engineering analyses for the MRSG and will present those results and preliminary recommendations in a separate letter report. Other on-going analyses include evaluating the impacts on design with and without liquefaction, including site-specific seismic ground response analysis.

We trust that the foregoing is sufficient for the design team's needs at this time. If you have any questions, please call.

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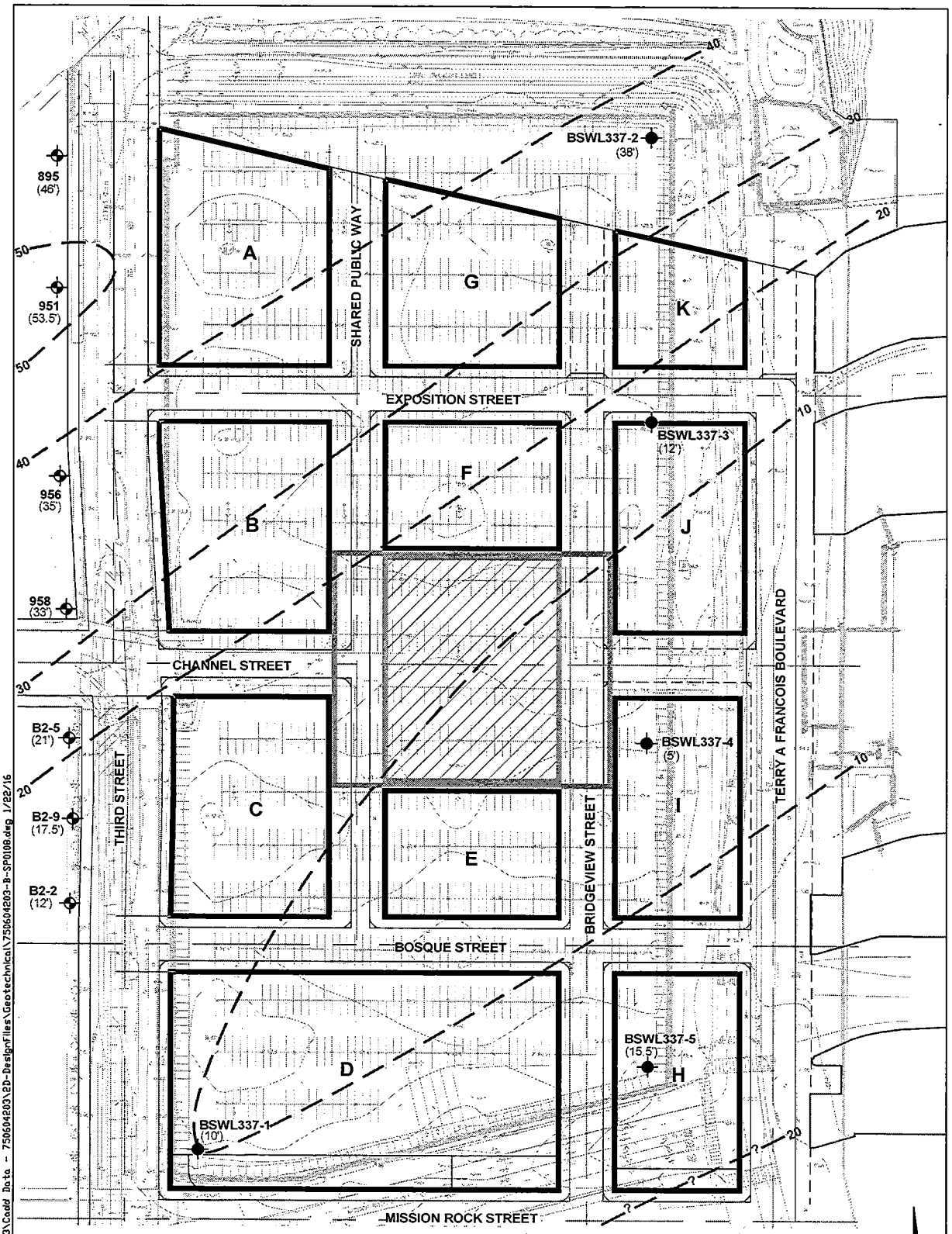
Attachments: Figure 1 – Proposed Site Plan
Figure 2 – Allowable Friction Capacity, Driven 14-Inch Steel H-Pile and 14-Inch Square Precast Prestressed Concrete Piles

6 Compaction grouting is a ground improvement technique in which cement grout is injected under high pressure to increase the density of the soil, thereby reducing the liquefaction potential.

7 The rapid impact compaction method uses a Rapid Impact Compactor (RIC) to impart energy by dropping a 7.5 ton weight from a controlled height of about 1 m onto a patented foot. Applications include compaction of loose soils to improve bearing capacity and mitigation of liquefaction potential.



EXPLANATION

BSWL337-1	Boring drilled for SWL 337 Preliminary investigation (July 2011)
895	Boring drilled for previous investigation
	Proposed Mission Rock Square below-grade garage
	Proposed Mission Rock Square park
A	Proposed parcel for new development (mixed-use commercial and residential)
(46')	Elevation of bottom of Bay Mud (feet, San Francisco City datum (SFCD) +100 feet)
40	Contour of elevation of bottom of Bay Mud (feet, SFCD +100 feet)

References: Base map from a drawing titled "Seawall Lot 337, Working Exhibit", by BKF Engineers, dated 07/19/2011. and "SWL 337/Parcel Plan", by Perkins + Will, undated.

MISSION ROCK DEVELOPMENT
SEAWALL LOT 337
San Francisco, California

PROPOSED SITE PLAN

Date 01/22/16	Project No. 750604203	Figure 1

LANGAN TREADWELL ROLLO

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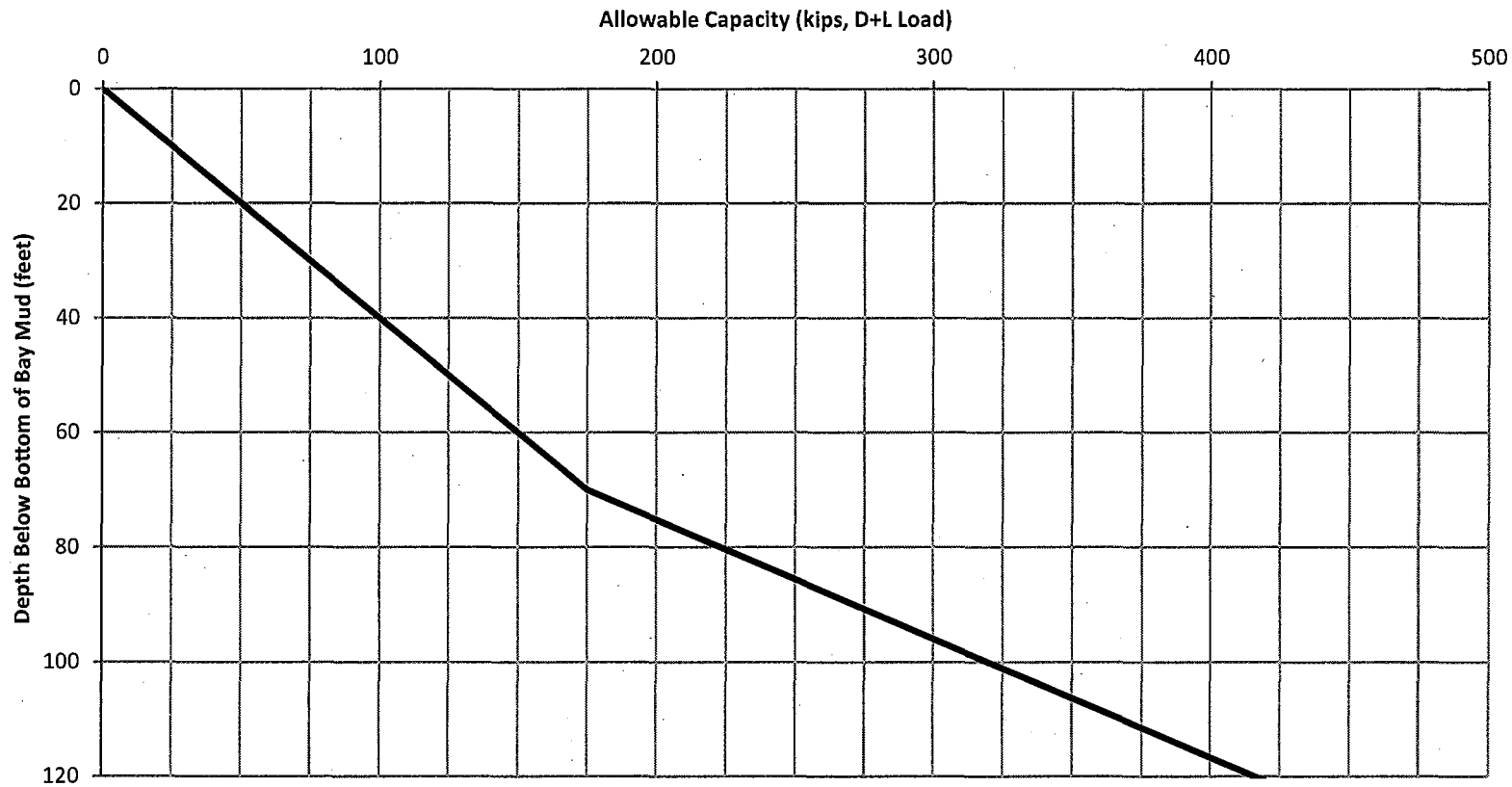


Notes:
1) Where refusal in dense sand or bedrock is encountered, the pile capacities in Table 1 will apply. Bedrock depths are expected to range between 100 to 160 feet below the bottom of Bay Mud.
2) Pile capacities do not include downdrag.
3) Pile capacities include a factor of safety of 2.

MISSION ROCK DEVELOPMENT
SEAWALL LOT 337
San Francisco, California

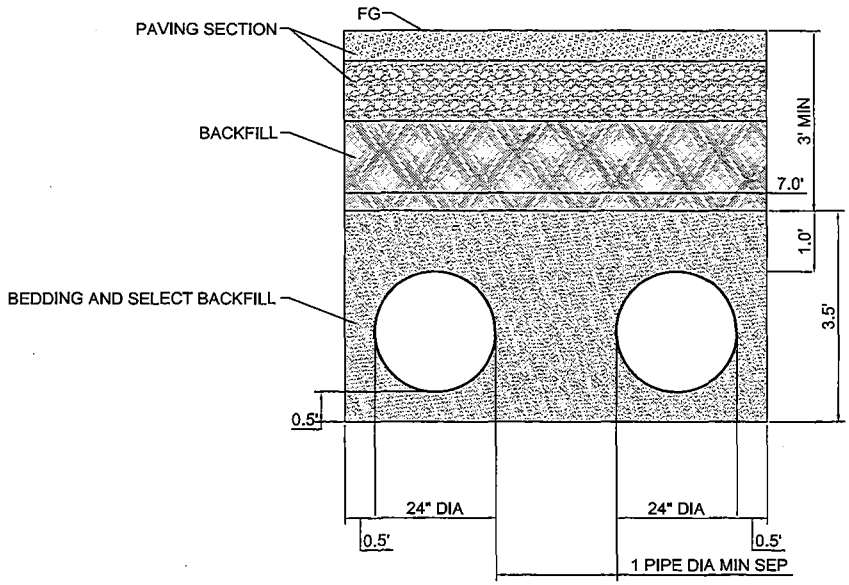
ALLOWABLE FRICTION CAPACITY, DRIVEN 14-INCH STEEL H-PILE AND 14-INCH-SQUARE PRECAST PRESTRESSED CONCRETE PILES

Date 01/21/16	Project No. 750604203	Figure 2

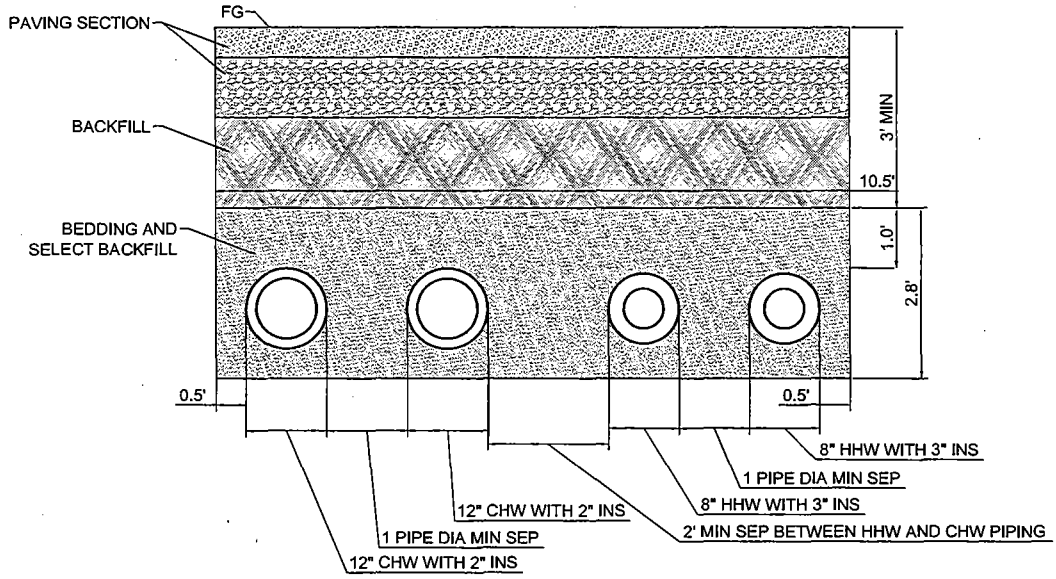
LANGAN TREADWELL ROLLO

APPENDIX G
(Not Used)

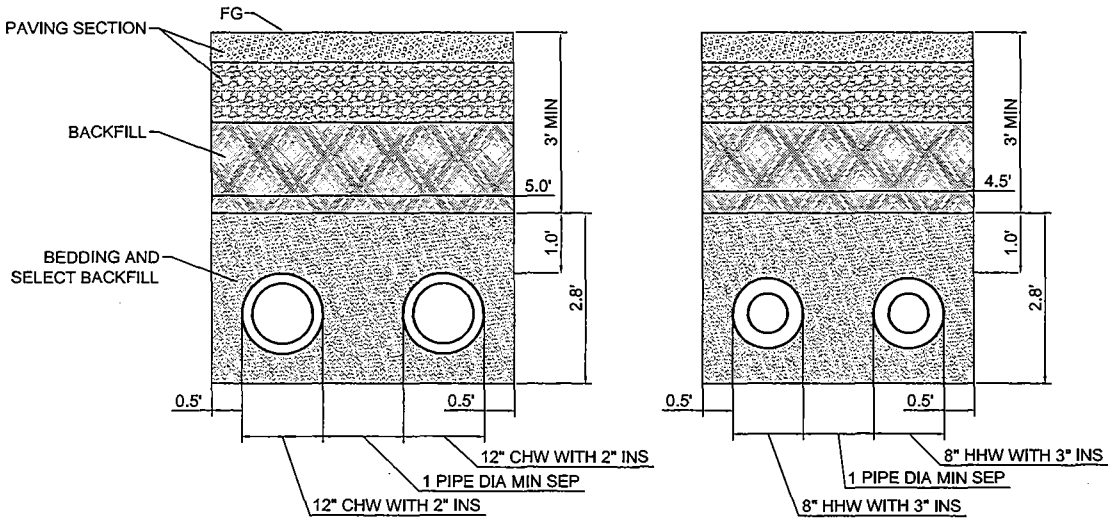
APPENDIX H
District Energy Typical Trench Section



TYP BAY WATER COOLING TRENCH SECTION



TYP DIST ENERGY TRENCH SECTION - SINGLE TRENCH



TYP DIST ENERGY TRENCH SECTION - SPLIT TRENCH

SCALE 1" = 2'

ARUP

Arup North America Ltd.

MISSION ROCK
TYPICAL TRENCH SECTIONS
DISTRICT ENERGY
2016-01-12

APPENDIX I
Sea Level Rise Adaptation Strategy
September 6, 2016

moffatt & nichol

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MEMORANDUM

To: Jon Knorpp, Managing Director

From: Christopher Devick P.E. and Dilip Trivedi P.E.

Date: September 06, 2016

Subject: Mission Rock Development Seawall Lot 337
Sea Level Rise Adaptation Strategy

M&N Job No.: 7530-02

This memorandum serves to summarize the present understanding of sea level rise projections being used by regulatory agencies, flood elevations proposed by Federal Emergency Management Agency (FEMA), minimum proposed grades and a proposed adaptation strategy for the Mission Rock Development Project in San Francisco, CA.

Sea Level Rise Projections

In March 2013, the Sea-Level Rise Task Force of the Coastal and Ocean Working Group of the California Climate Action Team (CO-CAT) released their State of California Sea-Level Rise Guidance Document based on the recently published (June 2012) National Academy of Sciences (NAS) Sea-Level Rise for the Coasts of California, Oregon, and Washington. Table 1 summarizes the sea level rise (SLR) projections, including the low and high range values, for the San Francisco Bay area. Further, the CO-CAT guidance recommends that sea level rise values for planning be selected based on risk tolerance and adaptive capacity.

Table 1 Sea Level Rise Projections for San Francisco, California (feet; NAS 2012 Report)

Year	Projections	Ranges
2030	6 ± 2 in	2 to 12 in
2050	11 ± 4 in	5 to 24 in
2100	36 ± 10 in	17 to 66 in

Reference Water levels

Water levels used in developing the sea level rise strategy included the Base Flood Elevation for the development areas, and King Tide for China Basin Park as described below.

The *Base Flood Elevation* (BFE) is a regulatory standard for insurance purposes. The definition of the BFE, per FEMA, is *"The flood having a one percent chance of being equaled or exceeded in any given year."* Since development areas with building structures are subject to flood plain ordinance review by City building permit officials, the BFE is an appropriate reference water level to use for establishing finish floor elevations. The BFE can be represented by the 1% still water level, which was estimated based on

work conducted by BakerAECOM[1] for a flood study of the Central Bay region that included the vicinity of the proposed project.

King tide is a colloquial term for an especially high tide, such as a perigean spring tide that occur when the gravitational pull of the sun and the moon are in alignment. They occur only a few times a year and therefore are a good indicator for the potential disruption of use for areas such as open space and park areas. The elevation representative of a king tide was estimated based on a review of tidal elevation observations at the National Oceanographic and Atmospheric Administration Alameda, CA tide gauge. The estimated BFE and King Tide for the Project site are provided in Table 2.

Table 2: King Tide and Base Flood Elevations

Water Level	NAVD88, feet	Old City Datum, feet	Mission Bay Datum, feet
King Tide	7.3	-4.0	96.0
Base Flood Elevation (1% Still Water Level)	9.8	-1.5	98.5

Proposed Minimum Grades

The proposed minimum grades were developed for the project based on the following criteria:

- Reserve the entire 100-foot shoreline band for public access;
- Elevate buildings and immovable facilities high enough such that adaptations would not be necessary even for conservative estimates of SLR;
- Rather than elevate the zone between the development area and the shoreline for flood protection, maximize access opportunities to the water.

Based on these criteria, the following design elements have been adopted:

1. For the development area, the proposed strategy will raise existing grades to a minimum elevation of 104 feet Mission Bay Datum (MBD), which will provide a minimum of 5.5 feet (66 inches) of freeboard above present day BFE. Streets placed on fill would be pile supported within the raised development grade. This is necessitated by geotechnical considerations.
2. For the China Basin Park area, the promenade and Bay Trail are proposed to be raised to elevation 102 feet MBD which will provide approximately 6 feet of freeboard above the King Tide (or 3.5 feet of freeboard above present day BFE). Proposed grading for the Park includes transitioning from BayTrail/Promenade elevations of 102 MBD to development grade elevations of 104 feet MBD.

[1] BakerAECOM. 2012. A Central San Francisco Bay Coastal Flood Hazard Study San Francisco County, California Study Report. November 2, 2012.

3. The shoreline, Pier 48, Pier 50, Terry A. Francois Boulevard, 3rd Street and Mission Rock Street will remain at current elevations; proposed grading includes transitioning from these locations to Bay Trail/Promenade elevations of 102 feet MBD.

The above set of criteria and proposed grades are based on the principles of 'living with the Bay' and 'managed retreat' rather than elevating shoreline spaces now against future SLR. It also implies that the proposed improvements along the shoreline are for the purpose of flood protection for the open space area and do not serve as a levee or flood protection element for the developed area.

Shoreline Adaptation Strategy

In the development footprint, the proposed minimum grades (104 MBD) provide an elevation which will address potential flooding for even the highest estimates of sea level rise in 2100 for the San Francisco Bay Area by the NRC. Therefore, based on current sea level rise projections, the earliest when adaptions for the development area may be needed is 2100.

For the space between the development area and the Bay Trail/Promenade, proposed minimum grades (102 MBD) will address potential flooding beyond 2080 for even the highest estimates of sea level rise. From a functional perspective, the proposed grades (102 MBD, or 6 feet above King Tide) will address potential future flooding from King Tide events even beyond 2100. For higher estimates of sea level rise, the China Basin Park area functions as the space where future adaptations could be creatively implemented to maintain flood protection for the constructed public access features. Strategies to address larger amounts of sea level rise may include modifications to raise the promenade and reconfiguring the shoreline protection to provide flatter slopes and wave breaks. This will ensure continued protection of the public access open space areas from flooding.

In general, adaptation actions at the shoreline would be implemented when published information from NOAA indicate that flooding to the public access areas will occur during king tides. To implement future adaptions for sea level rise for the Park Area, a fund from an infrastructure financing district or community facilities district could be established now for the improvements needed to address sea level rise greater than the 3.5 feet (42 inches) allowance that is included in the proposed grades.

APPENDIX J
(Not Used)

APPENDIX K
(Not Used)

APPENDIX L
(Not Used)

APPENDIX M
District Heating and Cooling Services at Mission Rock
May 13, 2016

REQUEST FOR QUALIFICATIONS

District Heating and Cooling Services
At Mission Rock

San Francisco, California

Submission Date: **May 13, 2016**

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1 INTRODUCTION

Through this Request for Qualifications ("RFQ"), Seawall Lot 337 Associates LLC ("Master Developer") is soliciting Statements of Qualifications ("SOQs") from energy services companies ("Respondent" or "DES Developer") that describe their proposal and capabilities to build, own, and operate ("BOO") a district scale heating and cooling plant as well as operate and maintain a district scale distribution system (the "Project") in the Mission Rock development ("Project Site"), which is a private real estate development located on public land that will be ground leased from the Port of San Francisco for a period not to exceed 75 years.

The intention is for the Project to be developed through a private-to-private partnership between the Master Developer and DES Developer. The Master Developer is open to a variety of business models and commercial structures and is input from the DES Developer to this end.

Master Developer is interested in selecting a firm that has direct experience in developing, designing, building, financing, operating and maintaining projects similar to the Project, and that will deliver the Project to meet the goals, standards, performance requirements, and schedule outlined this RFQ.

2 PROCUREMENT INFORMATION

2.1 Procurement Process

This RFQ provides the information necessary for Respondents to prepare and submit SOQs for consideration by Master Developer. The following describes the general procurement process:

- Collecting SOQs in response to this RFQ is the first step in selecting a firm.
- Once SOQs are received, Master Developer will choose a shortlist of Respondents for in depth site visits and interviews.
- After interviews, a DES Developer will be selected and enter into a Memorandum of Understanding (MOU), under which Master Developer and DES Developer will negotiate the final terms and conditions of an Energy Service Agreement (ESA).

This RFQ is not an offer to enter into an agreement with any Respondent; it is a request to receive SOQs from companies interested in developing the Project. The Master Developer reserves the right to reject all SOQs, in whole or in part, and/or enter into negotiations with any party to provide such services, whether or not a SOQ has been submitted. Master Developer will not have any obligation to any Respondent unless and until it has entered into a written agreement with terms and conditions agreed to by to Master Developer. Master Developer may enter into discussions or negotiations with a Respondent with respect to any SOQ or otherwise, which shall not be deemed to be an acceptance of such SOQ or an agreement with the Respondent.

The City and County of San Francisco ("City"), the Port of San Francisco ("Port"), and various other agencies are aware of the Project and have been involved in the process to date; however, it should be noted that this is a private RFQ that does not fall under the City's Public Procurement Policies or any other competitive bidding requirements. During the RFQ process, no Public Agency may be contacted in regards to the Project.

2.1.1 Procurement Schedule

- Release: March 28, 2016
- Onsite Project Presentation and Q&A: Week of April 11th
  Location:
  Arup Office
  560 Mission St, Floor 7
  San Francisco, CA 94105
- Submission Due Date: May 13, 2016
- Anticipated Selection Date: June 15, 2016
- MOU Execution: no later than June 30, 2016
- ESA Substantially Complete: November 1, 2016 (estimated)

2.2 Submission of Qualifications

Statements of Qualifications must be submitted via internet link only, which is provided below. No hard copies will be accepted.

[Internet link to be provided]

SOQs must use a minimum of 11 point font and be no more than 25 pages not including attachments. Attachments should be limited to items such as resumes, information on requested projects, and other materials pertinent to the evaluation but not suitable for including in written response.

Materials submitted as part of the SOQ will be subject to provisions in the NDA executed by the Respondents prior to receiving this RFQ. However, Master Developer may wish to use ideas or concepts presented by Respondents in the SOQ and reserves the right to do so subject to confidentiality.

2.3 Questions

Respondents shall direct all questions regarding this RFQ in writing to the Point of Contact. The Point-of-Contact may or may not choose to answer questions and may share questions and answers with all responding parties unless it is clearly marked as confidential information by the submitting Respondent.

2.3.1 Point of Contact

The below individuals are designated as Point-of-Contact for this RFQ:

Fran Weld, Vice President Development, San Francisco Giants
fweld@sfgiants.com

Orion Fulton, Sr. Manager, Arup
Orion.fulton@arup.com

2.4 Evaluation of Qualifications

Master Developer reserves the right to select the best Respondent for its partnership requirements; however, in general, the evaluation of the Qualifications shall be based on, but not limited to:

- Prior project experience with developing and operating similar scale systems;
- History of partnerships with other organizations, experience with urban systems with multiple off-takers;
- Ability to vertically integrate the development process; and
- Compatibility with Master Developer's stated goals and requirements in this RFQ.

Master Developer intends to evaluate SOQs submitted in response to this RFQ based on the completeness of the information provided, the business and technical merits as they address the goal of the Project, and any other factors that the Master Developer determines.

Following the submission of SOQs, Master Developer may request supplemental information from Respondents on an individual or group basis and may elect to meet with certain Respondents in person. Master Developer intends to select a Respondent that will serve the best interests of the Project as determined by Master Developer in its sole discretion.

2.5 No Reimbursement for Costs

In submitting an SOQ, Respondent acknowledges and accepts that any costs incurred from the participation in this RFQ procurement process shall be at the sole risk and responsibility of the Respondent, and the Master Developer will not compensate Respondents for any expenses incurred in qualifications preparation or for any presentations that may be made.

2.6 Representations

Master Developer makes no representations of any kind that an award will be made as a result of this RFQ. Master Developer reserves the right to accept or reject any or all SOQs, delete any item/requirements from this RFQ when deemed to be in Master Developer's best interest, consider factors not included in this RFQ, or select a DES Developer that did not respond to the RFQ.

2.7 Eligible Respondents

Only individual firms or lawfully formed business organizations may apply. The Master Developer intends to contract only with a Prime Firm. This does not preclude a Respondent from using subcontractors or consultants, but a Prime Firm must be identified and be the entity submitting the SOQ. The Prime Firm must demonstrate in the SOQ it has the ability to represent any and all subcontractors or members of its team. Joint Ventures are not encouraged.

2.8 Additional Contract Requirements

Under its agreement with the Port, Master Developer, as well as The Prime Firm and all other members of the Project Team, are obligated to comply with all applicable City and Port requirements in effect at the time that Master Developer's Development Agreement with the Port is executed. In submitting an SOQ, a Respondent acknowledges and accepts that if selected, it will be obligated to comply with all City and Port requirements, including without limitation, Non-Discrimination in Contracts and Property Contracts (Admin. Code Chapters 12B and 1C) and Health Care Accountability Ordinance (Admin. Code Chapter 12Q). DES Developers are obligated to become familiar with all applicable local, state, and Federal requirements and to comply with them fully as they are amended from time to time. City ordinances are currently available on the web at www.sfgov.org. It is a stated goal of Master Developer to promote and encourage contracting and subcontracting opportunities for Local Business Enterprises ("LBE") in all contracts. The target goals for each phase of development are:

- Entitlements 10%
- Horizontal Infrastructure Development 20%

3 GLOSSARY OF DEFINITIONS

The following terms and acronyms are used within this RFQ:

Arup	Master Developer's procurement advisor
BOO	Build Own Operate
BTU or btu	British Thermal Unit
CHP	Combined heat and power system
City	City and County of San Francisco
CUP	Central Utility Plant
DES	District Energy System
DES Developer	The entity selected as the preferred contracting entity via the RFQ evaluation process, that once selected, that will perform the works described in this RFQ and its SOQ
Project	The district scale heating and cooling plant and related O&M functions
EIR	Environmental Impact Report
ESA	Energy Service Agreement
ETS	Energy Transfer Stations
GAAP	Generally accepted accounting principles
gsf	Gross square feet
HUB	Historically underutilized business
IFRS	International financial reporting standards
kW	Kilowatt
kWh	Kilowatt-hour
Lead A/E Firm	Lead architecture and/or design engineering firm
Lead Contractor(s)	Contractor(s) in the Project Team who are responsible for engineering, procurement and construction ("EPC") and Operation and Maintenance ("O&M") functions
Master Developer	Seawall Lot 337 Associates LLC
MMBTH	One million BTUs per hour
Mission Rock	The name for the development of Seawall Lot 337 and Pier 48, for the purposes of this RFQ, see "Project Site" below
MOU	Memorandum of Understanding
MW	Megawatt
O&M	Operation and Maintenance
PA	Project Agreement
PG&E	Pacific Gas & Electric
psig	Pounds per square inch gauge
Prime Firm	The organization considered to be lead Respondent/DES Developer entity (if not a joint venture)
Port	Port of San Francisco
Project Site	Seawall Lot 337 and Pier 48; the area that the DES serves
Project Team	All key entities that comprise the DES Developer organization

Public Agency	Port, City, SFPUC, PG&E, or other agency representing the public interest
Respondent	The contracting organization/entity that submits the SOQ, on behalf of the Project Team.
RFQ	Request for Qualifications
SEC	Security and Exchange Commission
SFPUC	San Francisco Public Utilities Commission
SOQ	Statement of Qualifications
T&C's	Terms and conditions
Vertical Developers	Future holders of individual ground leases within the Project Site to build commercial real estate

Phase	Parcel	Land Use	Building Height	Building Stories	Gross SF (a)
	F	Residential	240 ft.	23 Stories	323,775
	Mission Rock Square	Parking	0 ft.	0 Stories	227,180
4	H (Flex)	Office	90 ft.	6 Stories	151,932
	I (Flex)	Residential	120 ft.	11 Stories	200,315
	J (Flex)	Office	90 ft.	6 Stories	151,982
TOTAL	-	-	**1824 ft.**	**153 Stories**	**3,977,647**

Land Use Program

A key element of the Master Developer's land use program is the ability to respond to future market demands through flexible zoning. To this end, eight parcels are proposed to be designated as either predominantly residential (Parcels A, D, F, and K) or commercial/office (Parcels B, C, E, and G) above the lower-floor active uses, while three parcels would be flexible to allow either type of land use (Parcels H, I, and J) above the lower floor.

On the flexible parcels, the land uses (i.e., residential or office/commercial), would be determined at the time of filing for design approvals for block development proposals. Parcels designated for flexible zoning would ultimately be developed for either predominantly residential or pre-dominantly commercial/office uses above the lower floor. In all circumstances, ground floor retail and restaurant uses would be included in the flexible zoning parcels. The square footage for the flex option by land use is as follows:

- Commercial: 1,377,884 gsf
- Parking: 1,078,310 gsf
- Production: 263,000 gsf

For more information, the following describes in general terms the type of land uses proposed at the Project Site.

- **Retail, Restaurant, and Ground Floor Spaces.** 241,038 gsf to 244,777 gsf of retail and restaurant space located on the ground floor of residential and commercial buildings throughout the site. These totals do not include development at Pier 48.
- **Housing.** Housing will be located throughout the site, between 1,048 and 1,579 residential units predominantly consisting of one and two bedroom apartments. Housing would be provided on Parcel A, D, F, K and potentially on flexible Parcels H, I, and/or J.
- **Office.** Office space would primarily be located along Third Street and the south end of the proposed Mission Rock Square and at China Basin Park. Between 972,175 gross sq. ft. to 1,361,181 gsf of office space would be developed on Seawall Lot 337. Office uses would be provided on Parcels B, C, E, and G and potentially on the flexible Parcels H, I, and/or J.
- **Open Spaces and Parks.** Approximately eight acres of new and expanded public open spaces would be included: expanded China Basin Park totaling 5.12 acres, Mission Rock

Square totaling 1.1 acres and located in the center of the Project Site. Channel Wharf would be a 0.5-acre, hardscaped plaza, located between Pier 48 and Pier 50. Lastly, the Pier 48 Aprons, totaling 1.1 acres, would be preserved and improved for public access, waterfront promenade, and maritime operations.

- **Parking.** Included in the proposed parking structure on Parcel D at the southwest corner of the Project Site would be 2,300 parking spaces for use by the Project and for the ballpark games and events, and other public parking, including commuter parking/park-and-ride. In addition to the above-grade structural garage parking on Parcel D, 700 parking stalls would be located under Mission Rock Square and adjacent streets. During game days, approximately 2,000 of the parking structure stalls in the two proposed garages would be available for use to the patrons of AT&T Park. An additional approximately 100 parking stalls would be provided within residential and commercial buildings, for a maximum of 3,100 off-street parking spaces.
- **Pier 48.** Pier 48 would be rehabilitated in compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties, with a mix of uses in the 240,000-sf rehabilitated pier, including light industrial/manufacturing, barging, ancillary office, storage, retail, restaurants, tours, events, and continued maritime operations on the east and south side and along Channel Plaza.

It is currently anticipated that the Anchor Brewing Company would occupy all of the interior usable space of Pier 48 under a 30-year Port interim lease. The retail/restaurant spaces provided at Pier 48 would include 11,000 gsf of brewery retail/exhibition space, 11,000 gsf of brewery restaurant space, and 10,000 gsf of other retail space. An additional 7,875 gsf of office space would be provided on Pier 48. The brewery/distillery would be up to 190,500 gsf and a separate production area would consist of 9,625 gsf.

4.2.3 Site Utilities

Utility provider contracts are still being developed. The Master Developer is currently undecided between Pacific Gas & Electric (PG&E) and San Francisco Public Utilities Commission (SFPUC) as the power utility. Input on this decision may be solicited from the DES Developer once the MOU is signed.

The opportunity to provide electricity into the development from the DES is described further in Section 5.2.4.

4.2.4 Project Site Entitlement Schedule

Key milestones in the Mission Rock entitlements are as follows:

- Publish Public Draft EIR July/Aug 2016
- Financial Negotiations with City through September 2016
- EIR Certification January 2017
- Port and City Approvals January 2017
- Regional (BCDC) and State (SLC) Approvals February 2017
- Begin Design of Phase 1 March 2017
- Complete construction of first building in Phase 1 Q1 2019 [approximate]

5 DESCRIPTION OF THE PROJECT

5.1 Project Goals and Objectives

5.1.1 Project Goal

The Project goal is to develop a district scale solution to heating and cooling buildings at the Project Site that meets the stated performance and sustainability objectives.

5.1.2 Project Objectives

The following are the primary project objectives (described without any order of importance or preference):

- Enter into a long-term contract(s) that provides vertical developers with budget certainty and economic value for thermal services;
- Leverage the creative problem solving capacity of the energy marketplace;
- Be a good steward of natural resources, including water resources; utilize reclaimed water service for cooling tower fill (assuming a source is available);
- Achieve a resilient utility infrastructure (with appropriate redundancy) that will deliver critical energy requirements during normal and emergency conditions;
- Fit proposed CUP or CUPs within allocated parcel space(s) and heights;
- Review, comment, and provide concurrence for DES distribution design;
- Meet Minimum Performance Requirements (see Section 5.1.3); and
- Help achieve the sustainability objectives (see Section 5.1.4).

5.1.3 Minimum Performance Standards

Though not yet formalized, the Master Developer will set energy efficiency and environmental performance thresholds that the DES Developer will need to meet. For purposes of the RFQ, indicative performance thresholds are provided in Table 2 below.

Table 2: Indicative Performance Thresholds

Annual Average Efficiency				
Chilled water plant	Maximum	0.45	kW/ Ton	Inclusive of chillers, all primary & secondary distribution pumps, and heat rejection
Heat recovery chiller plant	Maximum	0.68	kW/ Ton	Inclusive of chillers, all primary & secondary distribution pumps, and heat rejection
Boiler combustion	Minimum	86.50%	%	Per individual boiler fuel & btu meter trend data
Chilled water distribution	Minimum	98.75%	%	Per plant leaving chilled water btu meter & aggregate of customer chilled water btu meter trend data
Hot water distribution	Minimum	98.25%	%	Per plant leaving hot water btu meter & aggregate of customer hot water btu meter trend data

5.1.4 Sustainability Objectives for Vertical Development

The Master Developer has sustainability performance requirements and targets for both horizontal and vertical development.[1] These sustainability performance requirements and targets for Mission Rock, shown in Table 3, are consistent with San Francisco Eco-Districts guidelines, of which Mission Rock is a Type-1 Eco-District.[2] The DES Developer will assist in achieving these by delivering energy that is highly efficient and environmentally friendly.

Table 3: Project Site Performance Requirements and Sustainability Targets

Performance requirements	Sustainability targets
• Up to 26% better than ASHRAE 90.1-2010 • Net zero potable water use for non-potable uses • LEED Gold for commercial buildings • LEED Gold for residential buildings	• Each building type can exceed future code and achieve an exceptional level of energy performance. • The Mission Rock development looks to improve upon the city's leading emissions performance by further reducing annual carbon emissions associated with energy use by up to 19%. • 100% renewable energy by 2030 • Water conservation and reuse strategies with a target of up to 47% reduction in annual carbon emissions associated with water. • Municipal solid waste diversion in San Francisco is about twice the national average, significantly decreasing the GHG emissions associated with landfill waste disposal. As there is still room for improvement in waste diversion, Mission Rock is targeting a further 25% reduction in annual carbon emissions associated with waste, compared to current San Francisco performance.

5.2 Project Technical Opportunity

The main technical scope is to offer central combined heating and cooling with bay heat rejection and cooling (if permissible). However, there are a number of enhancement opportunities on the technical delivery discussed in this section.

The chosen DES Developer will be required to satisfy themselves of the peak design loads for the Site after the MOU is executed. However, for purposes of this RFQ, Arup's reference design and load calculation shall be used.

The DES is comprised of three major components:

[1] The sustainability plan is currently in draft form and may change during this procurement, with possible input from the DES Developer

[2] http://www.sf-planning.org/index.aspx?page=3051

- One or more central utility plants (CUP or CUPs)
- A thermal utility distribution system
- The energy transfer stations (ETS) within each building/parcel

Table 4 summarizes reference design information and further information is provided in subsequent sections and in Attachments D and E:

Table 4: DES conceptual design basic information

Design and Construction Stage	
CUP	Central Combined Heating & Cooling + Bay Heat Rejection & Cooling
CUP System	• Centralized heat recovery chillers • Centralized electric water cooled chillers • Centralized low/medium temperature hot water boilers • Plate-and-frame "free-cooling" heat exchangers (bay-water) • Plate-and-frame "heat-rejection" heat exchangers (bay-water) • Balance of bay-water heat rejection and cooling plant • Minimal cooling towers
Distribution System	• The planning basis for the distribution portion of the DES has assumed a 6-pipe system comprising of: • Chilled water (CHW) supply and return pipes • Heating hot water (HHW) supply and return pipes • Bay water intake and outflow pipes • Parcel level electrical infrastructure

5.2.1 Estimated Heating and Cooling by Phase

Non-concurrent Peak Loads

The land-use heating and cooling peak load density assumptions (see Attachment E) yield the following peak non-concurrent loads in the tables below.

Table 5: Estimated Non-Concurrent Peak Heating and Cooling – By Parcel

PARCEL	PRIMARY USE	PARCEL AREA (sqft)	TOTAL GFA (sqft)	Cooling (Tons)	Heating (MMBH)
A	Residential	42,150	413,900	591.3	4.1
B	Commercial	40,209	274,750	686.9	4.1
C	Commercial	39,124	354,826	887.1	5.3
D1	Residential	9,745	240,494	343.6	2.4
D2	Parking	86,161	851,130	n/a	n/a
E	Commercial	25,110	141,330	353.3	2.1
F	Residential	25,110	323,775	462.5	3.2
G	Commercial	33,057	303,064	757.7	4.5
H	Commercial	31,144	151,932	379.8	2.3
I	Residential	32,543	200,315	286.2	2.0

PARCEL	PRIMARY USE	PARCEL AREA (sqft)	TOTAL GFA (sqft)	Cooling (Tons)	Heating (MMBH)
J	Commercial	31,515	151,982	380.0	2.3
K	Residential	17,857	130,469	186.4	1.3
P48	Production	259,328	263,000	657.5	1.3

TOTAL, without P48	**5,315**	**33.8**
TOTAL, with P48	**5,972**	**35.1**

Table 6: Estimated Non-Concurrent Peak Heating and Cooling, without P48 – By Phase

Assumed Phase	Parcel	Heating (MMBH)	Cooling (Tons)
1	A, B, G, K	14.1	2,222
2	C, D1, D2	7.7	1,231
3	E, F	5.4	816
4	H, I, J	6.6	1,046
Total:	-	**33.8**	**5,315**

Concurrent Peak Loads

Arup estimates that the concurrent load diversities for the mix of uses in the flex parcel option are:

Table 7: Load diversities

	Cooling	Heating
w/out P48	10%	2%
w/P48	8%	2%

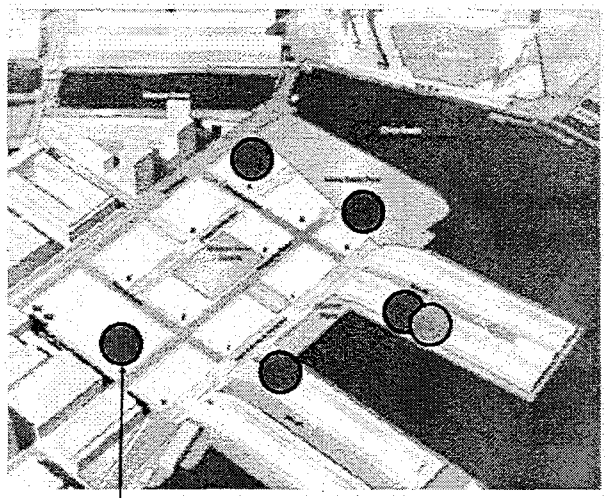
Table 8: Estimated Concurrent Peak Heating and Cooling

	Cooling (Tons)	Heating (MMBH)
w/out P48	4,791	33.1
w/P48	5,517	34.3

5.2.2 Plant Location Considerations

Possible plant locations are constrained by size, phasing, and general location. The potential locations for siting CUP's are illustrated in Figure 1 below.

Figure 1: Potential CUP Siting Locations



Process Plant

- Anchor plant for brewing process
- High pressure steam required
- Medium-high temperature hot water required (170 ºF)
- Low temperature chilled water required (< 36 ºF)
- Total area is currently unknown

Comfort Heating/Cooling Plant

- Central plants for building comfort heating & cooling equipment
- Elevated chilled water preferable (> 50 ºF)
- Low temperature hot water preferable (< 150 ºF)
- Connection to Bay to reduce cooling towers & maximize cooling efficiency
- Total area is between 24K & 35K sf plus some roof space (TBD)
  - Phase 1 Plant ~12K to ~20K sf

Available when parcel is built. Refer to assumed phasing plan elsewhere in the RFQ.

A consideration relating to siting the CUP is the nature of Pier 48. It has a limited clear height that roughly ranges between 20 feet at the edges and 35 feet at the core, load bearing limits due to pile foundation and bay muds, and sea level rise considerations.

Potential partners will need to propose solutions that are nimble and flexible so that the complexity and uncertainty introduced by the project phasing can be overcome.

5.2.3 Distribution System Considerations

The distribution system routing options are being planned along with other utilities in the public rights-of-way (ROW). Utilities are generally constrained along Exposition St and Bosque St. Further, utilities will not be placed in the Terry A Francois Blvd ROW until parcels I/J/K are built. A large parking structure is planned at the podium level beneath Mission Rock Square between parcels B and C to the West and parcels I and J to the East and between Exposition St to the North and Bosque St to the South. Rights-of-way for Shared Public Way and Bridgeview Way are currently being considered for the distribution system but this may require running the pipes inside the garage. Finally, the ROW north of parcels A, G, and K and South of China Basin Park is generally free of utilities. Please see Attachment B for a draft schematic of the planned utilities.

The selected DES Developer will be expected to provide input to, and ultimately concur with, the routing and design of the distribution system.

5.2.4 Anchor Brewing

It is currently anticipated that the Anchor Brewing Company would occupy all of the interior usable space of Pier 48 under a 30-year Port interim lease. Anchor Brewing has indicated that it will be developing, as part of the new brewery, a process plant capable of supporting the

production of approximately 200,000 barrels annually. This figure is subject to change by Anchor.

The technical opportunity includes the following heating and cooling loads for the Anchor site. This does not include any heating and cooling loads that Anchor may require for their production needs. See Attachment D section D.5 for more details on Anchor's production loads.

Table 9: Estimated Peak Non-Concurrent Heating and Cooling for Anchor

Assumed Phase	Parcel	Heating (MMBH)	Cooling (Tons)
n/a	P48	1.3	658

Anchor Brewing Enhancement Opportunities:

There may be an opportunity to:

- Pre-heat the Anchor Brewing process hot water using the district heating system and distribution, thereby reducing the required steam boiler capacity in the Anchor Brewing process plant. This might be achievable under a scenario where an extensive distribution run from the closest main branch is not required.
- Operate and Maintain the Anchor Brewing process plant under a performance contract or other form of contract. This will require discussions with Anchor Brewing directly during the RFQ procurement.
- Run microturbines for cogeneration of electricity as part of the Anchor Brewing process plant operation. Again, discussions with Anchor Brewing directly during the RFQ procurement will be required to better understand this opportunity. [The environmental impacts of cogeneration may be addressed as part of the Mission Rock EIR.]

5.2.5 Bay Water Heat Rejection & Cooling

The inclusion of bay water as a means for heat rejection & cooling is an important aspect of the DES design as it relates to sustainability performance. Not only will it save considerable amounts of energy and water, it will also alleviate site design concerns related to cooling towers that would otherwise be needed. Master Developer expects this technology to be pursued as part of the DES design, construction, and operation.

The following is the current proposed approach for installing the bay water system, which was developed for purposes of examining potential environmental impacts in the EIR:

1. Based on the soil conditions at the site (young bay mud & rubble debris), directional drilling is not recommended.
2. The intake and outfall pipelines would be HDPE, placed at or just below the existing seabed, supported on plastic lumber attached the piles with 316SS hardware.
3. The outfall and intake pipelines & structures should be within the footprint of the Pier 48.
4. The inlet manifold should be placed one bent in from the pier head. The inlet screens will be in deep water, protected by the pier, and maintenance will have direct access to the screens.

5. If necessary to extend the pipeline offshore, it would likely be directly buried, which would require minor dredging and placement of rock riprap. Maintenance of the screens will be more costly and may require support piles.
6. The outfall is typically easier to install and the engineer will determine the placement and the number of duckbill diffusers.
7. The Pump Station is recommended to remain onshore or near the bulkhead. At Pier 15, a project precedent, the intake screens, pump station, secondary screens, and outfall are at one location near the outer third of the pier.
8. If secondary screening is required, it should be near the pump station.

5.3 Project Commercial Opportunity

5.3.1 Introduction to Potential Commercial Structure

An "off-balance sheet" approach is the preferred approach of the Master Developer, where the DES Developer builds, owns, and operates the CUP and provides routine and lifecycle operations and maintenance for the distribution system up to the energy transfer station in each building. The Master Developer is interested in feedback on potential commercial structures throughout this section (see Section 6.4).

The anticipated payment structure will:

- Mitigate market risk through a DES connection mandate for all properties and, to the extent feasible, phasing of the real estate development so that annual capital requirements and annual cash flows yield sufficient returns for the DES Developer.
- Obligate DES Developer to (i) design and construct the CUP according to agreed specifications; provide a provide a security package that includes but is not limited to parent company guarantee, warranties, liquidated damages and/or holdbacks of the design and construction work; (ii) provide project financing; (iii) operate and maintain the CUP and distribution system and (iv) provide required reporting and customer service activities, and;
- Grant DES Developer the right to receive payments according to the agreed schedule at agreed rates for a number of years to be determined after substantial completion of the Project (which will include, among other things, that the CUP is available for use), under the terms and conditions negotiated by the parties.

The following table displays the potential commercial roles for the parties involved in the CUP and distribution system:

Table 10: Potential Commercial Allocations

	CUP	Distribution system
Ownership	DES Developer	Port/Nonprofit/DES Developer
Permitting	DES Developer	Master Developer/DES Developer
Site Use	DES Developer will lease from SWL	Franchise agreement/lease within public right of way
Design and construction	DES Developer	Port or Master Developer with support of DES Developer
Commissioning	DES Developer	DES Developer

	CUP	Distribution system
Financing	DES Developer	On-balance sheet taxable from Master Developer with buy-out by the Port using tax exempt CFD
Billing and Customer Service	DES Developer	n/a
Routine O&M	DES Developer	DES Developer
Lifecycle	DES Developer	DES Developer

5.3.2 Off-take Agreement

It is assumed that each individual property owner will have a retail agreement to purchase from the DES Developer, based on rates negotiated under the ESA.

Alternative Off-take Opportunities:

Master Developer is considering an energy non-profit organization to act as the single off-taker for the ESA. The goal is for this organization to help reduce counterparty credit risk for the DES Developer by buying thermal power on behalf of the property owners in Mission Rock. The DES Developer, in turn, would not have to factor the credit risk (including the ongoing costs of billings/collections) of individual customers and could accept a lower rate of return.

Master Developer is interested in discussing with the partner the viability of this option as well as other commercial structures.

5.3.3 Energy Non-Profit

The Master Developer is interested in establishing a non-profit that could perform all or some of the following roles as they relate to the Project:

- Rates Negotiation: The non-profit entity would help to reduce counterparty credit risk for the DES Developer by buying thermal power, and would negotiate rates for Mission Rock property owners.
- Ownership: The non-profit could own the distribution system and contract the O&M to the DES Developer. The nonprofit could also own the full DES System, or to secure a credit enhancement for the full system from the Port.
- Financing: The non-profit could be used to secure conduit financing for the distribution system or the CUP.

The Master Developer would set up this organization, with it or the Port acting as the credit-worthy backer. Establishment and maintenance (reporting, auditing) costs for the nonprofit are expected to be nominal for a non-charity nonprofit.

Running the nonprofit requires the establishment of a board and the election of board members. Possible board seats could include voting and non-voting members, who would meet regularly (quarterly, bi-yearly) and would determine meetings and expenditures. Such board members may include:

- Master Developer

- The Port
- Elected seats for Mission Rock property owners/customers

5.3.4 Financing

The DES Developer will be responsible for the formation of capital necessary to deliver the Project. The Master Developer does not have a preference for a specific financing structure. However, it is expected that financing for the Project will include a combination of equity and debt (bank debt, taxable and/or tax-exempt bonds).

The distribution system is to be financed on Master Developer's balance sheet, which would be eventually bought out by the Port.

Alternative Financing Opportunities:

In addition to the above, Master Developer is interested in feedback on the following possible financing options:

- The DES Developer providing upfront capital for the distribution system and the Port buying out their equity with the CFD tax exempt financing.
- A nonprofit entity providing 63-20 conduit financing (or similar) for the CUP or the distribution system.

5.3.5 Operations and Maintenance

Master Developer will include stipulations for output product availability (up-time) and other performance specifications as part of negotiations under the MOU. The DES Developer will be responsible for all operations and maintenance activities necessary to make sure that availability and performance requirements are met.

Prior to beginning output product sales, and annually thereafter, the DES Developer shall provide independent, certified calibration and operational checks of all revenue meters.

5.3.6 Billing/Customer Service

Master Developer and the DES Developer will negotiate an appropriate means and mechanism for invoicing. The DES Developer will be responsible for providing a negotiated level of customer service, inclusive of response and resolution of issues raised by Master Developer within a contractually agreed time period.

5.3.7 Entitlement and Permitting

Master Developer will be responsible for all entitlements and approvals from authorities having jurisdiction over the Project Site.

The DES Developer will be responsible for all permitting related to the CUP.

The distribution system will be a joint permitting effort between the Master Developer and the DES Developer.

DES Developer will be responsible for all ongoing permitting related to DES operations.

5.3.8 Reporting

The DES Developer will be responsible for providing all routine, periodic, and incident reporting as negotiated between the Master Developer and DES Developer.

6 REQUIREMENTS FOR THE SOQ

The following are the minimum requirements for the SOQ. Please structure your SOQ so that it mirrors the structure of this section, addressing each requirement in order.

In the Technical and Commercial Responses, the Master Developer is seeking to gain an understanding of how your Project Team would approach the Project, not on the final solutions. Technical and Commercial Responses will be subject to further negotiation and refinement post-selection when the DES Developer will be able to conduct full due diligence and determine feasibility, among other things.

Qualifications shall be prepared simply, providing a straightforward description of the Respondent's ability to meet the requirements of this RFQ. Emphasis shall be on the quality, completeness, clarity of content, responsiveness to the requirements, and an understanding of Master Developer's needs.

6.1 Proposed Project Team

- Provide a statement of interest for the Project including a narrative describing the unique qualifications of the Project Team as they pertain to the Project.
- Provide a brief history of the Prime Firm and the Prime Firm's experience in similar projects. In addition, please discuss any known limitations to the Project Team's ability to fulfill the scope as outlined herein.
- Provide resumes (limit one page each) giving the experience and expertise of the key professional members that would be working on this deal from the Prime Firm as well as for the lead for engineering, procurement and construction ("EPC") services and the lead for O&M services (together "Lead Contractor(s)"), including their experience with similar projects, the number of years with the firm, and their city of residence.
- Provide a statement on the availability and commitment of the key professionals in the Prime Firm and Lead Contractor(s) that will be assigned to the Project.

6.2 Previous Experience

- List a maximum of five (5) projects for which the Prime Firm has provided services that are most directly related to the Project. Wherever possible, provide representative projects where the proposed Prime Firm, Lead Contractor(s), lead A/E Firm and other key sub-contractors have worked together. List the projects in order of priority, with the most relevant project listed first. Provide the following information for each project listed:
    - ☐ Project name, location, contract delivery method, and description.
    - ☐ Color images (photographic or machine reproductions).
    - ☐ Final Construction Cost, including Change Orders.
    - ☐ Final Project size in gross square feet; Final Project power and thermal capacity.
    - ☐ Type of construction (new, renovation, or expansion).
    - ☐ Actual start and finish dates for design.
    - ☐ Actual Notice to Proceed and Substantial Completion dates for construction.
    - ☐ Description of professional services Prime Firm and contractors provided for the project.

- ☐ Name of Project Manager (individual responsible to the System/University for the overall success of the project).
- ☐ Sources of funding/financing.

- Provide references for each project listed above, identify the following:
  - ☐ The Owner's name and representative who served as the day-to-day liaison during the design and construction, and O&M phases of the Project, including name, title, telephone number and email.
  - ☐ Contractor's name and representative who served as the day-to-day liaison during the pre-construction and/or construction phase of the project, including name, title, telephone number and email.
  - ☐ Length of business relationship with the owner.

References shall be considered relevant based on specific project participation and experience with the Prime Firm and/or Lead Contractor(s).

6.3 Technical Response

- Please describe generally the Project Team's suggested technical approach to the Project. In doing so, please describe how your approach would achieve stated goals and requirements of the Project listed in Sections 5.1.3 and 5.1.3 above. Highlight your experience with delivering the proposed technological solutions (e.g. from other projects preferably submitted with your SOQ). Please also include additional ideas or innovations not addressed in this RFQ.
- Describe the Project Team's approach to construction, commissioning and start-up. Please include in the narrative how the approach will take into account the phased nature of the Mission Rock development. Please specifically address the Team's approach to plant locations and any sequencing required to reach the final CUP build-out.
- Please describe the Project Team's approach to O&M. Include discussion and examples of reliability assurance, water and energy conservation practices in operations, energy efficiency practices in operations, safety practices, quality assurances, controls and monitoring approaches.

6.4 Commercial Responses

- Please describe generally the commercial structure you envisage for the Project. Provide a deal structure diagram showing key parties and major agreements. Please also address the Alternative Off-taker Opportunity and Nonprofit Opportunity mentioned in Sections 5.3.2 and 5.3.3 above and discuss what benefits and challenges these opportunities may present. Highlight your experience with the proposed commercial structure (e.g. from other projects, preferably projects submitted with your SOQ).
- Please identify the primary risks that the Project Team anticipates for the Project, categorized by Design, Construction and O&M, along with recommended mitigation measures for those risks.
- Please demonstrate the Prime Firm's ability to secure financing for the Project (i.e. as a BOO). In doing so, please state what key debt requirements you might expect given your suggested structure (e.g. gearing requirements). Please also address the Alternative Financing

Opportunities mentioned in Section 5.3.2 above. Highlight your experience with similar financings involved on projects (preferably projects submitted with your SOQ).

- Detail the DES Developer's ability and demonstrated experience in providing financing for:
  - Similar projects within specified financial closing time parameters;
  - Projects utilizing offtake agreements for multiple retail customers; and
  - Projects where you were a counterparty to single, non-profit off-taker.

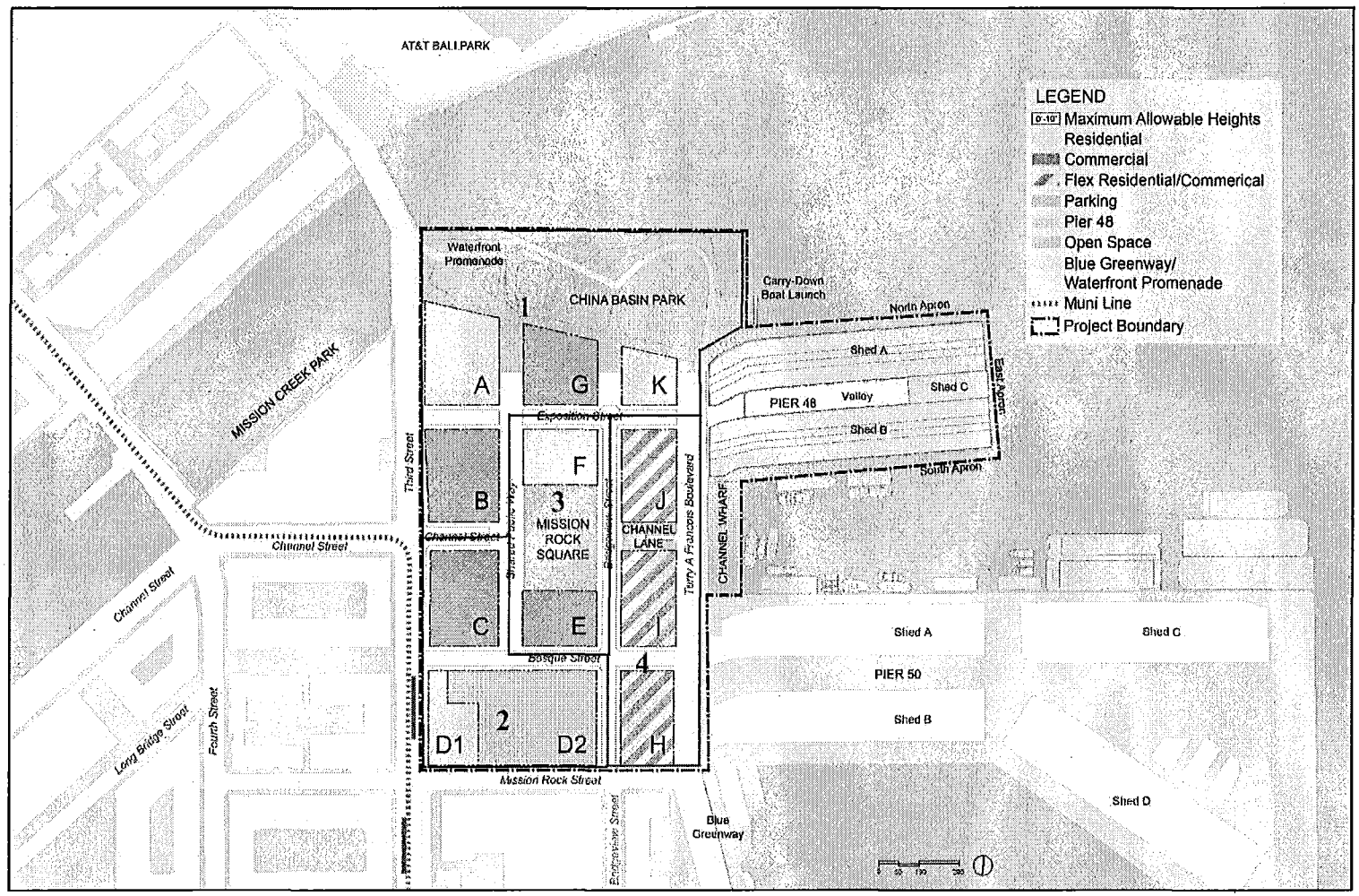
6.5 Blue Sky Discussion

- Please also provide additional ideas or areas for consideration that have not been included in the scope of this RFQ.
- Please note the Master Developer may be running a separate RFQ for a water treatment system for Mission Rock. Please reach out to the Point of Contact if Respondent is interested in similarly designing, building, owning or operating a water treatment system. Respondents that are interested in this opportunity should state in this section of the SOQ the possible benefits the Master Developer and other end users might see as a result of the Project Team delivering and operating both systems jointly.

ATTACHMENT A: Draft Memorandum of Understanding

[To be released]

ATTACHMENT B: Site Plan



B-1

ATTACHMENT C: Draft Schematic of Planned Utilities

ATTACHMENT D: Supplementary Technical Information

D.1 Thermal Generation Details

The planning basis for the generation portion of the DES assumes:

- Centralized heat recovery chillers
- Centralized electric water cooled chillers
- Centralized low/medium temperature hot water boilers
- Plate-and-frame "free-cooling" heat exchangers (bay-water)
- Plate-and-frame "heat-rejection" heat exchangers (bay-water)
- Balance of bay-water heat rejection and cooling plant (tanks, screens, etc.)
- Cooling towers[3]

D.2 Distribution Details

The planning basis for the distribution portion of the DES assumes a 6-pipe system comprising of:

- Chilled water (CHW) supply and return pipes
- Heating hot water (HHW) supply and return pipes
- Bay water intake and outflow pipes

The HHW and CHW systems are assumed to be direct bury, insulated piping systems, steel for HHW and HDPE for CHW. The bay water piping is assumed to be uninsulated, direct bury steel pipe.

Distribution routing and pipe sizing will be driven by CUP location and configuration and project phasing. Right of way corridors within the project site are relatively narrow, and site roadways are pile supported to mitigate differential settlement relative to the buildings, reducing the space available for utility installation. Pipe routing and building points of connection will need to be coordinated with site and building design teams.

Representative trench sections are presented in the figures below:

[3] Capacity to be limited by greater of (1) heat rejection capacity needed above 24" bay-water capacity, and (2) heat rejection requirements during scheduled bay-water system down-time

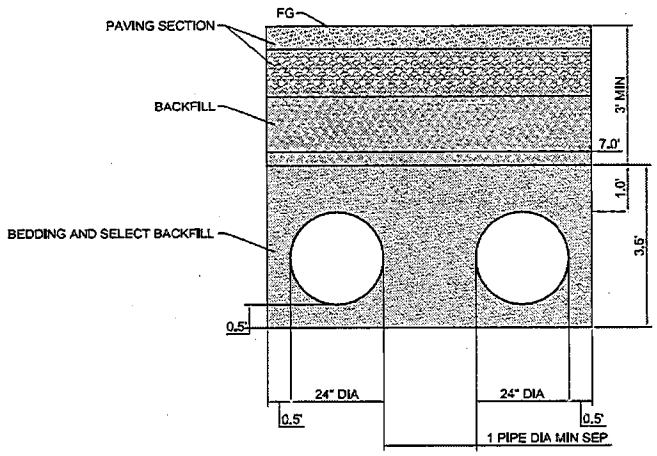


Figure 2: Typical Bay Water Intake/Outflow Section

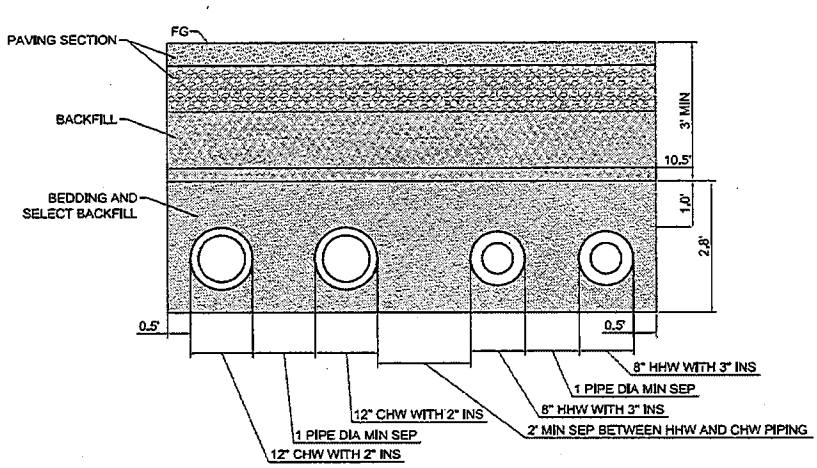


Figure 3: Chilled and Hot Water Combined Trench - Maximum Section

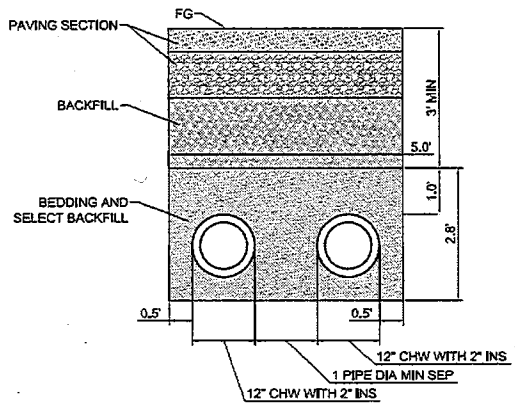


Figure 4: Chilled Water Trench - Maximum Section

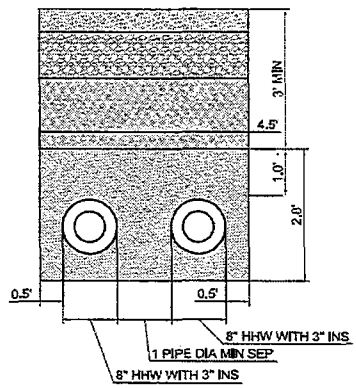


Figure 5: Heat Hot Water Trench - Maximum Section

D.3 Building Interconnections

The planning basis for the building interconnection portion of the DTES has assumed pairs of plate-and-frame heat exchangers for each of the hot water and chilled water services. As part of a partnership, the developer will be taking on the responsibility of collaborating with the vertical development team on the design, coordination, and commissioning of these systems.

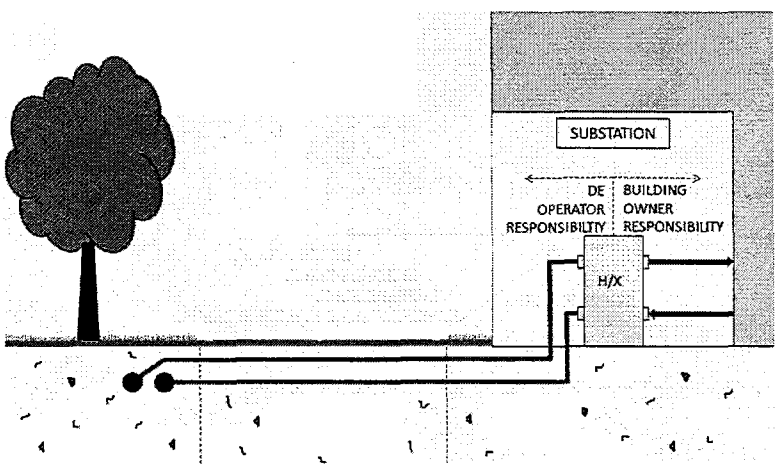


Figure 6: Substation Depiction

D.4 Anchor Brewing Process Loads

Anchor Brewing process loads account for a major portion of the site energy consumption.

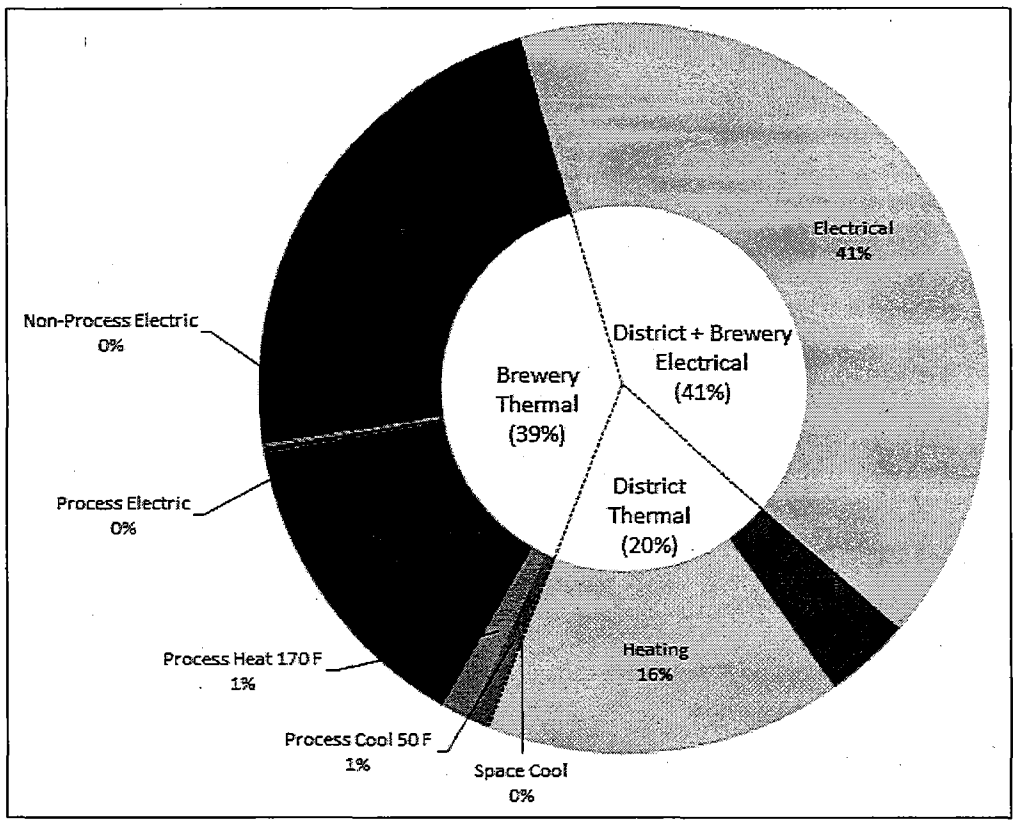


Figure 7: Ultimate Energy Consumption Split (400,000 Barrels/Year, no Brewery Efficiency)

Applying plausible levels of energy efficiency to all brewery end-uses generates the hypothetical energy consumption estimates summarized in Figure 8. This illustrates the sensitivity of the brewery energy efficiency as an input to the load estimation exercise.

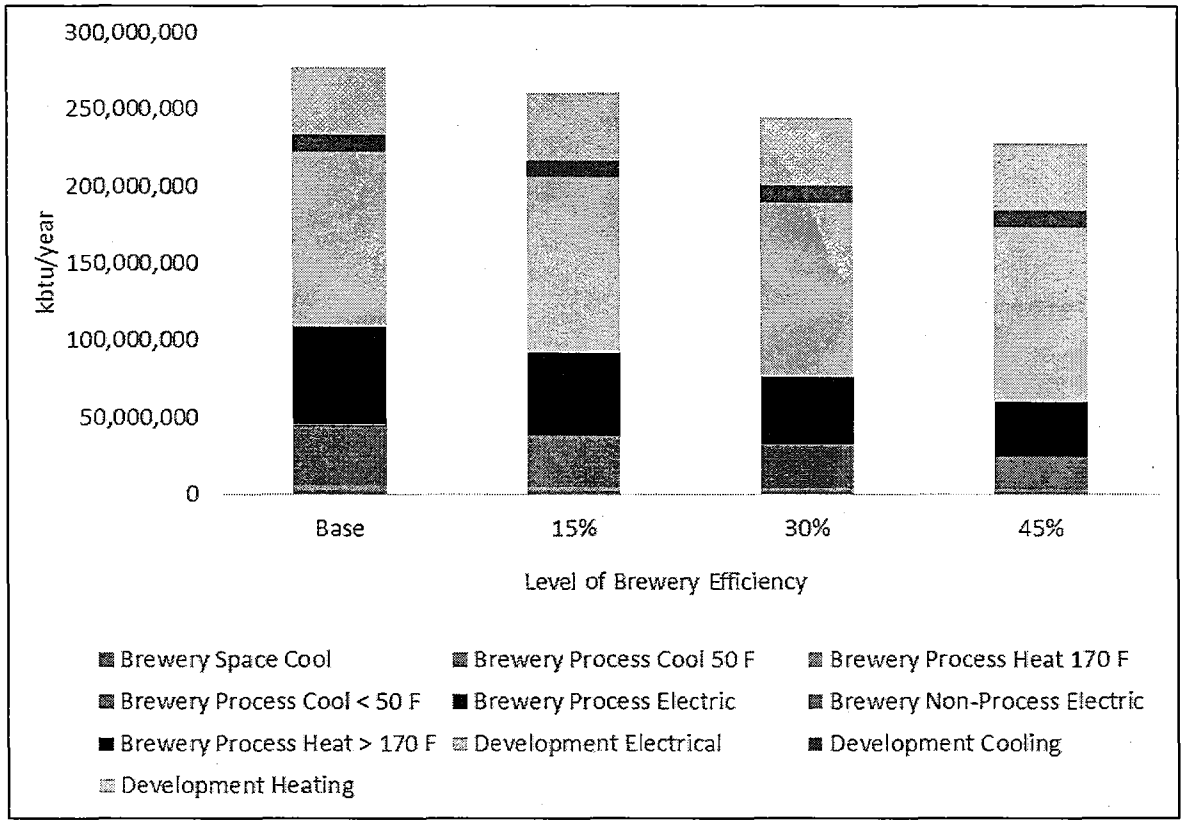


Figure 8: Hypothetical Ultimate Energy Consumption Estimates (400,000 barrels/year)

Unlike the district, the Anchor brewing process entails several high-temperature, steam, and low-temperature chilled water loads as illustrated in **Figure 9**.

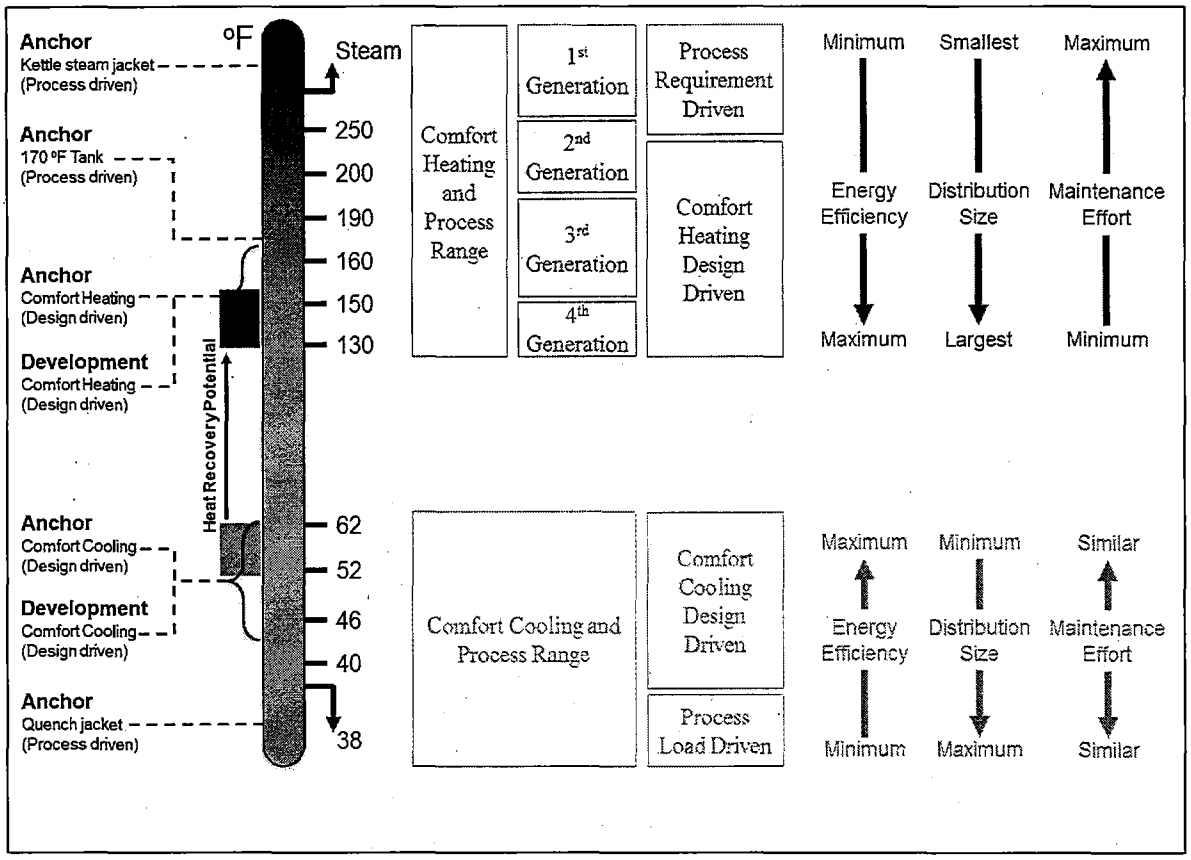


Figure 9: Development Thermal Load Map

It is not thermodynamically efficient to aggregate and supply these significantly different load categories from a single plant, or to overproduce steam or low-temperature chilled water to serve low-temperature heating and elevated chilled water cooling loads respectively.

Anchor Brewing has indicated that the brewing process, loads, and therefore the process plant requirements will continue to be updated as of and after the publication of this RFQ.

For these reasons, the current approach is to site the Anchor Brewing process plant as close as possible to the loads it serves (i.e. on Pier 48), and not over-size it to additionally serve the Project Site (or a portion thereof).

There may be opportunities to pre-heat the Anchor Brewing process hot water using the district heating system and distribution. This might be achievable under a scenario where an extensive distribution run from the closest main branch is not required, and could be beneficial if a significant resulting reduction in the Anchor brewing plant (essentially steam boiler capacity) can be achieved.

ATTACHMENT E: Assumptions

Given the early planning nature of this work, Arup developed and shared a series of technical assumptions during the 2013 feasibility study. These assumptions were approved for planning purposes, and are being carried forward for purposes of a reference design in the RFQ. These assumptions are tabulated below.

Standard Office Cooling EUI	Energy Utilization Intensities	1.3	kbtu/sq.ft./year
Standard Office Heating EUI	Energy Utilization Intensities	9.5	kbtu/sq.ft./year
Standard Office Electric EUI	Energy Utilization Intensities	41.3	kbtu/sq.ft./year
Biotech Office Cooling EUI	Energy Utilization Intensities	15.3	kbtu/sq.ft./year
Biotech Office Heating EUI	Energy Utilization Intensities	10.9	kbtu/sq.ft./year
Biotech Office Electric EUI	Energy Utilization Intensities	89.3	kbtu/sq.ft./year
Residential Cooling EUI	Energy Utilization Intensities	1.4	kbtu/sq.ft./year
Residential Heating EUI	Energy Utilization Intensities	23.2	kbtu/sq.ft./year
Residential Electric EUI	Energy Utilization Intensities	22.20	kbtu/sq.ft./year
Retail Cooling EUI	Energy Utilization Intensities	7.6	kbtu/sq.ft./year
Retail Heating EUI	Energy Utilization Intensities	5.0	kbtu/sq.ft./year
Retail Electric EUI	Energy Utilization Intensities	54.5	kbtu/sq.ft./year
Brewery Space Heating EUI	Energy Utilization Intensities	0.1	kbtu/sq.ft./year
Brewery Space Cool EUI	Energy Utilization Intensities	3.6	kbtu/sq.ft./year
Brewery Process Electric EUI	Energy Utilization Intensities	36	kbtu/barrel/year
Brewery Non-Process Electric EUI	Energy Utilization Intensities	18	kbtu/barrel/year
Brewery Process Heat > 170 F EUI	Energy Utilization Intensities	190	kbtu/barrel/year
Brewery Process Heat 170 F EUI	Energy Utilization Intensities	10	kbtu/barrel/year
Brewery Process Cool > 50 F EUI	Energy Utilization Intensities	26.6	kbtu/barrel/year
Brewery Process cool < 50 F EUI	Energy Utilization Intensities	145	kbtu/barrel/year
BAU Cooling Efficiency	Avg. Annual Equipment Efficiencies	0.55	kW/Ton
BAU Heating Efficiency	Avg. Annual Equipment Efficiencies	80%	%
BAU Electric Efficiency	Avg. Annual Equipment Efficiencies	99%	%
Vapor Compression Chillers	Avg. Annual Equipment Efficiencies	0.364	kW/Ton
Absorption Chillers	Avg. Annual Equipment Efficiencies	1	COP
Organic Refrigerant Chillers	Avg. Annual Equipment Efficiencies	0.70	kW/Ton

Gas Hot Water Boilers	Avg. Annual Equipment Efficiencies	82%	%
CHP/CCHP Thermal Efficiency	Avg. Annual Equipment Efficiencies	41.6%	%
CHP/CCHP Electrical Efficiency	Avg. Annual Equipment Efficiencies	45.1%	%
CHP/CCHP Max Turndown	Avg. Annual Equipment Efficiencies	85%	%
CHP/CCHP Max Heat Dumping	Avg. Annual Equipment Efficiencies	15%	%
Electric Only Fuel Cell Thermal Efficiency	Avg. Annual Equipment Efficiencies	51.7%	%
Electric Only Fuel Cell Electrical Efficiency	Avg. Annual Equipment Efficiencies	20%	%
Heat Recovery Chillers	Avg. Annual Equipment Efficiencies	0.60	kW/Ton
Cooling Towers	Avg. Annual Equipment Efficiencies	0.053	kW/Ton
Heat Dump Radiators	Avg. Annual Equipment Efficiencies	0.106	kW/Ton
Vapor Compression Chiller w/ Deep Lake Condenser Water	Avg. Annual Equipment Efficiencies	0.35	kW/Ton
Heat Recovery Chiller w/ Deep Lake Condenser Water	Avg. Annual Equipment Efficiencies	0.59	kW/Ton
Anchor Steam Existing Steam Boiler Plant	Avg. Annual Equipment Efficiencies	65%	%
New Steam Boiler Plant	Avg. Annual Equipment Efficiencies	78%	%
CHW Network Thermal Efficiency	DE Network Thermal Efficiencies	97.0%	%
HHW Network Thermal Efficiency	DE Network Thermal Efficiencies	95.5%	%
CW Network Thermal Efficiency	DE Network Thermal Efficiencies	98.0%	%
Pump Efficiency	District Pumping Efficiency	80%	%
Motor Efficiency	District Pumping Efficiency	90%	%
Average Network Pressure Head	District Pumping Efficiency	1.75	ft./100 ft.
CHW Design Supply T	Chilled Water Network Parameters	50	F
CHW Design Cooling Delta T	Chilled Water Network Parameters	13	F
CHW Total Network Length	Chilled Water Network Parameters	3,680	ft.
CHW Heat Exchanger Pressure Drop	Chilled Water Network Parameters	15	ft.
CHW Valves, Fittings, Bends Loss	Chilled Water Network Parameters	40%	% of Total Straight Pipe Loss
HHW Design Heating Delta T	Heating Hot Water Network Parameters	35	F
HHW Total Network Length	Heating Hot Water Network Parameters	3,680	ft.
HHW Heat Exchanger Pressure Drop	Heating Hot Water Network Parameters	15	ft.
HHW Valves, Fittings, Bends Loss	Heating Hot Water Network Parameters	40%	% of Total Straight Pipe Loss
CW Design Cooling Delta T	Condenser Water Network Parameters	15	F
CW Total Network Length	Condenser Water Network Parameters	3,680	ft.

CW Heat Exchanger Pressure Drop	Condenser Water Network Parameters	15	ft.
CW Valves, Fittings, Bends Loss	Condenser Water Network Parameters	40%	% of Total Straight Pipe Loss
Reversible Heat Pump Cooling Efficiency	Avg. Annual Equipment Efficiencies	0.711	kW/Ton
Reversible Heat Pump Heating Efficiency	Avg. Annual Equipment Efficiencies	0.708	kW/Ton
Reversible Heat Pump - Cooling with Colder Bay/River Water	Avg. Annual Equipment Efficiencies	0.675	kW/Ton
Bay Water Flow rate (Heat Rejection)	Bay Water Heat Rejection Parameters	3	gpm/ton
Bay Water Pump Efficiency (Heat Rejection)	Bay Water Heat Rejection Parameters	80%	%
Bay Water Pump Motor Efficiency (Heat Rejection)	Bay Water Heat Rejection Parameters	90%	%
Bay Water Network Length (Heat Rejection)	Bay Water Heat Rejection Parameters	4,000	ft.
Bay Water Average Network Pressure Head (Heat Rejection)	Bay Water Heat Rejection Parameters	1.75	ft./100 ft.
Bay Water Design Delta T (Heat Rejection)	Bay Water Heat Rejection Parameters	10	F
Bay Water Heat Exchanger Pressure Drop (Heat Rejection)	Bay Water Heat Rejection Parameters	15	ft.
Bay Water Valves, Fittings, Bends Loss (Heat Rejection)	Bay Water Heat Rejection Parameters	40%	% of Total Straight Pipe Loss
Bay Water Flow rate (Cooling)	Bay Water Cooling Parameters	2	gpm/ton
Bay Water Pump Efficiency (Cooling)	Bay Water Cooling Parameters	80%	%
Bay Water Pump Motor Efficiency (Cooling)	Bay Water Cooling Parameters	90%	%
Bay Water Network Length (Cooling)	Bay Water Cooling Parameters	8,000	ft.
Bay Water Average Network Pressure Head (Cooling)	Bay Water Cooling Parameters	1.75	ft./100 ft.
Bay Water Design Delta T (Cooling)	Bay Water Cooling Parameters	13	F
Bay Water Heat Exchanger Pressure Drop (Cooling)	Bay Water Cooling Parameters	15	ft.
Bay Water Valves, Fittings, Bends Loss (Cooling)	Bay Water Cooling Parameters	40%	% of Total Straight Pipe Loss
Residential Cooling Load Density	Space Cooling Load Densities	700	sq.ft./Ton
Retail Cooling Load Density	Space Cooling Load Densities	350	sq.ft./Ton
Commercial Cooling Load Density	Space Cooling Load Densities	400	sq.ft./Ton
Brewery Cooling Load Density	Space Cooling Load Densities	400	sq.ft./Ton
Residential Heating Load Density	Space Heating Load Densities	10	btu/h/sq.ft.
Retail Heating Load Density	Space Heating Load Densities	20	btu/h/sq.ft.
Commercial Heating Load Density	Space Heating Load Densities	15	btu/h/sq.ft.
Brewery Heating Load Density	Space Heating Load Densities	5	btu/h/sq.ft.

Nominal Heating Plant Efficiency (Sizing)	Nominal Equipment Efficiencies	85%	%
Bay Minimum Winter Temperature	Bay Water Cooling Parameters	48	F
Bay Maximum Summer Temperature	Bay Water Cooling Parameters	70	F
Parking Structure Conditioning		Unconditioned	Conditioned/ Unconditioned
Branch Pipe Sizing Criteria	Chilled Water Network Parameters	7	fps
Main Pipe Sizing Criteria	Chilled Water Network Parameters	10	fps

DDA EXHIBIT B5

"Housing Plan"

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B5

DISPOSITION AND DEVELOPMENT AGREEMENT

(MISSION ROCK)

HOUSING PLAN

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ATTACHMENTS

Exhibit A –	Form of Declaration of Restrictions
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MISSION ROCK HOUSING PLAN SUMMARY[1]

The development plan for Mission Rock under the Transaction Documents provides for the development of approximately 1,000 to 1,950 Residential Units. This housing plan (the "Housing Plan") provides that not less than 40% of the Residential Units that may be developed at the Project Site will be below market rate units Affordable to low and moderate income households or TAY Units ("Inclusionary Units"). The parties anticipate that all Inclusionary Units will be built by Vertical Developers in concert with Market-Rate Units within private market-rate development projects. As discussed below, the Port shall convey land to Vertical Developers to develop all Residential Units on the Project Site. The Inclusionary Units will be constructed and rented in accordance with this Housing Plan.

Developer will submit Phase Submittals to the Port pursuant to the Transaction Documents. Following each Phase Approval, the Port will authorize the Chief Harbor Engineer to issue Port permits necessary for Developer to begin to construct the Horizontal Improvements in accordance with the DDA and the Master Lease. Upon exercise of an Option in accordance with the DDA, the Port will convey each Residential Parcel through Parcel Leases to a Vertical Developer. A Vertical Developer will construct the Vertical Improvements, including Residential Parcels and Inclusionary Units therein, in accordance with the Parcel Lease and Vertical DDA. Inclusionary Units within the Vertical Improvements will be constructed in accordance with this Housing Plan. While the Developer will retain certain flexibility and discretion to respond to market conditions as to each Phase and Vertical Improvement, the Project is required by the DDA to comply with certain Inclusionary Housing Milestones by Phase Approval regarding the types, sizes, locations, level of affordability and percentage of the Inclusionary Units.

Developer and the Port will designate the general location of potential Residential Parcels, which will be distributed throughout the Project Site in accordance with a generalized Phasing Plan. The Inclusionary Units are expected to include a range of Residential Unit types, including transition age foster youth ("TAY") units. Each Vertical Developer will retain the discretion to determine the type of Inclusionary Units to be constructed so long as such units are consistent with the Phase Approval and contain the same unit mix (i.e. studio, 1 bedroom, 2 bedroom, or 3 bedroom) or a larger bedroom mix as the Market-Rate Units in that particular Vertical Improvement.

A variety of private and public funding sources may be used to finance the Inclusionary Units, including, but not limited to, low-income housing tax credits, the Jobs/Housing Equivalency Fees, tax-exempt housing bonds, and various other local, State and Federal sources of funding.

The foregoing summary is provided for convenience and for informational purposes only. In case of any conflict, the provisions of the DDA, the Housing Plan, and each Vertical DDA shall control.

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[1] Defined terms in the Summary have the meaning set forth in this Housing Plan.

1. DEFINITIONS

Initially capitalized terms unless separately defined in this Housing Plan have the meanings and content set forth in the DDA. Terms defined in the DDA and also set forth in this Section are provided herein for convenience only.

1.1 Affordable, Affordability, or Affordable Housing Cost means with respect to a Rental Unit, a monthly rental charge (including the Utility Allowance applicable to the Household Size of such Rental Unit) that does not exceed thirty percent (30%) of the maximum Area Median Income percentage permitted for the applicable type of Residential Unit, based upon Household Size.

1.2 Area Median Income or AMI means for the Inclusionary Units, unadjusted median income for the San Francisco area as published from time to time by the United States Department of Housing and Urban Development (HUD) adjusted solely for household size.

1.3 BMR Units has the meaning set forth in the Monitoring and Procedures Manual.

1.4 Declaration of Restrictions means a document or documents recorded against an Inclusionary Unit requiring that the Unit remain Affordable in accordance with the terms of this Housing Plan. The Declaration of Restrictions for the Rental Inclusionary Units shall be in the form attached hereto as Exhibit A.

1.5 Development Agreement has the meaning set forth in the DDA.

1.6 Financing Plan means the Financing Plan attached to the DDA.

1.7 Horizontal Improvements has the meaning set forth in the DDA.

1.8 Household Size means the total number of persons residing within a Residential Unit

1.9 Housing Data Table means the table attached here to as Exhibit B.

1.10 Housing Preferences and Lottery Procedures Manual means MOHCD's Housing Preferences and Lottery Procedures Manual dated March 31, 2017, as may subsequently be updated.

1.11 Implementing Manuals means the Housing Preferences and Lottery Procedures Manual and the Monitoring and Procedures Manual.

1.12 Inclusionary Milestone means the date of each Phase Submittal submittal.

1.13 Inclusionary Obligation has the meaning set forth in Section 3.1(a) of this Housing Plan.

1.14 Inclusionary Units means for a Rental Unit, a unit that is available to and occupied by households with incomes not exceeding One Hundred Fifty percent (150%) of Area Median Income and rented at an Affordable Housing Cost for households with incomes at or below One Hundred Fifty percent (150%) of Area Median Income, including TAY Units. The mechanism for setting the maximum Affordable Housing Cost and income level for each Inclusionary Unit is set forth in Section 3 of this Housing Plan. For clarity, Developer anticipates that Inclusionary Units will be built within private market-rate development projects, subject to Section 3.1(e).

1.15 Jobs/Housing Equivalency Fee has the meaning set forth in the Development Agreement.

1.16 Marketing and Operations Plan has the meaning set forth in Section 3.1(i) of this Housing Plan.

1.17 Market-Rate or Market-Rate Unit means a Residential Unit constructed on a Residential Parcel that has no restrictions under this Housing Plan or the DDA with respect to Affordable Housing Cost levels or income restrictions for occupants.

1.18 Minimum Affordable Percentage has the meaning set forth in Section 2.1 of this Housing Plan.

1.19 MOHCD shall mean the City of San Francisco's Mayor's Office of Housing and Community Development or any successor agency.

1.20 Monitoring and Procedures Manual means the City and County of San Francisco's Inclusionary Affordable Housing Program Monitoring and Procedures Manual, dated May 10, 2013, as may be subsequently updated.

1.21 Option has the meaning set forth in the DDA.

1.22 Parking Space means a parking space constructed in the Parking Garage by or on behalf of Developer.

1.23 Phase has the meaning set forth in the DDA.

1.24 Phase Approval has the meaning set forth in the DDA.

1.25 Phase Submittal has the meaning set forth in the DDA.

1.26 Project Site has the meaning set forth in the DDA.

1.27 Residential Parcel has the meaning set forth in the DDA.

1.28 Residential Unit means a room or suite of two or more rooms that is designed for residential occupancy for 32 consecutive days or more, including provisions for sleeping, eating and sanitation, for not more than one family, and may include senior and assisted living facilities.

1.29 Section 415 means San Francisco Planning Code Section 415 *et seq.*

1.30 Schedule of Performance has the meaning set forth in the DDA.

1.31 Vertical DDA shall have the meaning in the DDA.

1.32 Vertical Developer shall have the meaning set forth in the DDA.

1.33 Vertical Improvement is defined in the DDA.

2. HOUSING DEVELOPMENT

2.1 Development Program. Vertical Developers may develop approximately 1,000 to 1,950 Residential Units on the Project Site. At Project build-out, the number of the Inclusionary Units developed on the Project Site shall be equal to forty percent (40%) of the total number of the Residential Units that are developed on the Project Site (the "Minimum Affordable Percentage"). The Parties understand and agree that Vertical Developers' right to construct the number of Residential Units specified in this Housing Plan is absolute and is based on the total number of Residential Units entitled under the DDA, Phase Approvals and Vertical DDAs.

2.2 Development Process.

(a) Subject to the terms of the DDA, the Project shall be developed in a series of Phases. The DDA includes a process for Developer's submittal of Phase Submittals and the Port's review and approval of Phase Submittals. The anticipated order of development of the Phases is set forth in the Phasing Plan and the Schedule of Performance, subject to revision in accordance with the procedures set forth in the DDA.

(b) Developer will submit Phase Submittals to the Port pursuant to the Transaction Documents. Following each Phase Approval, the Port will authorize the Chief Harbor Engineer to issue Port permits necessary for Developer to begin to construct the approved Horizontal Improvements in accordance with the DDA and the Master Lease. Upon exercise of an Option in accordance with the DDA, the Port will convey each Residential Parcel through Parcel Leases to each Vertical Developer.

(c) Simultaneously with the Closing of each Parcel Lease, the Port, in consultation with MOHCD, and the Vertical Developer will enter into a Vertical DDA which will include a commitment by the Vertical Developer to construct its Vertical Improvements within a specific timeframe coordinated with the approved Schedule of Performance in the Phase Submittal. The Vertical DDA will be substantially in a form agreed upon by the Port and Developer following the execution of the DDA and shall specify, among other things (i) the maximum number of Market-Rate Units allowed to be constructed on the Residential Parcel, (ii) the minimum number of Inclusionary Units to be constructed on the Residential Parcel (consistent with Section 3.1(c) of this Housing Plan), (iii) the Affordability level of each Inclusionary Unit (consistent with Section 3.1(a) of this Housing Plan), (iv) the location of the Inclusionary Units before recordation of the Declaration of Restrictions as set forth in Section 3.1(f) of this Housing Plan, and (v) the approximate unit type and size for each Inclusionary and

Market-Rate Unit. Vertical Developers will have the flexibility to select the size and type of Residential Units, including the complete discretion to determine the unit mix for Market-Rate Units subject to the unit mix requirements of Section 3.1(c)(v), and the applicable Vertical DDA and Parcel Lease.

(d) Developer shall submit the Housing Data Table with each Phase Submittal and the table will preliminarily identify the maximum number and location of Residential Units, including the number and location of anticipated Inclusionary Units, for each Residential Parcel within such submittal. Developer or the Port may request a revision to such number before execution of a Vertical DDA and the corresponding Parcel Lease conveying a Residential Parcel to a Vertical Developer, subject to the requirements of this Housing Plan and the DDA. The final details of the plan for the Inclusionary Units for each Residential Parcel shall be specified in the Parcel Lease and corresponding Vertical DDA. Vertical Developer may revise such numbers at any time after execution of a Vertical DDA and the corresponding Parcel Lease conveying a Residential Parcel to a Vertical Developer, subject to Port approval, in consultation with MOHCD, as required by the applicable Vertical DDA and Parcel Lease, as defined pursuant to Section 2.2(c), above.

(e) Subject to the terms of the applicable Vertical DDA and Parcel Lease, following receipt of all Vertical Approvals, the Vertical Developer may construct the applicable Vertical Improvements, and upon such construction, the Vertical Developer must include the number of Inclusionary Units for such Vertical Improvements as are set forth in the Vertical DDA and Parcel Lease.

2.3 Developer Land Conveyances.

(a) Housing Plan Compliance in Phase Submittals. This Housing Plan is intended to provide flexibility regarding delivery of Inclusionary Units within the Project Site, subject to the overall 40% Inclusionary Unit commitment. In order to track Developer's compliance with this Housing Plan, as part of the applicable Phase Submittal for a Residential Parcel, Vertical Developer shall submit a Project Housing Data Table, in the form of Exhibit B attached hereto, containing the following information:

(1) the location of each Residential Parcel subject to the Phase Submittal, including:

(a) the parcel acreage;

(b) the number of Residential Units;

(c) the number and location of any Inclusionary Units, including the size, bedroom count, Household Size and amenities for each such Unit;

(d) the AMI Percentage of each Inclusionary Unit;

(e) the type and square footage of uses that are not residential uses (e.g., retail, community space, open space); and

(f) the anticipated date for completion of the Residential Parcel.

(b) Conveyance of Residential Parcels. After exercising an Option, the Port will convey the applicable Residential Parcel to the applicable Vertical Developer through a Parcel Lease. The Port will also enter into a Vertical DDA and confirm or modify pursuant to Section 2.4, as applicable, the information provided in the Phase Approval regarding items 2.3(a)(1) above for the Vertical Improvement that is the subject of the Vertical DDA.

2.4 Changes to Phasing Approval. Developer may, from time to time, request changes, including material changes, to the Phasing Approval, including but not limited to regarding the size, location or composition of a Residential Parcel(s) within a Phase, with a brief explanation as to why Developer is requesting such change. Any material change shall be subject to the Port's review and approval, in consultation with MOHCD, provided that the Port will not withhold its approval of any such changes which are consistent with the DDA and this Housing Plan.

2.5 Maintenance of the Horizontal Infrastructure. Following completion and conveyance to the Port or other City agency, as determined by the parties, it is anticipated that a master association will maintain or cause to be maintained the Horizontal Improvements in accordance with the DDA.

3. INCLUSIONARY HOUSING REQUIREMENTS

3.1 Inclusionary Housing Requirements.

(a) Development of Inclusionary Units. Forty percent (40%) of all Residential Units shall be Inclusionary Units, with an Affordable Housing Cost to households with incomes not exceeding One Hundred Fifty percent (150%) of Area Median Income (the "Inclusionary Obligation"). The Inclusionary Obligation will be satisfied by developing Inclusionary Units at the following affordability levels:

Levels of Affordability	
% of Total Units	AMI Levels
2%	45%
10%	55%
4%	90%
17%	120%
7%	150%

(b) Transition Age Youth Housing. The Housing Program includes 24 Inclusionary Units that shall be set aside to house persons transitioning out of public systems, such as the foster system, or homelessness (TAY Units). It is anticipated that the Vertical Developer developing the Residential Parcel that includes TAY Units will partner with a qualified non-profit services provider and, in consultation with such provider and the Port, in consultation with MOHCD, the City's Budget Office, and the City's Department of Homelessness and Supportive Housing ("HSH"), will establish TAY Unit requirements to govern the Vertical Developer's obligations regarding construction and operation of the TAY Units and any associated service space. TAY Units built on the Project Site shall qualify as Inclusionary Units for purposes of meeting the Minimum Affordable Housing Percentage and Inclusionary Housing Obligation and as Inclusionary Units meeting affordability levels of 45% and/or 55% AMI levels for the purposes of satisfying the Inclusionary Housing Obligation. Notwithstanding anything to the contrary in this Housing Plan, TAY Units may be grouped together in a single Residential Parcel, among Market-Rate Units and other Inclusionary Units, for financing proposes and to maximize the efficient provision of on-site services to TAY Unit occupants.

(c) Developer Flexibility. Developer shall have sole discretion to determine the exact number of Inclusionary Units to be developed on each Residential Parcel and the Affordability level of each Inclusionary Unit, provided that: (i) the Housing Data Table to be submitted with each Phase Submittal shall identify the location of the Residential Parcels containing Inclusionary Units, the number of Inclusionary Units, and the Inclusionary Unit allocation shall be in accordance with the Phase Approval, subject to any subsequent revisions in accordance with the DDA, (ii) the cumulative number of all Inclusionary Units approved pursuant to a Phase Submittal shall at no time be less than thirty percent (30%) of the total Residential Units approved pursuant to such Phase Submittal; (iii) the number of Inclusionary Units in each Vertical Improvement approved pursuant to a Phase Submittal shall be between twenty percent (20%) and sixty percent (60%) of the total Residential Units within such Vertical Improvement approved pursuant to a Phase Submittal; (iv) Except for TAY Units, Affordability levels shall be appropriately distributed throughout the Project Site and Inclusionary Units consisting of Forty-Five percent (45%) and Fifty-Five percent (55%) Area Median Incomes shall not be grouped together or constructed in only the later phases of the Project, unless approved by Port, in consultation with MOHCD; (v) the unit mix of the Inclusionary Units must either (a) match the unit mix of the Market-Rate Units within a Vertical Improvement (this can be calculated by multiplying the number of any type of Market-Rate Unit (e.g. studio) by the required inclusionary percentage under the Vertical DDA), or (b) be composed of larger units than the Market-Rate Units (for example, a Residential Parcel may contain 3 bedroom Inclusionary Units, but not 3 bedroom Market-Rate Units) and (vi) Developer shall demonstrate that the Inclusionary Obligation has been or will be satisfied at each Inclusionary Milestone as set forth in Section 3.1(d) of this Housing Plan.

(d) Inclusionary Milestones. Developer retains flexibility in the order of development of Residential Parcels within a Phase. The purpose of the Inclusionary Milestones is to advise the Port, MOHCD and the Developer, as part of any new Phase Submittal, regarding the overall status of Residential Parcel construction, including compliance

with Inclusionary Obligations, which are consistent with the Inclusionary Housing obligations under previously approved Phase Submittals. Compliance with the Inclusionary Obligation at each Inclusionary Milestone shall be demonstrated by Developer providing the Port and MOHCD with information as follows: (1) a chart summarizing by Phase all Market-Rate and Inclusionary Units (including Affordability levels) approved to date, and describing construction and occupancy status as to each; and (2) a calculation of the cumulative percentages of Residential Units and Inclusionary Units constructed to date, by Phase and overall for the Project Site. During buildout of a Phase, interim conditions may dictate that the current number of units by Phase or cumulatively within the Project Site is less than thirty percent (30%) of the completed Residential Units by Phase or within the Project Site. If this is the case, then the Developer shall submit to the Port and MOHCD a plan summarizing the status of approved but not yet constructed projects on Residential Parcels, and include the plan for modifications to the prior Phase Approvals that will help to expedite development of the remaining Residential Parcels within the previously approved Phase(s). Developer's proposed plan shall be presented to the Port and MOHCD no later than thirty (30) days after the Inclusionary Milestone in which the Inclusionary Obligation was not met.

(e) Variations. MOHCD, in consultation with the Port, may approve a Phase Submittal or Vertical DDA that does not comply with Section 3.1(c)(iii) or (iv) if it determines that the proposed development will otherwise comply with this Housing Plan and such variance will allow a Vertical Developer to maximize available financing for the production and/or operation of Inclusionary Housing in the Project Site, such approval shall not be unreasonably withheld or delayed. By way of example only, it is anticipated that the TAY Units will be located in a single building for purposes of service delivery, and depending on factors such as the building size and remaining unit mix, the Inclusionary Unit percentage within such building could exceed 60%. There may be other examples of similar circumstances where a special circumstance warrants a higher level of affordability in a building; however, it is generally the intent of the Parties to develop a Project composed of mixed income buildings and not create stand-alone affordable buildings.

(f) Inclusionary Restrictions. The Port, in consultation with MOHCD, shall impose the Inclusionary Obligation on each Vertical Developer of a Residential Parcel. The obligation will be imposed in the Parcel Lease for the Residential Parcel and shall include any requirements pursuant to the DDA and the Vertical DDA.

(g) Continued Affordability of Inclusionary Units. The Inclusionary Units required under this Housing Plan shall remain for rent for the term of the applicable Parcel Lease (i.e. 75 years) and such units will not be mapped for individual unit ownership, provided, however, that the Market-Rate Units may be mapped for individual unit ownership to allow such Market-Rate Units to be converted in the future. The prohibition on condominium conversion on the required Inclusionary Units shall be included in the applicable Vertical DDAs. No later than the issuance of a first construction document applicable to an Inclusionary Unit, the applicable Vertical Developer shall record against the Inclusionary Unit a Declaration of Restrictions substantially in the form attached hereto as Exhibit A. Vertical Developer shall, upon recordation, provide to the Port and MOHCD a copy of the applicable Declaration of Restriction.

(h) Comparability. The Inclusionary Units required under this Housing Plan shall comply with the comparability requirements of Zoning Administrator Bulletin No. 10, dated December 2015, as may subsequently be updated, provided, however, that (a) the unit mix of the Inclusionary Units must not match the unit mix for the Project if the unit mix of the Inclusionary Units is composed of larger units than the Market-Rate Units (for example, a Residential Parcel may contain 3 bedroom Inclusionary Units, but not 3 bedroom Market-Rate Units), and (b) more than 50% of the units on any floor may be designated as Inclusionary Units in the case of the TAY Units, or as may be otherwise approved by the Port, in consultation with MOHCD.

(i) Marketing and Operations Guidelines for Inclusionary Units. A Vertical Developer may not market or rent Inclusionary Units until MOHCD, in consultation with the Port, has approved the following for such Inclusionary Units for consistency with this Housing Plan and the Implementing Manuals: (i) the marketing plan (which includes any preferences determined pursuant to San Francisco Administrative Code Chapter 47; such preferences may include, but shall not be limited to, preferences for educators currently employed with the San Francisco Unified School District); (ii) conformity of the rental charges for such Inclusionary Units with this Housing Plan; and (iii) eligibility and income-qualifications of renters, together with any supplemental information required under the Implementing Manuals (collectively "Marketing and Operations Plan"). Such approval shall not be unreasonably withheld or delayed. The Vertical Developer that develops the TAY Units must work with HSH to create and implement a lease-up and occupancy plan (the "TAY Unit Occupancy Plan"). Vertical Developers shall submit the HSH-approved TAY Unit Occupancy Plan to the Port not later than one hundred twenty (120) days before the date Vertical Developer expects to begin marketing the Market Rate Units. The Port, in consultation with MOHCD and HSH, shall review and consider approval of the applicable plan in accordance with the Vertical DDA and this Housing Plan, provided, however, if the Port does not respond to Vertical Developer within sixty (60) days after receipt of the applicable plan, such plan will be deemed approved.

(j) Planning Code Section 415 and Implementing Manuals. The provisions of this Housing Plan are hereby expressly deemed to satisfy the requirements of the San Francisco Inclusionary Affordable Housing Program and Section 415. The Parties agree and acknowledge that the Planning Department and MOHCD have established certain protocols for implementation of Section 415 as set forth in the Implementing Manuals. Vertical Developers of Inclusionary Units shall comply, as applicable, with the rental program for BMR Units set forth in the Implementing Manuals, provided, however, that Developer may: (i) use other development subsidies to finance the construction of Inclusionary Units beyond those described in Section V.C of the Monitoring and Procedures Manual; and (ii) establish an alternate pricing process, in consultation with the Port, including setting income levels and rents and establishing a methodology for maximum monthly rent levels consistent with the use of financing, other than the process described in Section III.C of the Monitoring and Procedures Manual, so long as the alternate pricing formula does not create affordability levels that exceed the levels set forth in Section 3.1(a) above. By complying with the provisions of this Housing Plan, Developer shall be deemed in full compliance with the Monitoring and Procedures Manual. Developer shall comply, as applicable, with the Housing Preferences and Lottery Procedures Manual, subject to modification in consultation with the Port, to address preferences and procedures related to TAY Units or educators or other preferences contemplated in Section 3.1(i).

4. FINANCING OF INCLUSIONARY UNITS

4.1 Funding Generally. The Inclusionary Units may be funded by a variety of private and tax-exempt funding sources, including, but not limited to, Vertical Developer equity, Jobs/Housing Equivalency Fees, low-income housing tax credits, tax-exempt housing bonds, and various other local, State and Federal sources of funding. Due to the nature of the Project, it is not possible to ascertain the exact funding sources for each Inclusionary Unit at the time of this Housing Plan. However, it is anticipated that several funding sources will be combined to fund the development of the Inclusionary Units. Additionally, it is anticipated that TAY Units will receive a local operating subsidy through the San Francisco Local Operating Subsidy Program (LOSP), and the Developer will work with HSH and the City's Budget Department to secure a LOSP commitment.

4.2 Jobs/Housing Equivalency Fees. The commercial development within the Project Site will generate Jobs/Housing Equivalency Fees to be paid into a housing fund held by the Port in accordance with the Financing Plan. In order to construct the Inclusionary Units required under this Housing Plan, all Jobs/Housing Equivalency Fees payable by Vertical Developers of commercial uses within the Project Site and paid into the affordable housing fund administered by the Port shall be used solely for predevelopment, development expenses and administrative costs associated with the acquisition and construction of Inclusionary Units within Residential Parcels in accordance with this Housing Plan, under the terms and conditions set forth in the Development Agreement.

5. VERTICAL DEVELOPMENT PARKING AND TRANSIT PROGRAM

5.1 Separation. For Residential Parcels, all Parking Spaces shall be "unbundled" (i.e., rented separately from a Unit within such Residential Parcel). It is anticipated that no Parking Spaces will be provided within a Residential Parcel. If Parking Spaces are provided within a Residential Parcel and offered to occupants of Residential Units, then such Parking Spaces shall be offered to occupants of Inclusionary Units on the terms and conditions set forth in the Monitoring and Procedures Manual. It is currently anticipated that all parking at the Project Site shall be within the Parking Garage, which will be operated by a Parking Garage operator. Occupants of Residential Units may choose to contract directly with the operator of the Parking Garage for parking at the Project site, but shall not be obligated to do so.

5.2 Transit Program. The Project will contain a comprehensive Transit Demand Management Plan which will manage travel through a variety of investments and programs applicable to the Inclusionary Units. The Project transit program may include, but shall not be limited to, providing residents of Market Rate Units and Inclusionary Units with pre-loaded Clipper Card, on-site bike sharing and bike parking, real-time transit information on screens within the Project, car-share memberships, improved pedestrian walking conditions and assistance with local public transit.

6. NON-APPLICABILITY OF COSTA HAWKINS ACT

The Parties understand and agree that the Costa-Hawkins Rental Housing Act (California Civil Code sections 1954.50 et seq.; the "Costa-Hawkins Act") does not and in no way shall limit

or otherwise affect the restriction of rental charges for the Inclusionary Units developed pursuant to the DDA and the Development Agreement (including this Housing Plan). The DDA falls within an express exception to the Costa-Hawkins Act because the DDA is a contract with a public entity in consideration for a direct financial contribution and other forms of assistance specified in Chapter 4.3 (commencing with section 65915) of Division 1 of Title 7 of the California Government Code. Accordingly, Developer, on behalf of itself and all of its successors and assigns, including all Vertical Developers, agrees not to challenge, and expressly waives, now and forever, any and all rights to challenge, Developer's obligations set forth in this Housing Plan related to Inclusionary Units, under the Costa-Hawkins Act, as the same may be amended or supplanted from time to time. Developer shall include the following language, in substantially the following form, in all Vertical DDAs:

> "The DDA (including the Housing Plan) implements the California Infrastructure Financing District Law, Cal. Government Code §§ 53395 et seq. and City of San Francisco policies and includes regulatory concessions and significant public investment in the Project. The regulatory concessions and public investment include, without limitation, a direct financial contribution of net tax increment, the conveyance of real property without payment, and other forms of public assistance. These public contributions result in identifiable, financially sufficient and actual cost reductions for the benefit of Developer and Vertical Developers. In light of the Port's authority under Government Code Section 53395.3 and in consideration of the direct financial contribution and other forms of public assistance described above, the parties understand and agree that the Costa-Hawkins Act does not and shall not apply to the Inclusionary Units developed at the Project Site under the DDA."

The Parties understand and agree that the Authority would not be willing to enter into the DDA, without the agreement and waivers as set forth in this Section 6.

7. HOUSING PLAN IMPLEMENTATION AND ENFORCEMENT

Under the terms and conditions of the DDA, this Housing Plan is administered, monitored and enforced by the Port, in consultation with MOHCD. The Port shall consult with MOHCD regarding implementation of the Housing Plan, including but not limited to providing copies of each Phase Submittal including a Residential Parcel, and any submittals for material amendment thereto, to MOHCD for review and comment prior to Phase Approval. In addition, the Port and MOHCD contemplate that MOHCD will provide ongoing technical assistance and advice to the Port regarding Housing Program implementation, including but not limited to compliance review regarding Section 415, the Monitoring and Procedures Manual, and the Housing Preferences and Lottery Procedures Manual.

8. MISCELLANEOUS

8.1 No Third Party Beneficiary. Except to the extent set forth in the DDA, there are no express or implied third party beneficiaries to this Housing Plan.

8.2 Severability. If any provision of this Housing Plan, or its application to any Person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Housing Plan or the application of such provision to any other Person or circumstance, and the remaining portions of this Housing Plan shall continue in full force and effect. Without limiting the foregoing, in the event that any applicable law prevents or precludes compliance with any term of this Housing Plan, the Parties shall promptly modify this Housing Plan to the extent necessary to comply with such law in a manner that preserves, to the greatest extent possible, the benefits to each of the Parties. In connection with the foregoing, the Parties shall develop an alternative of substantially equal, but not greater, cost and benefit to Developer and any applicable Vertical Developer so as to realize from the Project substantially the same (i) overall benefit (from a cost perspective) to the public and (ii) overall benefit to Developer and any applicable Vertical Developer.

EXHIBIT A

DECLARATION OF RESTRICTIONS

Free Recording Requested Pursuant to
Government Code Section 27383

Recording requested by and
when recorded mail to:
Port of San Francisco
Pier 1
San Francisco, California 94111
Attn: _____
APN#:
Address:
----------Space Above This Line for Recorder's Use----------

DECLARATION OF RESTRICTIONS
[Property Address]

THIS DECLARATION OF RESTRICTIONS ("Declaration") is made as of _____, ____, by **[LESSEE'S NAME IN BOLD, CAPITAL LETTERS.]**, a [_____ limited liability company] ("Lessee"), in favor of the **CITY AND COUNTY OF SAN FRANCISCO**, acting by and through the San Francisco Port Commission (the "Port").

RECITALS

A. The Port entered into that certain Disposition and Development Agreement (the "DDA") with Seawall Lot 337 Associates, LLC, a Delaware limited liability company ("Developer") on _____, 2017 governing the development of an approximately 16-acre parcel located in San Francisco south of Mission Creek/China Basin Channel, bordered by Third Street on the west, Mission Rock Street on the south, and Terry Francois Boulevard on the east (the "Mission Rock Project"). As part of the DDA, the Port and the Developer agreed to implement a housing plan that sets forth the obligations with respect to the delivery of affordable housing at the Mission Rock Project (the "Housing Plan"). The Port desires to impose certain restrictions described in the Housing Plan upon the development of the leasehold interest in the real property described in **Exhibit A** attached hereto and incorporated herein by reference (the "Property") with respect to the market-rate and inclusionary low-income housing therein (the "Residential Project"). Lessee and the Port entered into that certain Parcel Lease and Vertical DDA on _____, 201_ governing the development of the Residential Project, including the development of inclusionary low-income housing, as either may be amended from time to time (the "Vertical Agreements"). The Vertical Agreements are incorporated by reference in this Declaration as though fully set forth in this Declaration. Definitions and rules of interpretation set forth in the Vertical Agreements apply to this Declaration.

B. Pursuant to the Vertical Agreements, Lessee has agreed to comply with certain affordability and other use and occupancy restrictions (collectively, the "Regulatory Obligations"), commencing on the date on which a certificate of occupancy is issued for the Residential Project, and continuing through the date that is the expiration of the Parcel Lease applicable to the Residential Project (the "Compliance Term").

AGREEMENT

Now, therefore, in consideration of the Port's entering into the Vertical Agreements with Lessee, Lessee agrees as follows:

1. Lessee must comply with the Regulatory Obligations through the expiration of the Compliance Term. Specifically, Lessee agrees as follows, subject to additional terms as set forth in the Agreement:

[Revise to reflect specific requirements and income categories.] [Replace "Unit" if "Beds" are used in Regulatory agreement.]

(a) [Include if applicable: With the exception of one Unit reserved for the manager of the Residential Project,] Inclusionary Units in the Residential Project will at all times be rented only to tenants who qualify as Qualified Tenants at initial occupancy, specifically:

Unit Size	**No. of Inclusionary Units**	**Maximum Income Level**
		% of Median Income
		% of Median Income
		% of Median Income
		% of Median Income
		% of Median Income
		% of Median Income
		% of Median Income

[Include if there is a reason to restrict to a target population] In addition:

(i) _____ Units must be rented at all times to [TAY tenants].

(ii) _____ Units must be rented at all times to tenants who are [educators].

(b) The total amount for rent and utilities (with the maximum allowance for utilities determined by the San Francisco Housing Authority) charged to a Qualified Tenant may not exceed:

(i) thirty percent (30%) of the applicable maximum income level, adjusted for household size; or

(ii) the tenant paid portion of the contract rent as determined by the San Francisco Housing Authority for Qualified Tenants holding Section 8 vouchers or certificates.

2. During the Compliance Term the Port may rely on the Deed of Trust and/or this Declaration, in the Port's discretion, to enforce any of the Port's rights under the Port Documents..

3. This Declaration and the Regulatory Obligations constitute covenants running with the land, including the leasehold interest and bind successors and assigns of Lessee and any owner of the Property. In the event that Lessee fails to comply with the Regulatory Obligations to the Port's satisfaction, in its sole discretion, within thirty (30) days of Lessee's receipt of notice from the Port to so comply, the Port at its option may exercise any rights available at equity or in law, including, without limitation, institute an action for specific performance. Lessee shall pay the Port's costs in connection with the Port's enforcement of the terms of this Declaration, including, without limitation, the Port's attorneys' fees and costs.

[Delete Section 4 if HUD is not providing financing. Revise as appropriate for HUD financing.]

4. The Port acknowledges that this Declaration and the other Port Documents are subject and subordinate to the HUD Documents until the later to terminate of: (a) the term of the HUD Documents; or (b) any period during which HUD holds title to [the leasehold estate in] the Property. During any applicable period:

(a) The HUD Documents may be amended, extended, renewed, assigned, or superseded without the Port's consent.

(b) The Port will not declare a default or foreclose without HUD's prior written consent.

(c) The Residential Project will be constructed and operated in conformance with the provisions of HUD's Section 202 Program and all applicable regulations and administrative requirements. In the event of any conflict between this Declaration and the provisions of any HUD regulations, related administrative requirements or capital advance documents (including the HUD Documents), the latter shall control.

(d) HUD approval of a transfer of the Residential Project as defined in Section 4 of the Capital Advance Program Use Agreement shall be deemed to constitute approval of the Port to the transfer.

(e) This Declaration may not be amended or assigned without HUD's prior written approval.

(f) Enforcement of the provisions of this Declaration shall not result in any claim against the Residential Project, the capital advance proceeds, any reserve or deposit required by HUD in connection with the capital advance, or the rents or other income from the Residential Project other than residual receipts as defined and authorized for release by HUD.

(g) In the event that any Port restrictions on occupancy, use and rents at any time exceed HUD's restrictions on occupancy or rents or otherwise affect the financial viability of the Residential Project (i.e., impair Lessee's ability to sustain a level of income sufficient to meet all financial obligations of the Residential Project, including HUD required escrows and operating expenses) HUD reserves the right to remove or void the Port restrictions for as long as HUD deems necessary. The Port recognizes HUD's authority to take appropriate action unilaterally to remove or void the Port restrictions.

Lessee has executed this Declaration as of the date first written above.

"LESSEE"

_____,
a _____

By: _____
Name: _____
Title: _____

[Delete 2nd signature if not required.]
By: _____
Name: _____
Title: _____

[ALL SIGNATURES MUST BE NOTARIZED.]

EXHIBIT A
(Legal Description of the Property)

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

Street Address:

EXHIBIT B

HOUSING DATA TABLE

[Attached]

Exhibit B

HOUSING DATA TABLE

Phase:									
Residential Parcel	Total Residential Units	Total Inclusionary Units	Parcel Acreage	Number Inclusionary Units @ 45%	Number Inclusionary Units @ 55%	Number Inclusionary Units @ 90%	Number Inclusionary Units @ 120%	Number Inclusionary Units @ 150%	Anticipated Date of Completion

Residential Parcel:				
Location of Inclusionary Units	Bedroom Sizes	Household Sizes	Non-Residential Uses	Amenities

Residential Parcel:				
Location of Inclusionary Units	Bedroom Sizes	Household Sizes	Non-Residential Uses	Amenities

DRAFT

Residential Parcel:				
Location of Inclusionary Units	Bedroom Sizes	Household Sizes	Non-Residential Uses	Amenities

Residential Parcel:				
Location of Inclusionary Units	Bedroom Sizes	Household Sizes	Non-Residential Uses	Amenities

Residential Parcel:				
Location of Inclusionary Units	Bedroom Sizes	Household Sizes	Non-Residential Uses	Amenities

DRAFT

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B6 - A

"Workforce Development Plan"

DDA Exhibit B6 - A

Workforce Development Plan

The development plan for Mission Rock under the Transaction Documents provides for the development of a new mixed-use neighborhood composed of commercial/office, retail, garage, market rate and affordable residential uses and major new and expanded parks. This Workforce Development Plan sets forth the activities Port, Developer and Vertical Developer shall undertake, and require their Contractors, Consultants, Subcontractors, Subconsultants, Commercial Tenants, Lessees, Service Providers and Professional Service Providers, as applicable, to undertake, to support workforce development in the pre-construction, construction and end use phases of the Project, as set forth in this Exhibit B6-A.[1]

The Port and Developer shall enter into the DDA which will provide for the development of the Project in a series of Phases. In connection with the DDA, the Port and the Developer will enter into a Master Lease providing Developer the right to construct Horizontal Improvements within the Project. Developer will enter into contracts with Contractors and Consultants to construct all Horizontal Improvements allowed under the Master Lease.

Developer will submit Phase Submittals to the Port pursuant to the Transaction Documents. Following each Phase Approval, the Port will authorize the Chief Harbor Engineer to issue Port permits necessary for Developer to begin to construct Horizontal Improvements in accordance with the DDA and the Master Lease. Upon exercise of an Option in accordance with the DDA, the Port will convey each Development Parcel through Parcel Leases to a Vertical Developer. A Vertical Developer will enter into contracts with Contractors and Consultants to construct the Vertical Improvements, including residential and commercial improvements, in accordance with the Parcel Lease and Vertical DDA. Upon completion of the Vertical Improvements, the applicable Parcel Lease, between the Port and the Vertical Developer, shall govern the operation and use of the Vertical Improvements.

The foregoing summary is provided for convenience and for informational purposes only. In case of any conflict, the provisions of the DDA and each Vertical DDA shall control.

A. First Source Operations and Pre-Construction Hiring Agreement.

1. Developer shall, with respect to Horizontal Improvements, and the Port shall require that each Vertical Developer shall, with respect to each Vertical Improvement, comply with the operational requirements of the First Source Hiring Program pursuant to San Francisco Administrative Code Chapter 83 ("**Chapter 83**") and upon entering into: (a) leases or any other occupancy contracts for commercial space at Vertical Improvements that are subject to Chapter 83 with a tenant ("**Lessee**"), provided, however, that no Lessee occupying less than 5,000 square

[1] Any capitalized term used in this Exhibit B6-A, including its Attachments, that is not defined herein, or in such Attachments, or in the referenced Administrative Code Sections, shall have the meaning given to such term in the DDA.

feet in floor area within the Project Site shall have an obligation to enter into a First Source Hiring Agreement or comply with the requirements of Chapter 83; or (b) janitorial, security, landscape, operations and maintenance contracts, will include in each such lease or contract a requirement that such third party enter into a First Source Hiring Agreement in the form attached hereto as Attachment A, and provide a signed copy thereof to the Office of Economic and Workforce Development within 10 business days of execution. The Port shall cause (i) Developer to comply with the above requirements by including such requirements as a material term in the Master Lease applicable to such Contract and (ii) each Vertical Developer to comply with the above requirements by including such requirements as a material term in the Vertical DDA applicable to such Contract.

2. Further, Developer shall, with respect to Horizontal Improvements, and the Port shall require that each Vertical Developer shall, with respect to each Vertical Improvement, voluntarily include within its good faith efforts to comply with Chapter 83 a requirement to include pre-construction work within the Project's First Source Hiring Program and upon entering into professional services contracts for architectural and engineering services, provided, however, that no professional services firm performing work through a contract valued at less than $500,000 or a contract for services relating to the construction of any tenant improvements within a leased premises comprised of less than 15,000 square feet in floor area shall have an obligation to enter into a First Source Hiring Agreement, include in each such contract a requirement that such third party enter into a First Source Hiring Agreement in the form attached hereto as Attachment A, and provide a signed copy thereof to the Office of Economic and Workforce Development within 10 business days of execution. The Port shall cause (i) Developer to comply with the above requirements by including such requirements as a material term in the Master Lease applicable to such Contract and (ii) each Vertical Developer to comply with the above requirements by including such requirements as a material term in the Vertical DDA applicable to such Contract.

3. Residential units within the Project shall not be subject to any obligations under this Section A and the tenants of such residential units shall have no obligation to enter into a First Source Hiring Agreement.

4. The Office of Economic and Workforce Development (**"OEWD"**) is the sole administrator of the First Source Hiring Program per San Francisco Administrative Code Chapter 83. OEWD's Business Services team will manage the First Source Hiring Agreement and will be the point of contact for Lessees and Service Providers. OEWD's Business Team will provide Referrals for the permanent Entry Level Positions located within the Project where required under Chapter 83.

5. Incorporation into contract provisions.

i. Developer or Vertical Developer shall include in its Contracts provisions that require Lessees and Service Providers to enter into a First Source Hiring Agreement and follow the good faith efforts within such agreements towards the hiring goals of Chapter 83. Developer or Vertical Developer shall also include in such Contracts provisions that require Lessees and Service Providers to identify a single point of contact and contact OEWD's Business Services team to discuss its obligations under the First Source Hiring Agreement.

ii. Developer or Vertical Developer shall include in its Professional Service Contracts provisions that require Professional Service Providers to enter into a First Source Hiring Agreement and follow the good faith efforts within such agreement towards the hiring goals of Chapter 83. Developer or Vertical Developer shall also include in such Professional Service Contracts provisions that require Professional Service Providers to identify a single point of contact and contact OEWD's Business Services team to discuss its obligations under the First Source Hiring Agreement.

6. Pre-start conference and access.

i. Developer or Vertical Developer shall meet with OEWD prior to initial occupancy of Vertical Improvements at the Project Site for a pre-start conference to assess the operation goals of the First Source Hiring Program, including commercial tenant operations, janitorial, security, landscape, operations and maintenance services and provide projections for Entry Level Position employment opportunities within such fields with respect to the Horizontal Improvements or Vertical Improvements. Developer or Vertical Developer shall also provide OEWD access to meet Lessees and Service Providers at the Project Site and encourage the same to meet with OEWD regarding their respective First Source Hiring Obligations.

ii. With respect to each Horizontal Improvement, Developer shall meet with OEWD upon submission of a Phase Submittal, and, with respect to each Vertical Improvement, Vertical Developer shall meet with OEWD upon entering into a Vertical DDA at the Project Site for a pre-start conference to assess the pre-construction goals of the First Source Hiring Program, including architectural and engineering services and provide projections for Entry Level Position employment opportunities within such fields with respect to such Horizontal Improvement or Vertical Improvement. Developer or Vertical Developer shall also provide OEWD access to meet Professional Service Providers at the Project Site and encourage the same to meet with OEWD regarding their respective First Source Hiring Obligations.

7. Compliance with the operational goals of Chapter 83 shall be determined on an individual Contract or Professional Service Contract basis. Lessees and Service Providers shall demonstrate good faith efforts towards the hiring goals of Chapter 83. Professional Service Providers shall demonstrate good faith efforts towards the hiring goals of their First Source Hiring Agreement.

8. For the purposes of a First Source Hiring Agreement, (i) Contract shall mean: (a) any commercial lease or other commercial occupancy agreement with respect to a Vertical Improvements; and (b) any contract for janitorial, security, landscape, or operations and maintenance services performed at a Horizontal Improvement or Vertical Improvement; (ii) Professional Service Contract shall mean any contract for architectural or engineering services performed with respect to a Horizontal Improvement or Vertical Improvement, (iii) Service Provider shall mean any person(s), firm, partnership, corporation, government agency, nonprofit or combination thereof, who owns or operates a commercial business that enters into a Contract to perform janitorial, security, landscape, and operations and maintenance services with respect a Horizontal Improvement or Vertical Improvement, and (iv) Professional Service Provider shall mean any person(s), firm, partnership, corporation, government agency, nonprofit or combination thereof, who owns or operates a commercial business that enters into a Contract to

perform architectural or engineering services with respect a Horizontal Improvement or Vertical Improvement.

9. OEWD shall notify any Lessees, Service Providers or Professional Service Providers in writing, with a copy to Developer or Vertical Developer, as applicable, and to the Port, of any alleged breach on the part of that entity of its obligations under the First Source Hiring Agreement, as applicable, and provide such entity a reasonable opportunity to cure its alleged breach before seeking an assessment of liquidated damages pursuant to Section 83.12 of the Administrative Code. OEWD sole remedy against a Lessees, Service Providers and Professional Service Providers shall be as set forth in Chapter 83, including the enforcement process. Upon OEWD's request, Port, Developer or Vertical Developer, as applicable, shall reasonably cooperate with OEWD in any such enforcement action against any Lessees, Service Providers or Professional Service Providers, provided in no event shall Port, Developer or Vertical Developer, as applicable, be liable for any breach by a Lessees, Service Providers or Professional Service Providers.

10. If Port, Developer or Vertical Developer, as applicable, fulfills its obligations as set forth in this Section A, it shall not be held responsible for the failure of Lessee, Service Provider or Professional Service Provider or any other person or party to comply with the requirements of Chapter 83, their applicable First Source Hiring Agreement or this Section A. If Developer or Vertical Developer, as applicable, fails to fulfill its obligations under this Section A, the applicable provisions of Chapter 83 shall apply as to Developer or Vertical Developer, as applicable, though the Port and Developer shall have the right to invoke the dispute resolution process set forth in Article 10 of the DDA.

11. This Section A is an approved "First Source Hiring Agreement" as referenced in Sections 83.9 and 83.11 of the Administrative Code.

B. <u>Local Hiring Agreement</u>.

1. Developer, with respect to each Horizontal Improvement, shall, and the Port shall require that each Vertical Developer, with respect to each Vertical Improvement, shall (i) include in each Contract for construction work a provision requiring each Contractor to enter into a Local Hiring Agreement in the form attached hereto as <u>Attachment B</u> before beginning any construction work, and (ii) provide a signed copy thereof to the Office of Economic and Workforce Development ("**OEWD**") and CityBuild within 10 business days of execution, provided, however, that no person or entity entering into leases or other occupancy contracts for commercial space at a Vertical Improvement within the Project site ("**Commercial Tenant**") which occupies less than 15,000 square feet in floor area within such Vertical Improvement shall have an obligation to enter into a Local Hiring Agreement or be subject to the Local Hiring Program pursuant to Chapter 82, as defined below.[2] All future tenant improvements performed subsequent to any initial tenant improvements within such Vertical Improvement shall be subject to the local hiring requirement within Attachment B on a good faith basis only. The Port shall cause (i) Developer to comply with the above requirements by including such requirements as a

[2] Any capitalized term used in this Section B that is defined in <u>Attachment B</u> will have the definition given to such term in such Attachment.

material term in the Master Lease applicable to such Contract and (ii) each Vertical Developer to comply with the above requirements by including such requirements as a material term in the Vertical DDA applicable to such Contract.

2. CityBuild shall represent OEWD and will provide referrals of Targeted Workers for positions on the construction work for Improvements subject to a Local Hiring Agreement in accordance with San Francisco Administrative Code Chapter 82 ("**Chapter 82**").

3. Incorporation into contract provisions. Developer and Vertical Developer, as applicable, shall include in their respective contracts provisions that require prospective Contractors and Subcontractors to comply with the requirements set forth in the Local Hiring Agreement Attachment B.

4. Tenant improvements performed within any residential units within the Project shall not be subject to any obligations under this Section B and the tenants of such residential units shall have no obligation to enter into a Local Hiring Agreement.

5. Compliance with the construction requirements of Chapter 82 for Horizontal Improvements shall be determined on a Phase by Phase basis. Compliance will be measured by dividing the number of Construction Work Hours performed by Local Residents or Apprentices, as applicable, by the total number of Construction Work Hours performed on Horizontal Improvements within a Phase. If Developer exceeds its obligations set forth in its applicable Local Hiring Agreement with respect to an individual Horizontal Improvement, Developer may, at its option, allocate such excess towards the compliance of another Horizontal Improvement within the Project Site, subject to the requirements of Attachment B. Notwithstanding anything to the contrary, Developer may, at its election, require that compliance be determined on a Project-wide basis by giving notice to OEWD and the Port of such election during the submission of the penultimate Phase Submittal.

6. Compliance with the construction requirements of Chapter 82 for Vertical Improvements shall be determined on an individual Vertical Improvement basis. Compliance will be measured by dividing the number of Construction Work Hours performed by Local Residents or Apprentices, as applicable, by the total number of Construction Work Hours performed on the Vertical Improvement. If a Vertical Developer exceeds its obligations set forth in its applicable Local Hiring Agreement with respect to an individual Vertical Improvement, the Vertical Developer of such Vertical Improvement may, at its option, allocate such excess towards the compliance of another Vertical Improvement within the Project Site, subject to the requirements of Attachment B. Notwithstanding anything to the contrary, Developer may, at its election, require that compliance be determined on a Phase-wide basis by giving notice to OEWD and the Port of such election during the submission of a Phase Submittal.

7. OEWD shall notify Contractor, Subcontractor and Commercial Tenant, as applicable, in writing, with a copy to the Port and Developer or Vertical Developer, as applicable, of any alleged breach on the part of that entity of its obligations under Chapter 82 or its Local Hiring Agreement, as applicable, and provide such entity an opportunity to cure its obligations before seeking an assessment of liquidated damages pursuant to Section 82.8 of the Administrative Code. OEWD's sole remedies against a Contractor, Subcontractor or Commercial

Tenant shall be as set forth in Chapter 82, including the enforcement process. Upon OEWD's request, Port, Developer or Vertical Developer, as applicable, shall reasonably cooperate with OEWD in any such enforcement action against any Contractor, Subcontractor or Commercial Tenant, provided that in no event shall Port, Developer or Vertical Developer, as applicable, be liable for any breach by a Contractor, Subcontractor or Commercial Tenant.

8. If Port, Developer or Vertical Developer, as applicable, fulfills its obligations as set forth in this Section B, it shall not be held responsible for the failure of a Contractor, Subcontractor, Commercial Tenant or any other person or party to comply with the requirements of Chapter 82 or this Section B. If Developer or Vertical Developer, as applicable, fails to fulfill its obligations under this Section B, the applicable provisions of Chapter 82 shall apply, though the Port and Developer, as applicable, shall have the right to invoke the process set forth in Article 10 of the DDA.

9. This Section B complies with the requirements of Chapter 82, including Sections 82.5 and 82.7 and the requirements of Chapter 83 related to construction work.

C. Workforce Job Readiness and Training Funds.

Vertical Developers, on behalf of the Project, shall contribute to OEWD $1,000,000 (One Million Dollars) to support workforce job readiness and training ("Workforce Job Readiness and Training Funds") for allocation to OEWD's CityBuild and First Source Hiring programs and qualified local community based organizations. Such funds shall be paid to OEWD, and used as provided below, over the course of the Project on a Development Parcel by Development Parcel basis in eleven equal installments. Each equal installment shall be paid by a Vertical Developer at issuance of site permit for the development of Vertical Improvements upon a Development Parcel, except for the development of the parking garage parcel, pursuant to a Vertical DDA.

Priority for OEWD's use and allocation of Workforce Job Readiness and Training Funds shall be to organizations that have backgrounds in workforce readiness and training, an established program with a demonstrated history of performing workforce readiness and training and an existing track record of working in economically disadvantaged communities within San Francisco, including, but not limited to the Bayview/Hunters Point, Chinatown, Mission, South of Market, Tenderloin, Visitacion Valley and Western Addition neighborhoods.

1. **Community Based Organizations**: $500,000 (Five Hundred Thousand Dollars) of the Workforce Job Readiness and Training Funds shall be dedicated to funding community-based organizations that provide services which seek to: reduce barriers to employment for individuals within at-risk populations (the "**Barrier Removal Funds**"); and/or provide job readiness and training ("**Job Readiness Training Funds**") (together, the "**CBO Funds**"). OEWD shall allocate the CBO Funds to qualified local community based organizations based on a competitive process, and distribute the CBO Funds during the construction and operation of the Project until exhausted. The funds will be primarily targeted to support Bayview/Hunters Point, Chinatown, Mission, South of Market, Tenderloin, Visitacion Valley and Western Addition neighborhood residents and residents of surrounding areas. OEWD shall prioritize allocating funds to organizations that have a background in workforce readiness and training, an established program with a demonstrated history of performing workforce readiness and training and an

existing track record of working in economically disadvantaged communities. OEWD shall use good faith efforts to promptly initiate and complete the competitive process and begin distribution of the Barrier Removal Funds within one hundred and eighty (180) days after OEWD's initial receipt of such funds, but in a manner that ensures the resulting programs and services will correspond directly to preparing participants for the jobs created by the project.

i. CBO Funds. OEWD shall allocate a portion of the CBO Funds to support the delivery of services to assist individuals within at-risk populations, including low-income youth and adults with histories of incarceration, homelessness, substance abuse or other factors that may create barriers to employment, with reducing barriers to employment and/or providing job readiness and training. The CBO Funds shall fund programs that provide case management, supportive services (i.e. union dues, tools, uniform/boots), life skills training, basic education, barrier removal (including assistance with attaining a GED or driver's license, if applicable), wrap-around social services, job training, job placement or retention services with a goal of allowing participants to become CityBuild or First Source Hire-ready.

2. **OEWD**: $500,000 (Five Hundred Thousand Dollars) of the Workforce Job Readiness and Training Funds shall be dedicated to OEWD's programs that train economically disadvantaged adults, workers and local residents in the fields of construction, end use operations and hospitality (the "**OEWD Funds**"). OEWD shall identify and partner with local community-based organizations to promote the programs and identify and recruit program participants. OEWD shall allocate the funds throughout the construction and operation of the Project until exhausted. The resources shall be primarily targeted to support and prepare individuals in the Bayview/Hunters Point, Chinatown, Mission, South of Market, Tenderloin, Visitacion Valley and Western Addition and surrounding areas for construction and operation jobs at the Project. OEWD shall partner with organizations that have a background in workforce readiness and training, an established program with a demonstrated history of performing workforce readiness and training and an existing track record of working in economically disadvantaged communities. OEWD shall use good faith efforts to promptly begin distribution of the OEWD Funds within one hundred eighty (180) days after OEWD's initial receipt of such funds, but in a manner that ensures the resulting programs and services will correspond directly to preparing participants for the jobs created by the project.

i. Operations Training Resources. OEWD, in its discretion, shall dedicate a portion of the OEWD Funds to support programs that provide end use operations job training programs for economically disadvantaged adults, including individuals designated as a targeted population by the San Francisco Workforce Development Board, as an individual who is, or is at risk of, relying upon, or returning to, public assistance, including unemployment benefits, formerly incarcerated, homeless, veterans, out-of-school youth, pregnant or parenting teens, youth in the juvenile justice or foster care systems, people with disabilities, limited English populations, dislocated workers, or residents of public housing (the "**Operations Training Resources Funds**"). OEWD shall allocate Operations Training Resources Funds to programs performing vocational training in the retail, food service, janitorial, landscaping, facilities/open space operations and maintenance employment sectors. The intended use of the Operations Training Resources Funds is to provide additional training tailored towards future employment opportunities at the Project. The programs may also include working with potential

employers regarding any necessary accommodations or additional training, and ongoing support following job placement.

ii. Construction Training Resources. OEWD, in its discretion, shall dedicate a portion of the OEWD Funds to support programs that train disadvantaged workers and local residents in the field of construction work (the "**Construction Training Resources**"). OEWD shall allocate the Construction Training Resources Funds to programs such as the CityBuild Academy, an 18-week pre-apprenticeship training program that prepares citywide residents for entry into the trades, the Construction Administration & Professional Service Academy, an 18-week program offered at City College of San Francisco that prepares San Francisco residents for entry-level careers as professional construction office administrators, or the CityBuild Women's Mentorship Program, a volunteer program that connects women construction leaders with experienced professional and mentors.

iii. Pile Driving Training Program. OEWD, in its discretion, shall dedicate a portion of the OEWD Funds to support the development and implementation of a pile driving training program for disadvantaged workers and local residents, including individuals that have formerly been incarcerated or are experiencing homelessness (the "**Pile Driver Training Funds**"). The Pile Driving Training Funds shall be managed and implemented by OEWD in conjunction with local unions and community-based organizations. The programs may also include working with potential employers regarding any necessary accommodations or training, and ongoing support following job placement. The Pile Driving Training Program will address the shortage of skilled pile drivers in San Francisco and will augment the pipeline of skilled workers by providing specific training in a high-demand trade. By providing training in a high-demand trade, the program will help to ensure that more local residents are equipped with the education and skills necessary to be successful in the construction industry, thereby supporting local economic empowerment and upward mobility.

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

4. In the event individuals trained by the programs supported by the Workforce Job Readiness and Training Funds are hired to perform work at the Project, Developer may receive credit toward First Source and Local Hire obligations under San Francisco Administrative Code Chapters 82 and 83, as mutually determined with OEWD.

5. Board Authorization. Any interest earned on the Workforce Job Readiness and Training Funds shall remain in designated accounts for use by OEWD for workforce readiness and training consistent with this Exhibit B6-A and shall not be transferred to the City's general fund.

City and County of San Francisco First Source Hiring Program

Office of Economic and
Workforce
Development
Workforce
Development Division

Edwin M. Lee, Mayor

Attachment A: First Source Hiring Agreement

**For Operations and
Preconstruction Services**

This First Source Hiring Agreement (this "FSHA Agreement"), is made as of , by and between **[(the "Lessee"/ "Service Provider"/ "Professional Service Provider")]**, and the Office of Economic and Workforce Development, ("OEWD"), collectively the "Parties":

RECITALS

[**Use for Lessee -** WHEREAS, [Lessee has plans to occupy a portion of the Vertical Improvement at [Address] (the "Premises") which requires a First Source Hiring Agreement with OEWD because the Premises is subject to a property contract between [Developer/Vertical Developer] and the City acting through the San Francisco Port Commission;

WHEREAS, the [Developer/Vertical Developer] was required to provide notice in leases, subleases and other, occupancy contracts for use of the Premises; and

WHEREAS, as a material part of the consideration given by Lessee under such contract, Lessee has agreed to execute this FSHA Agreement and participate in the First Source Hiring Program managed by OEWD as established by the City and County of San Francisco pursuant to Chapter 83 of the San Francisco Administrative Code ("Chapter 83"), as modified herein;]

[**Use for Service Providers contracts -** WHEREAS, [Service Provider has plans to provide [___] services to the [Horizontal Improvement/ Vertical Improvement] at [Address] (the "Premises") which requires a First Source Hiring Agreement with OEWD because the Premises is subject to a property contract between [Developer/Vertical Developer] and the City acting through the San Francisco Port Commission;

WHEREAS, the [Developer/Vertical Developer] was required to provide notice in janitorial, security, landscape, or operations and maintenance contracts that provide services to the Premises; and

WHEREAS, as a material part of the consideration given by Service Provider under such contract, Service Provider has agreed to execute this FSHA Agreement and participate in the First Source Hiring Program managed by OEWD as established by the City and County of San Francisco pursuant to Chapter 83 of the San Francisco Administrative Code ("Chapter 83");]

[Use for Professional Service Providers contracts - WHEREAS, [Professional Service Provider has plans to provide [___] services to the [Horizontal Improvement/ Vertical Improvement] at [Address] (the "Premises") which requires a First Source Hiring Agreement with OEWD because the Premises is subject to a property contract between [Developer/Vertical Developer] and the City acting through the San Francisco Port Commission;

WHEREAS, the [Developer/Vertical Developer] was required to provide notice in architectural or engineering contracts that provide services to the Premises; and

WHEREAS, as a material part of the consideration given by Professional Service Providers under such contract, Professional Service Providers has agreed to execute this FSHA Agreement and participate in the First Source Hiring Program managed by OEWD as established by the City and County of San Francisco pursuant to Chapter 83 of the San Francisco Administrative Code ("Chapter 83");]

[Use for [Developer/Vertical Developer] operations of Vertical Improvement - WHEREAS, Lessee has plans to operate the building at [Address] (the "Premises") which required a First Source Hiring Agreement between Lessee and FSHA because the Premises is subject to a property contract between Lessee and the City acting through the San Francisco Port Commission; and

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

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

1. DEFINITIONS

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

a. "Entry Level Position" shall mean any non-managerial position that requires no education above a high school diploma or certified equivalency, and less than two (2) years training or specific preparation, and shall include temporary, permanent, trainee and intern positions

b. "Contract" shall mean: (a) any commercial lease or other commercial occupancy agreement with respect to the Vertical Improvement; and (b) any contract for janitorial, security, landscape, or operations and maintenance services performed at the Horizontal Improvement or Vertical Improvement.

c. "DA" means that certain Development Agreement between Developer and the City and County of San Francisco, acting by and through the San Francisco Port Commission with respect to the Project Site.

d. "DDA" means that certain Disposition and Development Agreement between Developer and the City and County of San Francisco, acting by and through the San Francisco Port Commission with respect to the Project Site.

e. "Developer" has the meaning set forth in the DDA, including any successor during the term of this FSHA Agreement.

f. "Horizontal Improvement" has the meaning set forth in the DDA.

g. "Lessee" includes every commercial tenant, subtenant, or any other entity occupying a Vertical Improvement for the intent of doing business in the City and County of San Francisco and possessing a Business Registration Certificate with the Office ofTreasurer required to enter into a First Source Hiring Agreement as defined in Chapter 83, provided, however, that in no event shall the meaning of Lessee include a commercial tenant, subtenant, or any other entity occupying less than 5,000 square feet in floor area within the Vertical Improvement.

h. "OEWD Resume Database" shall mean the web portal administered by OEWD that connects Lessees, Service Providers and Professional Service Providers with qualified job seekers. The web portal is a free recruiting service to all Lessees, Service Providers and Professional Service Providers and is to be used by the Lessees, Service Providers and Professional Service Providers as part of their FSHA Agreement.

i. "Professional Service Contract" shall mean any contract for architectural or engineering services performed with respect to a Horizontal Improvement or Vertical Improvement, except for contracts for architectural or engineering services related to the construction of any tenant improvements within a leased premises comprised of less than 15,000 square feet in floor area within a Vertical Improvement.

j. "Professional Service Provider" shall mean any person(s), firm, partnership, corporation, government agency, nonprofit or combination thereof, who owns or operates a commercial business that enters into a Contract to perform architectural or engineering services with respect the Horizontal Improvement or Vertical Improvement, provided, however, that no professional services firm performing work through a contract valued at less than $500,000 shall have an obligation to enter into this First Source Hiring Agreement.

k. "Project Site" shall mean the area consisting of an approximately 16-acre parcel located south of Mission Creek/China Basin Channel, bordered by Third Street on the west, Mission Rock Street on the south, and Terry Francois Boulevard on the east, as reconfigured in accordance with AB 2797.

l. "Service Provider" shall mean any person(s), firm, partnership, corporation, government agency, nonprofit or combination thereof, who owns or operates a commercial business that enters into a Contract to perform janitorial, security,

landscape, or operations and maintenance with respect the Horizontal Improvement or Vertical Improvement.

m. "Referral" shall mean a qualified job seeker identified by OEWD as having the appropriate training, background and skill sets for a [Lessee/ Service Provider] specified Entry Level Position.

n. "Vertical Developer" shall mean [*insert name of applicable Vertical Developer]*, including any successor during the term of a FSHA Operations Agreement.

o. "Vertical Improvement" has the meaning set forth in the DDA.

2. LESSEE AND SERVICE PROVIDER OEWD WORKFORCE PARTICIPATION

a. Lessee or Service Provider, as applicable, shall contact OEWD's Business Services team to provide headcount projections for Entry Level Positions and register with the OEWD Resume Database upon execution of its Contract.

b. Lessee or Service Provider, as applicable, shall notify OEWD's Business Team of every available Entry Level Position by posting job openings for Entry Level Positions on the OEWD Resume Database. Lessee or Service Provider, as applicable, shall provide OEWD a period of time to recruit and refer qualified candidates prior to advertising such position to the general public, starting on the date that the Lessee or Service Provider, as applicable, posts the job opening on the OEWD Resume Database, and ending on the earlier of: (i) 10 business days; or (ii) the date upon which such Lessee or Provider has received OEWD's list of Referrals and has considered such Referrals for the available Entry Level Position in good faith, subject to Section 5 below. OEWD shall develop a pipeline of potential candidates and shall develop a staffing and implementation plan that is generally designed to allow OEWD to provide Lessee or Service Provider, as applicable, with its list of Referrals within 3 business days after such Lessee or Service Provider has posted a job opening. In the event the OEWD Resume Database is inaccessible, Lessee or Service Provider, as applicable, shall contact OEWD directly regarding their FSHA obligations by emailing Business.Services@sfgov.org, or other email address as may be mutually agreed upon by Professional Service Provider's single point of contact and OEWD, and submitting Attachment A-1.

c. Lessee or Service Provider, as applicable, shall consider and screen all Referrals that meet the minimum qualifications of a Lessee's or Service Provider's, as applicable, job opening and shall use the OEWD Resume Database to provide feedback regarding Referrals that were screened, interviewed and hired. Hiring decisions shall be entirely at the discretion of Lessee or Service Provider, as applicable.

3. LESSEE AND SERVICE PROVIDER GOOD FAITH EFFORT TO COMPLY WITH ITS OBLIGATIONS HEREUNDER

Lessee or Service Provider, as applicable, will make good faith efforts to comply with its obligations under this FSHA Agreement. Determination of good faith efforts shall be based on all of the following:

a. Lessee or Service Provider, as applicable, shall execute this FSHA Agreement and Attachment A-1 upon entering into Contracts. Lessee or Service Provider will also accurately complete and submit Attachment A-1 annually to reflect employment conditions.

b. Lessee or Service Provider, as applicable, shall register with the OEWD Resume Database. Lessee or Service Provider, as applicable, using a resume database not associated with OEWD will not be considered towards the requirements of the FSHA Agreement.

c. Lessee or Service Provider, as applicable, shall provide OEWD a period of time to recruit and refer qualified candidates prior to advertising such position to the general public, starting on the date that the Lessee or Service Provider, as applicable, posts the job opening on the OEWD Resume Database, and ending on the earlier of: (i) 10 business days; or (ii) the date upon which such Lessee or Provider has received OEWD's list of Referrals and has considered such Referrals for the available Entry Level Position in good faith, subject to Section 5 below. Lessee or Service Provider, as applicable, must identify a single point of contact responsible for communicating Entry Level Positions and take active steps to ensure continuous communication with OEWD's Business Services Team. Lessee or Service Provider, as applicable, shall use the OEWD Resume Database to provide feedback regarding Referrals that were screened, interviewed and hired.

4. PROFESSIONAL SERVICES - ARCHITECTURAL AND ENGINEERING SERVICE PROVIDERS

a. This section incorporates additional requirements for Professional Service Providers performing architectural or engineering services. Professional Service Providers obligations relate only to preconstruction work and shall terminate upon the completion of the Professional Service Provider's Professional Service Contract.

b. Participation.

i. Professional Service Provider shall contact OEWD's Business Services team to provide headcount projections for Entry Level Positions and register with the OEWD Resume Database upon execution of its Professional Services Contract.

ii. Professional Service Provider shall notify OEWD's Business Team of every available Entry Level Position by posting job openings for Entry Level Positions on the OEWD Resume Database. Professional Service Provider shall provide OEWD a period of time

to recruit and refer qualified candidates prior to advertising such position to the general public, starting on the date that the Lessee or Service Provider, as applicable, posts the job opening on the OEWD Resume Database, and ending on the earlier of: (i) 10 business days; or (ii) the date upon which such Lessee or Provider has received OEWD's list of Referrals and has considered such Referrals for the available Entry Level Position in good faith, subject to Section 5 below. In the event the OEWD Resume Database is inaccessible, Professional Service Provider shall contact OEWD directly regarding their FSHA obligations and submit Attachment A-1.

iii. Professional Service Provider shall consider and screen all Referrals that meet the minimum qualifications of a Professional Service Provider's, as applicable, job opening and shall use the OEWD Resume Database to provide feedback regarding Referrals that were screened, interviewed and hired. Hiring decisions shall be entirely at the discretion of Professional Service Provider.

iv. Within 30 days of executing a Professional Services Contract, Professional Service Provider will email OEWD and schedule to meet with staff from the First Source Hiring Program. At the meeting, the Professional Service Provider will provide information on new and available Entry Level Positions, anticipated job opening projections, start dates and rate of pay.

c. Good Faith Compliance.

Compliance with the requirements of subsections i through iv below shall demonstrate Professional Service Provider's good faith compliance with its obligations under this FSHA Agreement.

i. Over the life of the Contract, Professional Service Provider shall make good faith efforts to hire Referrals from the First Source Hiring Program to fulfill new and available Entry Level Positions. Professional Service Provider may decline to hire a Referral if the Contractor considers the Referral in good faith and deems the Referral is not qualified. The final decision to hire a Referral shall be made by the Professional Service Provider.

ii. Professional Service Provider, as applicable, shall execute this FSHA Agreement and Attachment A-1 upon entering into Professional Service Contracts. Professional Service Provider will also accurately complete and submit Attachment A-1 annually to reflect employment conditions.

iii. Professional Service Provider shall register with the OEWD Resume Database. Professional Service Provider using a resume database not associated with OEWD will not be considered towards the requirements of the FSHA Agreement.

iv. Professional Service Provider shall notify OEWD's Business Services Team of all available Entry Level Positions by posting job openings for Entry Level Positions on the OEWD Resume Database. Professional Service Provider shall provide OEWD a period of time to recruit and refer qualified candidates prior to advertising such position to the general public, starting on the date that the Lessee or Service Provider, as applicable, posts the job opening on the OEWD Resume Database, and ending on the earlier of: (i) 10 business days; or (ii) the date upon which such Lessee or Provider has received OEWD's list of Referrals and

has considered such Referrals for the available Entry Level Position in good faith, subject to Section 5 below. OEWD shall develop a pipeline of potential candidates and shall develop a staffing and implementation plan that is generally designed to allow OEWD to provide Lessee or Service Provider, as applicable, with its list of Referrals within 3 business days after such Lessee or Service Provider has posted a job opening. Professional Service Provider must identify a single point of contact responsible for communicating Entry Level Positions and take active steps to ensure continuous communication with OEWD's Business Services Team. Professional Service Provider shall use the OEWD Resume Database to provide feedback regarding Referrals that were screened, interviewed and hired. In the event the OEWD Resume Database is inaccessible, Professional Service Provider shall contact OEWD directly regarding their FSHA obligations by emailing Business.Services@sfgov.org, or other email address as may be mutually agreed upon by Professional Service Provider's single point of contact and OEWD, and submitting Attachment A-1.

d. OEWD Requirements. OEWD's Referrals to such Professional Service Provider s shall be economically disadvantaged workers identified by OEWD that either: (a) graduated from OEWD's Entry Level Professional Services Training Program; or (b) have the appropriate training, employment background and skill set for any new and available Entry Level Position specified by the Professional Service Provider.

5. COMPLIANCE AND ENFORCEMENT

a. Compliance with the operational goals of Chapter 83 shall be determined on an individual Contract basis and compliance with the voluntary professional service goals within this FSHA Agreement shall be determined on an individual Professional Service Contract basis.

b. Lessee's, Service Provider's or Professional Service Provider's failure to meet the criteria set forth in Section 3 or 4 above, as applicable, does not impute "bad faith", but shall trigger a review of the Referral process and compliance with this FSHA Agreement. Failure and noncompliance with this FSHA Agreement may result in penalties as defined in Chapter 83, provided, however, that Lessee, Service Provider or Professional Service Provider shall be provided notice and a reasonable opportunity to cure such noncompliance prior to the assessment of any penalties. Lessee or Service Provider, as applicable, agrees to review SF Chapter 83, and execution of the FSHA Agreement denotes that Lessee or Service Provider agrees to its terms and conditions. OEWD agrees and acknowledges that Professional Service Provider's obligations hereunder are opted into voluntarily and such obligations are not based on the requirements of Chapter 83.

c. Notwithstanding anything to the contrary herein, nothing in this FSHA Agreement precludes Lessees, Service Providers or Professional Service Providers from immediately advertising and filling an Entry Level Position that performs essential functions of its operation prior to notifying OEWD provided, however, the obligations of this FSHA Agreement to make good faith efforts to fill such vacancies permanently with Referrals remains in effect. For these

purposes, "essential functions" means those functions necessary to remain open for business. If Lessee, Service Provider or Professional Service Provider has an immediate need to fill an Entry Level Position that perform essential functions, Lessee, Service Provider or Professional Service Provider shall provide OEWD notice of such position, and the fact that there is an immediate need to fill such position, on or before the date such position is advertised to the general public.

d. Nothing in this FSHA Agreement shall be interpreted to prohibit the continuation of existing collective bargaining agreements or existing employment policies, including, but not limited to, advertising job openings to existing employees. In the event of a conflict between this FSHA Agreement and an existing collective bargaining agreement, the terms of the existing agreement shall supersede this FSHA Agreement.

6. FSHA AGREEMENT DURATION

a. Lessees and Service Providers: This FSHA Agreement shall be in full force and effect up to 10 years from the date of the temporary certificate of occupancy of the Vertical Improvement or the earlier termination of Lessee's Contract with regard to Lessee and 10 years from the date of substantial completion of the Horizontal Improvement or the earlier termination of Service Provider's Contract with regard to Services Provider. Upon termination of this FSHA Agreement, the Project will be subject to Existing City Laws, as defined in the DA, including the applicable requirements of Chapter 83.

b. Professional Service Providers: This FSHA Agreement shall be in full force and effect up to the completion of a Professional Service Contract or the earlier termination of such Professional Service Contract.

7. NOTICE

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

If to OEWD:

ATTN:

If to Lessee:

ATTN:

If to Service Provider:

ATTN:

If to Professional Service Provider:

ATTN:

If to Port

ATTN:

If to Developer:

ATTN:

If to Vertical Developer:

ATTN:

8. ENTIRE AGREEMENT

This FSHA Agreement and the Transaction Documents contain the entire agreement between the parties and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors. If any term or provision of this FSHA Agreement shall be held invalid or unenforceable, the remainder of this FSHA Agreement shall not be affected. If this FSHA Agreement is executed in one or more counterparts, each shall be deemed an original and all, taken together, shall constitute one and the same instrument. This FSHA Agreement shall inure to the benefit of and be binding on the parties and their respective successors and assigns. If there is more than one party comprising Lessee, their obligations shall be joint and several.

Section titles and captions contained in this FSHA Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions. This FSHA Operations Agreement shall be governed and construed by laws of the State of California.

IN WITNESS WHEREOF, the following have executed this FSHA Agreement as of the date set forth above.

Date: _____ Signature: _____

Name of Authorized Signer: _____

Company: _____

Address: _____

Phone: _____

Email: _____

Attachment A-1 Employer Services Form

The First Source Hiring Program is administered by the Office of Economic and Workforce Development *(OEWD)* and provides recruiting services at no cost to the employer. To find out how we can support your hiring needs, please visit our website at www.oewd.org/workforce.

Instructions: Please complete this form and email to Business.Services@sfgov.org

Step 1: Employer Info

Employer Name: _____

Contact Name: _____ Phone: _____

Job Title: _____ Email: _____

Step 2: Check all that apply to your business

☐ Auto Repair	☐ Entertainment	☐ Personal Services
☐ Business Services	☐ Elder Care	☐ Professionals
☐ Consulting	☐ Financial Services	☐ Real Estate
☐ Construction	☐ Healthcare	☐ Retail
☐ Government Contract	☐ Insurance	☐ Security
☐ Education	☐ Manufacturing	☐ Wholesale
☐ Food and Drink	☐ Operations & Maintenance	☐ Janitorial
☐ Landscape	☐ Technology	☐ I don't see my industry *(Please Describe)*

Step 3: Tell me about your Entry Level Positions

Job Title	Number of Job Openings	Projected Start Date

Done! Thank you for taking the time to complete the form.

Please email to Business.Services@sfgov.org and a representative will follow up on how we can best support your hiring needs.

Office of Economic and Workforce Development
1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103
Tel: 415-701-4848 Fax: 415-701-4897
Email : Business.Services@sfgov.org Website: www.oewd.org/workforce

Attachment B: Local Hiring Agreement

This Local Hiring Agreement ("Local Hiring Agreement") is made as of , by and between , the San Francisco Office of Economic and Workforce Development, (the "OEWD"), and the undersigned contractor ("Contractor"):

RECITALS

WHEREAS, Contractor has executed or will execute an agreement (the "Contract") to construct or oversee a portion of the Project to construct **[Horizontal Improvements, including [specify improvements]]** OR **[Vertical Improvements, including [specify improvements]]** ("Construction Work") at , Lots in Assessor's Block , San Francisco California ("Site"), and a copy of this Local Hiring Agreement is attached as an exhibit to, and incorporated in, the Contract; and

WHEREAS, as a material part of the consideration given by Contractor under the Contract, Contractor has agreed to execute this Local Hiring Agreement and comply with the local hiring requirements established by the City and County of San Francisco, pursuant to Chapter 82 of the San Francisco Administrative Code ("Chapter 82"), as further modified herein;

WHEREAS, the provisions of the San Francisco Local Hiring Policy for Construction (the "Policy") as set forth in Chapter 82, as modified herein, are hereby incorporated as a material term of the Contract. Where used in this Attachment B, "Policy" shall include the modifications herein.

WHEREAS, Contractor agrees that (i) Contractor shall comply with all applicable requirements of the Policy; (ii) the provisions of this Local Hiring Agreement are reasonable and achievable by Contractor and its Subcontractors; and (iii) they have had a full and fair opportunity to review and understand the terms of the Policy.

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

1.1 SUMMARY

A. This Local Hiring Agreement incorporates applicable requirements consistent with the Policy as set forth in Chapter 82. The provisions of the Policy are hereby incorporated as a material term of the DDA. Contractor agrees that (i) Contractor shall comply with all applicable requirements of the Policy; (ii) the provisions of the Policy are reasonable and achievable by Contractor and its Subcontractors; and (iii) they have had a full and fair opportunity to review and understand the terms of the Policy.

B. OEWD is responsible for administering the Policy and will be administering the applicable requirements for the Contract. For more information on the Policy and its implementation, please visit the OEWD website at: www.workforcedevelopmentsf.org.

C. Capitalized terms not defined herein shall have the meanings ascribed to them in the DDA.

1.2 DEFINITIONS

A. "Apprentice" means any worker who is indentured in a construction apprenticeship program that maintains current registration with the State of California's Division of Apprenticeship Standards.

B. "Area Median Income (AMI)" means unadjusted median income levels derived from the Department of Housing and Urban Development ("HUD") on an annual basis for the San Francisco area, adjusted solely for household size, but not high housing cost area.

C. "Construction Work" means: (i) in the case of Horizontal Improvements, the construction of all Horizontal Improvements required or permitted to be made to the Project Site during a Phase and to be carried out by Developer under the DDA; or (ii) in the case of Vertical Improvements, the construction of a Vertical Improvement to be carried out by a Vertical Developer on a Development Parcel pursuant to an applicable Vertical DDA and Parcel Lease and all tenant improvements therein, except for the construction of any tenant improvements within a leased premises comprised of less than 15,000 square feet in floor area.

D. "Construction Work Hours" means the total onsite work hours worked on a construction contract for a Construction Work by all apprentices and journey-level workers, whether those workers are employed by the Contractor or any Subcontractor.

E. "Contractor" means a prime contractor, general contractor, or construction manager contracted by Developer or aVertical Developer who performs Construction Work on the Project.

F. "DDA" means that certain Disposition and Development Agreement between Developer and the City and County of San Francisco, acting by and through the San Francisco Port Commission.

G. "Disadvantaged Worker" means a local resident, who (i) resides in a census tract within the City with a rate of unemployment in excess of 150% of the City unemployment rate; or (ii) at the time of commencing work on a covered project has a household income of less than 80% of the AMI, or (iii) faces or has overcome at least one of the following barriers to employment: being homeless; being a custodial single parent; receiving public assistance; lacking a GED or high school diploma; participating in a vocational English as a second language program; or having a criminal record or other involvement with the criminal justice system.

H. "Developer" has the meaning set forth in the DDA, including any successor during the term of this Local Hiring Agreement.

I. "Development Parcel" has the meaning set forth in the DDA.

J. "Excess Credit Hours" shall mean the number of Construction Work Hours performed within a trade by Local Residents or Apprentices, as applicable, on a Construction Work that exceed the obligations set forth in Section 1.3.

K. "Horizontal Improvement" has the meaning set forth in the DDA.

L. "Job Notification" means the written notice of any Hiring Opportunities from Contractor to CityBuild. Contractor shall provide Job Notifications to CityBuild with a minimum of 3 business days' notice.

M. "Local Resident" means an individual who is domiciled, as defined by Section 349(b) of the California Election Code, within the City at least seven (7) days prior to commencing work on a portion of the Project.

N. "Non-Covered Construction Work" means any construction work not covered by the San Francisco Local Hiring Policy and the construction of any tenant improvements within a leased premises comprised of less than 15,000 square feet in floor area.

O. "Parcel Lease" has the meaning set forth in the DDA.

P. "Phase" has the meaning set forth in the DDA.

Q. "Project Site" has the meaning set forth in the DDA.

R. "Specialized Trades" means a list of trades designated as "Specialized Trades" published by OEWD for which the local hiring requirements of the Policy will not apply.

S. "Targeted Worker" means any Local Resident or Disadvantaged Worker.

T. "Vertical DDA" has the meaning set forth in the DDA.

U. "Vertical Developer" has the meaning set forth in the DDA.

V. "Vertical Improvement" has the meaning set forth in the DDA.

1.3 LOCAL HIRING PARTICIPATION

A. The Contractor will work with OEWD's CityBuild Program to achieve the following employment participation levels for all Construction Work:

1. Total Construction Work Hours By Trade. For all contracts for Construction Work, the mandatory participation level in terms of Construction Work Hours within each trade to be performed by Local Residents is 30%, with a goal, which is not mandatory under this

agreement, of no less than 15% of Construction Work Hours within each trade to be performed by Disadvantaged Workers.

2. Apprentices. For all Construction Work, at least 30% of the Construction Work Hours performed by apprentices within each trade is required to be performed by local residents. OEWD has a goal of 50%, which is not mandatory under this agreement, and OEWD will work with contractors to look for feasible opportunities by trade to achieve the 50% goal. Where the candidate pool at a given time includes both apprentices referred by CityBuild and other apprentices, Contractors, shall undertake reasonable efforts to interview the apprentices referred by CityBuild first. This Local Hiring Agreement also establishes a goal, which is not mandatory under this agreement, of no less than 15% of Construction Work Hours performed by apprentices within each trade to be performed by Disadvantaged Workers.

3. Out-of-State Workers. For all Construction Works, Construction Work Hours performed by residents of states other than California will not be considered in calculation of the number of Construction Work Hours to which the local hiring requirements apply. Contractors and Subcontractors shall report to OEWD the number of Construction Work Hours performed by residents of states other than California.

B. Pre-construction or other Local Hire Meeting. Prior to commencement of construction on Construction Works, Contractor and its Subcontractors whom have been engaged by contract and, identified in the forms required under Section 1.6 below as contributing toward the mandatory local hiring requirement, shall attend a preconstruction or other Local Hire meeting convened by OEWD staff. Representatives from Contractor and the Subcontractor(s) who attend such pre-construction or other Local Hire meeting will have hiring authority. OEWD shall approve applicable Construction Work-specific Specialized Trade exemptions, in addition to the list of trades designated by OEWD as Specialized Trades in accordance with the Section 82.5 of the Policy, during such meeting. Contractor and its Subcontractors who are engaged after the commencement of construction shall attend a future preconstruction meeting or meetings as mutually agreed by Contractor and OEWD staff.

C. The Policy does not limit Contractor's or its Subcontractors' ability to assess qualifications of prospective workers, and to make final hiring and retention decisions. In no event shall hiring preferences required hereunder prevent Contractor's or its Subcontractors' ability to comply with applicable labor agreements or union dispatch procedures. No provision of the Policy shall be interpreted so as to require a Contractor or Subcontractor to employ a worker not qualified for the position in question, or to employ any particular worker.

D. Tenant Improvements. All future tenant improvements performed within a Construction Work subsequent to any initial tenant improvements within such

Construction Work ("Subsequent Tenant Improvements") shall not be subject to the mandatory participation levels set forth in subsection A above. With respect to Subsequent Tenant Improvements, Contractor or Subscontractor, as applicable, are required only to make good faith efforts to hire Local Residents and Disadvantaged Workers to perform construction work for Subsequent Tenant Improvements. Good faith efforts shall include Contractor's or Subconstractor's, as applicable, attendance at a pre-construction or other Local Hire meeting, requesting to connect with potential workers through Citybuild, considering Targeted Workers provided by CityBuild and submitting Local Hiring Forms 1 and 2.

1.4 COMPLIANCE WITH PARTICIPATION OBLIGATIONS CITYBUILD WORKFORCE DEVELOPMENT PROGRAM: EMPLOYMENT NETWORKING SERVICES

A. OEWD administers the CityBuild Program. CityBuild shall be the primary resource for Contractor and Subcontractors to use to meet Contractor's local hiring requirements under the Policy. CityBuild has two main goals:

1. Assist with local hiring requirements under the Policy by connecting Contractor and Subcontractors with qualified journey-level, apprentice, and pre-apprentice local residents.

2. Promote training and employment opportunities for disadvantaged workers of all ethnic backgrounds and genders in the construction work force.

B. Where Contractor's or its Subcontractors' preferred or preexisting hiring or staffing procedures or labor agreements for a Construction Work do not enable Contractor to satisfy the local hiring requirements of the Policy, the Contractor or Subcontractor shall use other procedures to identify and retain Targeted Workers, including the following:

1. Requesting to connect with workers through CityBuild, with qualifications described in the request limited to skills directly related to performance of job duties.

2. Considering Targeted Workers networked through CityBuild within three business days of the request and who meet the qualifications described in the request. Such consideration may include in-person interviews. All workers networked through CityBuild will qualify as Disadvantaged Workers under the Policy. Neither Contractor nor its Subcontractors are required to make an independent determination of whether any worker is "disadvantaged" as defined in the Policy.

C. **Basis of Compliance**:

1. With regard to Horizontal Improvements, OEWD shall determine compliance with this Agreement for each trade on a Phase by Phase basis. OEWD shall measure compliance by dividing the number of Construction Work Hours performed by Local Residents or Apprentices, as applicable, within a trade by the total number of Construction Work Hours performed within the same trade on the Horizontal Improvements within a Phase. In lieu of a Phase by Phase basis, Developer may determine that it can best achieve compliance with this Local Hire Agreement on a Project-wide basis, and may elect to comply on a Project-wide basis by delivering notice to OEWD and the Port of such election during the submission of the penultimate Phase Submittal. After such election, compliance shall be established upon the completion of the Project. In each case, once compliance is established, any Excess Credit Hours shall be confirmed by OEWD and shall be available for Developer, provided developer remains a Giants Affiliate, as defined in the DDA, to use to offset shortfalls in the same trade elsewhere on the Project Site, provided, however that Excess Credits may only be transferred to Horizontal Improvements that complied with the procedures set forth in Sections 1.3B, 1.4B and 1.6 and at completion are still short of attaining the particiapation levels set forth in Section 1.3A.

2. With regard to Vertical Improvements,OEWD shall determine compliance with this Agreement for each trade on an individual Vertical Improvement basis. OEWD shall measure compliance by dividing the number of Construction Work Hours performed by Local Residents or Apprentices, as applicable, within a trade by the total number of Construction Work Hours performed within the same on the Vertical Improvement. In lieu of an individual Vertical Improvement basis, Developer may determine that it can best achieve compliance with this Local Hire Agreement on a Phase by Phase basis, and may elect to comply on a Phase by Phase basis by delivering notice to OEWD and the Port of such election during the submission of a Phase Submittal. After such election, compliance shall be established upon the completion of the Phase, as applicable. In each case, once compliance is established, any Excess Credit Hours shall be confirmed by OEWD and shall be available to the Vertical Developer of the Vertical Improvement that generated such Excess Credit Hours, to transfer to another Vertical Developer, provided that such Vertical Developer is a Giants Affiliate, as defined in the DDA, to offset shortfalls in the same trade on a Vertical Improvements elsewhere on the Project Site, provided, however that Excess Credits may only be transferred to Vertical Improvements that complied with the procedures set forth in Sections 1.3B, 1.4B and 1.6 and at completion are still short of attaining the particiapation levels set forth in Section 1.3A.

1.5 WAIVER FROM LOCAL HIRING REQUIREMENTS

A. Contractor or the Subcontractor may request waivers as follows: (1) Requests for waivers based on Specialized Trades or other non-availability of workers (subsection 1); and (2) other requests for waivers, which may may be considered as conditional waivers by OEWD in its discretion, or based on credit for Non-Covered Construction Work or other construction work specified in subsection 3, and/or participation in the programs described in subsections 4 and 5 below or alternative programs identified by OEWD (subsection 2).

1. Specialized Trades and Other Non-Availability Waivers. Specialized Trades are exempt from local hiring requirements and established in accordance with Section 1.3(B). OEWD shall grant waivers based on a Specialized Trades exemption, provided that (a) the Specialized Trade appears on OEWD's approved list or has been approved as a Construction Work-specific Specialized Trade exemption, and (b) notwithstanding the exemption, Contractor and its Subcontractors have reported to OEWD for its records any Construction Work Hours utilized in each designated Specialized Trade and in each OEWD-approved Construction Work-specific Specialized Trade. As of the date of this Agreement, Specialized Trades include any marine diving, underwater, or marine-related pile-driving work, helicopter pilot, crane operators and oilers, boat, barge, dredge, and/or floating equipment operators, deck engineers, oilers, tunnel/underground work performed by operating engineers and laborers, lineman/cable splicer, stainless steel welders, ironworker connectors and millwrights.

   In addition to Specialized Trades, Contractor or Subcontractor may from time to time seek a waiver based on non-availability of workers in one or more other trades ("Non-availability Waiver"). OEWD may apply any Excess Credit Hours (on a 1:1 basis of Excess Credit Hours to shortfall hours) to address any shortfalls identified with respect to a completed Construction Work that would otherwise be entitled to request a Non-availabilty Waiver under this subsection. At OEWD's discretion, Excess Credit Hours may be allocated anywhere within the Project Site, and to either the same or a different trade. Once Excess Credit Hours are allocated by OEWD such Excess Credit Hours shall no longer be available to Developer elsewhere on the Project Site. OEWD shall grant a Non-Availability Waiver pursuant to this subsection regardless of whether Excess Credit Hours are available to address any shortfall in a trade's Construction Work Hours with respect to a Construction Work, provided that Contractor or Subcontractor has submitted evidence of compliance with the procedures set forth in Sections 1.3B, 1.4B and 1.6.

2. Other Non-Compliance and Corrective Action Plan. In the event Contractor or Subcontractor fails to meet the requirements of Section 1.3 on a basis other than as set forth in subsection 1, OEWD may, in its discretion, negotiate a Corrective Action Plan with the Contractor or Subcontractor. The Corrective Action Plan may include a conditional

waiver that allows the Contractor or Subcontractor to avoid financial penalties. In determining whether to approve the waiver, OEWD may establish alternative means to achieve the participation levels set forth in Section 1.3, including, but not limited to, credit accumulated pursuant to subsection 3 or participation in the programs specified in subsections 4 and 5.

3. Credit for Hiring on Non-Covered Construction Work. Contractor and its Subcontractors may accumulate credit hours for hiring Targeted Workers on Non-Covered Construction Work or on other construction work for which for which the Contractor has exceeded project goals in the nine-county San Francisco Bay Area and apply those credit hours to contracts for Construction Work to meet the mandatory local hiring requirement. For hours performed by Targeted Workers on Non-Covered Construction Work, the hours shall be credited toward the local hiring requirement for the Contract provided that:

   a. the Targeted Workers are paid the prevailing wages or union scale for work on the Non-Covered Construction Work; and

   b. such credit hours shall be committed to by the Contractor on future projects to satisfy any short fall the Contractor may have on a Construction Work. Such commitment shall be in writing by the Contractor, shall extend for a period of time negotiated between the contractor and OEWD, and shall commit to satisfying any assessed penalties should Contractor fail to achieve the required credit hours.

4. Sponsoring Apprentices. Contractor or a Subcontractor may agree to sponsor new apprentices in trades in which noncompliance is likely and retain those apprentices for the period of Contractor's or a Subcontractor's work on the Construction Work, provided that OEWD verifies with the California Department of Industrial Relations that the new apprentices are registered and active apprentices. Contractor will be required to write a sponsorship letter on behalf of the identified candidate to the appropriate Local Union and will make the necessary arrangements with the Union to hire the candidate as soon as s/he is indentured.

5. Direct Entry Agreements. OEWD is authorized to negotiate and enter into direct entry agreements with apprenticeship programs that are registered with the California Department of Industrial Relations' Division of Apprenticeship Standards. Contractor may avoid assessment of penalties for non-compliance with the Policy by Contractor or Subcontractor hiring and retaining apprentices who are enrolled through such direct entry agreements. Contractor may also utilize OEWD-approved organizations with direct entry agreements with Local Unions, such as Helmets to

Hardhats, to hire and retain Targeted Workers. Such exception from assessments of penalties is subject to review and approval by OEWD.

1.6 LOCAL HIRING FORMS

A. The Contractor shall provide CityBuild with information about the Contractor's employment needs under the Contract for each Construction Work by utilizing the City's online Project Reporting System ("PRS"). Contractor shall submit the following forms, as applicable, to OEWD:

1. Form 1: Local Hiring Workforce Projection. This Form 1 shall be initially submitted prior to the start of construction and updated quarterly by the Contractor until all subcontracting is completed.

2. Form 2: Local Hiring Plan. For Construction Works estimated to cost more than $1,000,000, Contractor shall prepare and submit to Contracting City Agency and OEWD for approval a Local Hiring Plan for the Construction Work using OEWD Form 2. Form 2 shall be initially submitted prior to the start of construction and updated quarterly by the Contractor until all subcontracting is completed. Upon commencement of work, Contractor and its Subcontractors may submit Job Notifications to CityBuild to connect with local trades workers.

3. Form 3: Intentionally Omitted.

4. Form 4: Waivers. To be completed by Contractor in the event that Contractor or a Subcontractor believes the local hiring requirements cannot be met. Refer to Articles 1.4 and 1.5 for more information regarding such waivers.

1.7 ENFORCEMENT, RECORD KEEPING, NONCOMPLIANCE AND PENALTIES

A. Subcontractor Compliance. Each Contractor and Subcontractor shall ensure that all Subcontractors agree to comply with applicable requirements of this Local Hiring Agreement. All Subcontractors performing construction work on the Construction Work shall be responsible for complying with the recordkeeping and reporting requirements set forth in this Local Hiring Agreement.

B. Recordkeeping. Contractor and each Subcontractor shall keep, or cause to be kept, for a period of four years from the date of Substantial Completion of the Construction Work, certified payroll and basic records, including time cards, tax forms, and superintendent and foreman daily logs, for all workers within each trade performing work on the Construction Work.

1. Such records shall include the name, address and social security number of each worker who worked on the Construction Work, his or her

classification, a general description of the work each worker performed each day, the apprentice or journey-level status of each worker, daily and weekly number of hours worked, the self-identified race, gender, and ethnicity of each worker, whether or not the worker was a local resident, and the referral source or method through which the contractor or subcontractor hired or retained that worker for work on the Construction Work (e.g., core workforce, name call, union hiring hall, CityBuild referral source, or recruitment or hiring method).

2. Contractor and Subcontractors may verify that a worker is a Local Resident by following OEWD's domicile policy.

3. All records described in this subsection shall at all times be open to inspection and examination by the duly authorized officers and agents of the City, including representatives of the OEWD.

C. Reporting. Contractor shall submit certified payrolls to the City electronically using the Project Reporting System. OEWD and will monitor compliance with the Policy electronically.

D. Monitoring. From time to time and in its sole discretion, OEWD may monitor and investigate compliance of Contractor and Subcontractors working on a Construction Work with requirements of this Local Hiring Agreement and the Policy. Contractor shall allow representatives of OEWD, in the performance of its duties, to engage in random inspections of a Construction Work. Contractor and all Subcontractors shall also allow representatives of OEWD to have access to employees of Contractor and Subcontractors and the records required to be maintained under this Local Hiring Agreement.

E. Noncompliance and Penalties. Failure of Contractor and/or its Subcontractors to comply with the requirements of this Local Hiring Agreement and the obligations set forth in the Local Hiring Plan may subject Contractor to the consequences of noncompliance, including but not limited to the assessment of penalties if a waiver is not granted. The assessment of penalties for noncompliance shall not preclude the City from exercising any other rights or remedies to which it is entitled.

a. **Penalties Amount.** Any Contractor or Subcontractor who fails to satisfy Local Hiring Requirements of this agreement applicable to Construction Work Hours performed by Local Residents and who does not receive a waiver shall forfeit to the City, and, in the case of any Subcontractor so failing, the Contractor and Subcontractor shall jointly and severally forfeit to the City, an amount equal to the journeyman or Apprentice prevailing wage rate, as applicable, with such wage as established by the Board of Supervisors or the California Department of Industrial Relations under subsection 6.22(e)(3) of the Administrative Code, for the primary trade

used by the Contractor or Subcontractor on the Construction Work for each hour by which the Contractor or Subcontractor fell short of the Local Hiring Requirement. The assessment of penalties under this subsection shall not preclude the City from exercising any other rights or remedies to which it is entitled under this agreement.

b. **Assessment of Penalties.** OEWD shall determine whether a Contractor and/or any Subcontractor has failed to comply with the Local Hire Requirement. If after conducting an investigation, OEWD determines that a violation has occurred, OWED shall provide Contractor or Subcontractor, as applicable, notice of such failure and provide such entity a reasonable opportunity to cure its failure. If such entity does not cure such failure, OEWD shall issue and serve an assessment of penalties to the Contractor and/or any Subcontractor that sets forth the basis of the assessment and orders payment of penalties in the amounts equal to the journeyman or apprentice prevailing wage rates, as applicable, for the primary trade used by the Contractor or Subcontractor on the Construction Work for each hour by which the Contractor or Subcontractor fell short of the Local Hiring Requirement. Assessment of penalties under this subsection shall be made only upon an investigation by OEWD and upon written notice to the Contractor or Subcontractor identifying the grounds for the penalty and providing the Contractor or Subcontractor with the opportunity to respond pursuant to the recourse procedures prescribed in this agreement.

c. **Recourse Procedure.** If the Contractor or Subcontractor disagrees with the assessment of penalties, then the following procedure applies:

i. The Contractor or Subcontractor may request a hearing in writing within 15 days of the date of the final notification of assessment. The request shall be directed to the City Controller. Failure by the Contractor or Subcontractor to submit a timely, written request for a hearing shall constitute concession to the assessment and the forfeiture shall be deemed final upon expiration of the 15-day period. The Contractor or Subcontractor must exhaust this administrative remedy prior to commencing further legal action.

ii. Within 15 days of receiving a proper request, the Controller shall appoint a hearing officer with knowledge and not less than five years' experience in labor law, and shall so advise the enforcing official and the Contractor or Subcontractor, and/or their respective counsel or authorized representative.

iii. The hearing officer shall promptly set a date for a hearing. The hearing must commence within 45 days of the notification of the appointment of the hearing officer and conclude within 75 days of such notification unless all parties agree to an extended period.

iv. Within 30 days of the conclusion of the hearing, the hearing officer shall issue a written decision affirming, modifying, or dismissing the assessment. The decision of the hearing officer shall consist of findings and a determination. The hearing officer's findings and determination shall be final.

v. The Contractor or Subcontractor may appeal a final determination under this by filing in the San Francisco Superior Court a petition for a writ of mandate under California Code of Civil Procedure Section 1084 *et seq.*, as applicable and as may be amended from time to time.

1.8 COLLECTIVE BARGAINING AGREEMENT

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

1.9 DURATION OF THIS AGREEMENT

This Local Hiring Agreement shall be in full force and effect throughout the term of the Contract. Upon expiration of the Contract, or its earlier termination, this Local Hiring Agreement shall terminate and it shall be of no further force and effect on the parties hereto.

1.10 NOTICE

All notices to be given under this Local Hiring Agreement shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to OEWD: OEWD
1 South Van Ness 5th Fl. San Francisco, CA 94103
Attn: Ken Nim, Compliance Manager,
ken.nim@sfgov.org

If to CityBuild: CityBuild Compliance Manager
OEWD, 1 South Van Ness 5th Fl.
San Francisco, CA 94103
Attn: Ken Nim, Compliance Manager,
ken.nim@sfgov.org

If to Port:

Attn:

If to Developer:

Attn:

If to Vertical Developer:

Attn:

If to Contractor:

Attn:

If to Subcontractor:

Attn:

Any party may change its address for notice purposes by giving the other parties notice of its new address as provided herein. A "business day" is any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to close.

Notwithstanding the forgoing, any Job Notification or any other reports required of Contractor under this Agreement (collectively, "Contractor Reports") shall be delivered to the address of OEWD pursuant to this Section via first class mail, postage paid, and such Contractor Reports shall be deemed delivered two (2) business days after deposit in the mail in accordance with this Subsection.

1.11 ENTIRE AGREEMENT

This Local Hiring Agreement and the Transaction Documents contain the entire agreement between the parties to this Local Hiring Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest. This Local Hiring Agreement shall inure to the benefit of and be binding on the parties and their respective successors and assigns. If there is more than one party comprising Contractor, their obligations shall be joint and several.

1.12 SEVERABILITY

If any term or provision of this Local Hiring Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Local Hiring Agreement shall not be affected.

1.13 COUNTERPARTS

This Local Hiring Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.

1.14 HEADINGS

Section titles and captions contained in this Local Hiring Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Local Hiring Agreement or the intent of any of its provisions

1.15 GOVERNING LAW

This Local Hiring Agreement shall be governed and construed by the laws of the State of California, and interpreted consistent with the requirements of Chapter 82.

IN WITNESS WHEREOF, the following have executed this Local Hiring Agreement as of the date set forth above.

CONTRACTOR:

Date: _____ Signature: _____

Name of Authorized Signer: _____

Company: _____

Address: _____

Phone: _____

Email: _____

SAN FRANCISCO
Office of Economic and Workforce Development

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT
CITYBUILD PROGRAM

LOCAL HIRING PROGRAM
OEWD FORM 1
CONSTRUCTION CONTRACTS

FORM 1: LOCAL HIRING WORKFORCE PROJECTION

Contractor: _____ **Project Name:** _____ _____

The Contractor must complete and submit this *Local Hiring Workforce Projection* (Form 1) prior to the start of construction and quarterly until all subcontracting is complete. The Contractor must include information regarding all of its Subcontractors who will perform construction work on the project regardless of Tier and Value Amount.

Will you be able to meet the mandatory Local Hiring Requirements?

☐ **YES** ***(Please provide information for all contractors performing construction work in Table 1 below.)***

☐ **NO** ***(Please complete Table 1 below and Form 4: Conditional Waivers.)***

INSTRUCTIONS FOR COMPLETING TABLE 1:

1. Please organize the contractors' information based on their Trade Craft work.
2. For contractors performing work in various Trade Craft, please list contractor name in each Trade Craft (*i.e. if Contractor X will perform two trades, list Contractor X under two Trade categories.*)
3. If you anticipate utilizing apprentices on this project, please note the requirement that 30% of apprentice hours must be performed by San Francisco residents.
4. Additional blank form is available at our Website: www.workforcedevelopsf.org. For assistance or questions in completing this form, contact (415) 701-4894 or Email @ Local.hire.ordinance@sfgov.org.

TABLE 1: WORKFORCE PROJECTION

Trade Craft	Contractor *List contractors by Trade Craft*		Est. Total Work Hours	Est. Total Local Work Hours	Est. Total Local Work Hours %
Example: Laborer	*Contractor X*	*Journey*	800	250	31%
		Apprentice	200	100	50%
Example:Laborer	*Contractor Y*	*Journey*	500	100	20%
		Apprentice	0	0	0
Example:	**TOTAL LABORER**	*Journey*	1300	350	**27%**
		Apprentice	200	100	**50%**
Example:		**TOTAL**	**1500**	**450**	**30%**
		Journey			
		Apprentice			
		Journey			
		Apprentice			
		Journey			
		Apprentice			

DISCLAIMER: *If the Total Work Hours for a Trade Craft are less than 5% of the Total Construction Work Hours, the Trade Craft is exempt from the Mandatory Requirement. Subsequently, if the Trade Craft exceeds 5% of the Total Construction Work Hours at any time during the project, the Trade Craft is subject to the Mandatory Requirement.*

Name of Authorized Representative	Signature	Date	Phone	Email

Attachment B-1

SAN FRANCISCO
Office of Economic and Workforce Development

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT
CITYBUILD PROGRAM

LOCAL HIRING PROGRAM
OEWD FORM 2
CONSTRUCTION CONTRACTS

FORM 2: LOCAL HIRING PLAN

Contractor: _____ **Project Name:** _____

If the Estimate for this Project exceeds **$1 million**, then Contractor must submit a *Local Hiring Plan* using this Form 2 through the City's Project Reporting System. Form 2 shall be initially submitted prior to the start of construction and include all known subcontractors. Contractor shall update this Form 2 quarterly as subcontractors are identified and shall continue with updates until all subcontracting is complete. The OEWD-approved Local Hiring Plan will be a Contract Document and will be the basis for determining Contractor's and its Subcontractors' compliance with the local hiring requirements. Any OEWD-approved *Conditional Waivers* (Form 4) will be incorporated into the OEWD-approved Local Hiring Plan.

COMPLETE AND SUBMIT A SEPARATE FORM 2 FOR EACH TRADE THAT WILL BE UTILIZED ON THIS PROJECT.

INSTRUCTIONS:

1. Please complete tables below for Contractor and all Subcontractors that will be contributing Construction Work Hours to meet the Local Hiring Requirement.
2. Please note that a Form 2 will need to be developed and approved separately for each trade craft that will be utilized on this project.
3. If you anticipate utilizing apprentices on this project, please note the requirement that 30% of apprentice hours must be performed by San Francisco residents.
4. The Contractor and each Subcontractor identified in the Local Hiring Plan must sign this form before it will be considered for approval by OEWD.
5. If applicable, please attach all OEWD-approved Form 4 Conditional Waivers.
6. Additional blank form is available at our Website: www.workforcedevelopsf.org. For assistance or questions in completing this form, contact (415) 701-4894 or Email @ Local.hire.ordinance@sfgov.org.

List Trade Craft. Add numerical values from Form 1: Local Hiring Workforce Projection and input in the table below.

Trade Craft	Total Work Hours	Total Local Work Hours	Local Work Hours%	Total Apprentice Work Hours	Total Local Apprentice Work Hours	Local Apprentice Work Hours %
Example: Laborer	*1500*	*450*	*30%*	*200*	100	50%

List all contractors contributing to the Construction Work Hours to meet the Local Hiring Requirements for the above Trade Craft

Contractor and Authorized Representative	Local Journey Hours	Local Apprentice Hours	Total Local Work Hours	Start Date	Number of Working Days	*Contractor Signature
Contractor X Joe Smith	250	100	350	3/25/13	60	*Joe Smith*
Contractor Y Michael Lee	100	0	100	5/25/13	30	*Michael Lee*

We the undersigned, have reviewed Form 2 and agree to deliver the hours set forth in this document.

City Use Only	
OEWD Approval	☐ Yes ☐ No
Signature and Date:	

Attachment B-2

SAN FRANCISCO
Office of Economic and Workforce Development

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT
CITYBUILD PROGRAM

LOCAL HIRING PROGRAM
OEWD FORM 4
CONSTRUCTION CONTRACTS

FORM 4: WAIVERS

Contractor: _____ **Project Name:** _____

Upon approval from OEWD, Contractors and Subcontractors may use one or more of the following pipeline and retention compliance mechanisms to receive a Conditional Waiver from the Local Hiring Requirements on a project-specific basis. Conditional Waivers must be approved by OEWD. If applicable, each subcontractor must submit their individual Waiver request to OEWD and copy their Prime Contractor.

TRADE WAIVER INFORMATION: Please provide information on the Trades you are requesting Waivers for:

Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours	Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours
1.			3.		
2.			4.		

Please check any of the following Waivers and complete the appropriate boxes for approval:

☐ **1. SPECIALIZED TRADES** ☐ **2. SPONSORING APPRENTICES** ☐ **3. CREDIT FOR NON-COVERED PROJECTS**

1. SPECIALIZED TRADES: Will your firm be requesting Waivers for "Specialized Trades" designated by OEWD and listed on OEWD's website or project-specific Specialized Trades approved by OEWD during the bid period? ☐ Yes ☐ No

Please CHECK off the following Specialized Trades you are claiming for Condition Waiver:

☐ MARINE PILE DRIVER ☐ HELICOPTER, CRANE, OR DERRICK BARGE OPERATOR ☐ IRONWORKER CONNECTOR
☐ STAINLESS STEEL WELDER ☐ TUNNEL OPERATING ENGINEER ☐ ELECTRICAL UTILITY LINEMAN ☐ MILLWRIGHT
☐ TRADE CRAFT IS LESS THAN 5% OF TOTAL WORK HOURS. ***LIST:***

a. List OEWD-approved project-specific Specialized Trades approved during the bid period:

OEWD APPROVAL: ☐ **Yes** ☐ **No** **OEWD Signature:**

2. SPONSORING APPRENTICES: Will you be able to work with OEWD to sponsor an OEWD-specified number of new apprentices in the agreeable trades into California Department of Industrial Relations' Division of Apprenticeship Standards approved apprenticeship programs? ☐ Yes ☐ No

PLEASE PROVIDE DETAILS:

Construction Trade	Est. # of Sponsor Positions	Union (Yes / No)	If Yes, Local #	Est. Start Date	Est Duration of Working Days	Est Total Work Hours Performed
		Y ☐ N ☐				
		Y ☐ N ☐				

OEWD APPROVAL: ☐ **Yes** ☐ **No** **OEWD Signature:**

3. CREDIT for HIRING on NON-COVERED PROJECTS: If your firm cannot meet the mandatory local hiring requirement, will you be requesting credit for hiring Targeted Workers on Non-covered Projects? ☐ Yes ☐ No

PLEASE PROVIDE DETAILS:

Labor Trade, Position, or Title		Est. # of Off-site Hires	Est Total Work Hours Performed	Offsite Project Name	Project Address
	Journey				
	Apprentice				

	OEWD APPROVAL: ☐ **Yes** ☐ **No**	**OEWD Signature:**

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B6 - B

"Local Business Enterprise Utilization Plan"

DDA Exhibit B6 - B

Local Business Enterprise (LBE) Utilization Program.

The development plan for Mission Rock under the Transaction Documents provides for the development of a new mixed-use neighborhood composed of commercial/office, retail, garage, market rate and affordable residential uses and major new and expanded parks. This Workforce Development Plan sets forth the activities Developer and Vertical Developer shall undertake, and require their Contractors, Consultants, Subcontractors, Subconsultants, and Commercial Tenants, as applicable, to undertake, to support local business enterprises in both the construction and operations phases of the Project, as set forth in this Exhibit B6-B.[1]

The Port and Developer shall enter into the DDA which will provide for the development of the Project in a series of Phases. In connection with the DDA, the Port and the Developer will enter into a Master Lease providing Developer the right to construct Horizontal Improvements within the Project. Developer will enter into contracts with Contractors and Consultants to construct all Horizontal Improvements allowed under the Master Lease.

Developer will submit Phase Submittals to the Port pursuant to the Transaction Documents. Following each Phase Approval, the Port will authorize the Chief Harbor Engineer to issue Port permits necessary for Developer to begin to construct Horizontal Improvements in accordance with the DDA and the Master Lease. Upon exercise of an Option in accordance with the DDA, the Port will convey each Development Parcel through Parcel Leases to a Vertical Developer. A Vertical Developer will enter into contracts with Contractors and Consultants to construct the Vertical Improvements, including residential and commercial improvements, in accordance with the Parcel Lease and Vertical DDA. Upon completion of the Vertical Improvements, the applicable Parcel Lease, between the Port and the Vertical Developer, shall govern the operation and use of the Vertical Improvements.

The foregoing summary is provided for convenience and for informational purposes only. In case of any conflict, the provisions of the DDA and each Vertical DDA shall control.

[1] Any capitalized term used in this Exhibit B6-B, including its Attachments, that is not defined herein, or in such Attachments, or in the referenced Administrative Code Sections, shall have the meaning given to such term in the DDA.

LBE Utilization Plan.

Developer, with respect to Horizontal Improvements, shall, and the Vertical Developer, with respect to each Vertical Improvement, shall comply and require their respective Contractors and Consultants to comply with the Local Business Enterprise Utilization Plan (the "LBE Utilization Plan") set forth in Attachment A hereto. The Port shall cause (i) Developer, pursuant to the DDA and Master Lease, to comply with the Plan by including such requirements as a material term in the DDA and Master Lease applicable to all phases of Horizontal Improvements and (ii) each Vertical Developer to comply with the Plan by including such requirements as a material term in the VDDA and Parcel Lease applicable to each Vertical Improvement. The Port and Developer will seek to, whenever practicable, engage contracting teams to reflect the diversity of the City and include participation of both businesses and residents from the City's most disadvantaged communities including, but not limited to the Bayview/Hunters Point, Chinatown, Mission, South of Market, Tenderloin, Visitacion Valley and Western Addition neighborhoods.

Compliance with the construction requirements of the LBE Utilization Plan for Horizontal Improvements shall be determined on a Phase by Phase basis. Compliance will be measured by dividing the cost of all Contracts for a Phase of Horizontal Improvement awarded to LBE Prime Contractors, Subcontractors, Prime Consultants or Subconsultants divided by the total cost of all Contracts awarded to Prime Contractors, Subcontractors, Prime Consultants or Subconsultants for such Phase of Horizontal Improvement. If Developer exceeds the goals set forth in the LBE Utilization Plan with respect to an individual Horizontal Improvement, Developer may, at its option, allocate such excess, subject to terms outlined below, towards the compliance of another Horizontal Improvement within the Project Site, subject to the requirements of Attachment A. Notwithstanding anything to the contrary, Developer may, at its election, require that compliance be determined on a Project-wide basis by giving notice to CMD and the Port of such election during the submission of the penultimate Phase Submittal.

Compliance with the construction requirements of the LBE Utilization Plan for Vertical Improvements shall be determined on an individual Vertical Improvement basis. Compliance will be measured by dividing the cost of all Contracts for a Vertical Improvement awarded to LBE Prime Contractors, Subcontractors, Prime Consultants or Subconsultants divided by the total cost of all Contracts awarded to Prime Contractors, Subcontractors, Prime Consultants or Subconsultants for such Vertical Improvement. If a Vertical Improvement exceeds goals set forth in the LBE Utilization Plan, the Vertical Developer of such Construction Work may, at its option, allocate such excess towards the compliance of another Vertical Improvement within the Project Site or transfer such excess to another Vertical Developer within the Project Site, subject to the requirements of Attachment A. Notwithstanding anything to the contrary, Developer may, at its election, require that compliance be determined on a Phase-wide basis by giving notice to CMD and the Port of such election, pursuant to Attachment A, during the submission of a Phase Submittal.

The Developer, Vertical Developer(s) and CMD seek to reduce barriers to LBE participation, cost, and time. As such, the Developer and Vertical Developer(s) shall work in

good faith with CMD to design and implement for each Horizontal and Vertical Improvement insurance programs which provides to LBE participating subcontractors access to the required coverage through either the owner, Owner-Controlled Insurance Policy (OCIP), general contractor, Contractor-Controlled Insurance Policy (CCIP), or such other insurance program as may become reasonably commercially available.

CMD shall notify Contractors, Consultants, Subcontractors and Subconsultants, as applicable, in writing, with a copy to the Port and Developer or Vertical Developer, as applicable, of any alleged breach on the part of that entity of its obligations under San Francisco Administrative Code Chapter 14B ("Chapter 14B") or its LBE Utilization Plan, as applicable, and provide such entity an opportunity to cure its failure before seeking an assessment of liquidated damages. CMD's sole remedies against a Contractor, Consultant, Subcontractor and Subconsultant shall be as set forth in the applicable LBE Utilization Plan, including the enforcement process. Upon CMD's request, Port, Developer or Vertical Developer, as applicable, shall reasonably cooperate with CMD in any such enforcement action against any Contractors, Consultants, Subcontractors and Subconsultants, provided that in no event shall Port, Developer or Vertical Developer, as applicable, be liable for any breach by a Contractor, Consultant, Subcontractor or Subconsultant.

If the Port, Developer or Vertical Developer, as applicable, fulfills its obligations as set forth in this Exhibit B2, it shall not be held responsible for the failure of a Contractor, Consultant, Subcontractor and Subconsultant or any other person or party to comply with the requirements of San Francisco Administrative Code Chapter 14B ("Chapter 14B") or this Exhibit B2. If Developer or Vertical Developer, as applicable, fails to fulfill its obligations under this Exhibit B6-B, the applicable provisions of Chapter 82 shall apply, though the Port and Developer, as applicable, shall have the right to invoke the process set forth in Article 10 of the DDA.

This Exhibit B6-B complies with the requirements of Chapter 14B, including Sections 14B.20.

Attachment A

Local Business Enterprise Utilization Plan

1. Purpose and Scope. This Local Business Enterprise Utilization Plan (this "LBE Utilization Plan") governs the Local Business Enterprise obligations of the Workforce Improvement or the Construction Work pursuant to San Francisco Administrative Code Section 14B.20 and satisfies the obligations of Developer, Vertical Developer and their Contractors and Consultants for a LBE Utilization Plan as set forth herein. In the event of any conflict between San Francisco Administrative Code Chapter 14B ("Chapter 14B") and this attachment, this LBE Utilization Plan shall govern.

2. Roles of Parties. In connection with the design and construction phases of each Construction Work (as defined below) and the operations of each Workforce Improvement, the Project will provide community benefits designed to foster employment opportunities for disadvantaged individuals by offering contracting and consulting opportunities to local business enterprises ("LBEs"). Developer and Vertical shall participate in a local business enterprise program, and the City's Contract Monitoring Division ("CMD") will serve the roles as set forth below.

3. Definitions. For purposes of this Attachment, the definitions shall be as follows:

a. "CMD" shall mean the Contract Monitoring Division of the City Administrator's Office.

b. "Commercially Useful Function" shall mean that the business is directly responsible for providing the materials, equipment, supplies or services to Developer, Vertical Developer, Contractor or professional services firm retained to work on a Construction Work or Workforce Improvement, as the case may be (each, a "Contracting Party") as required by the solicitation or request for quotes, bids or proposals. Businesses that engage in the business of providing brokerage, referral or temporary employment services shall not be deemed to perform a "commercially useful function" unless the brokerage, referral or temporary employment services are those required and sought by Developer or Vertical Developer or a Contractor or professional services firm. When Developer or Vertical Developer or a Contractor or professional services firm requires and seeks products from an LBE supplier or distributor, no more than sixty percent of the cost of the product shall be credited towards LBE participation goals. If the listed supplier or distributor does not regularly stock or is a specially manufactured item(s), the required product, no more than five percent of the cost of the product shall be credited towards LBE participation goals.

c. "Consultant" shall mean a person or company that has entered into a professional services contract for monetary consideration with Developer or Vertical Developer to provide advice or services to Developer directly related to the architectural or landscape design, physical planning, and/or civil, structural or

environmental engineering of a Construction Work or Workforce Improvement.

d. "Construction Work" shall mean: (i) in the case of Horizontal Improvements, construction of all Horizontal Improvements required or permitted to be made to the Project Site during a Phase and to be carried out by Developer under the DDA subject to Chapter 14B; or (ii) in the case of Vertical Improvements, a Vertical Improvement and all tenant improvements therein, except for the construction of any tenant improvements within a leased premises comprised of less than 15,000 square feet in floor area, to be constructed by a Vertical Developer on a Development Parcel pursuant to an applicable Vertical DDA and Parcel Lease.

e. "Contract(s)" shall mean an agreement, whether a direct contract or subcontract, for Consultant or Contractor services for all or a portion of a Construction Work or Workforce Improvement.

f. "Contractor" shall mean a person or entity that enters into a direct Contract with Developer or Vertical Developer to build or construct all or a portion of a Construction Work or operate a Workforce Improvement.

g. "DDA" means the Disposition and Development Agreement between Developer and the City and County of San Francisco, acting by and through the San Francisco Port Commission.

h. "Developer" has the meaning set forth in the DDA, including any successor during the term of this LBE Utilization Plan.

i. "Development Parcel" has the meaning set forth in the DDA.

j. "Excess Credit" shall mean the total cost of all Contracts for a Construction Work awarded to LBE Prime Contractors, Subcontractors, Prime Consultants or Subconsultants that are Small and Micro-LBEs that exceeds the goals set forth in Section 4.

k. "Horizontal Improvement" has the meaning set forth in the DDA.

l. "Good Faith Efforts" shall mean procedural steps taken by Developer, Vertical Developer, Contractor or Consultant with respect to the attainment of the LBE participation goals, as set forth in Section 6 below.

m. "Local Business Enterprise" or "LBE" means a business that is certified as an LBE under Chapter 14B.3.

n. "LBE Liaison" shall mean Developer's and Vertical Developer's primary point of contact with CMD regarding the obligations of this LBE Utilization Plan. Each prime Contractor(s) shall likewise have a LBE Liaison.

o. "Parcel Lease" has the meaning set forth in the DDA.

p. "Phase" has the meaning set forth in the DDA.

q. "Port" has the meaning set forth in the DDA.

r. "Project" has the meaning set forth in the DDA.

s. "Project Site" has the meaning set forth in the DDA.

t. "Subconsultant" shall mean a person or entity that has a direct Contract with a Consultant to perform a portion of the work under a Contract fora Construction Work or Workforce Improvement.

u. "Subcontractor" shall mean a person or entity that has a direct Contract with a Contractor to perform a portion of the work under a Contract fora Construction Work or Workforce Improvement.

v. "Vertical DDA" has the meaning set forth in the DDA.

w. "Vertical Developer" has the meaning set forth in the DDA.

x. "Workforce Improvement" shall mean all completed Vertical Improvements, but excluding within: (a) any commercial premises occupying less than 15,000 square feet in floor area, and (b) any residential units therein, subject to Chapter 14B.

4. LBE Participation Goal. Developer and Vertical Developer agree to participate in this LBE Utilization Plan and CMD agrees to work with Developer and Vertical Developer in this effort, as set forth in this LBE Utilization Plan. As long as this LBE Utilization Plan remains in full force and effect, Developer, with respect to the construction of Horizontal Improvements, and Vertical Developer, with respect to the construction of Vertical Improvements, shall make good faith efforts as defined below to achieve an overall LBE participation goal of 20% of the total cost of all Contracts for a Construction Work awarded to LBE Prime Contractors, Subcontractors, Prime Consultants or Subconsultants that are Small and Micro-LBEs, as set forth in Administrative Code Section 14B.8(A) and a participation goal of 10% during the pre-construction phase of the Project.

5. Developer/Vertical Developer Obligations. Developer, with respect to the construction of Horizontal Improvements, and Vertical Developer, with respect to the construction of Vertical Improvements, shall comply with the requirements of this Attachment A as follows: Upon entering into a Contract with a Contractor or Consultant, Developer or Vertical Developer, as applicable, will include each such Contract a provision requiring the Contractor or Consultant to comply with the terms of this Attachment A, and setting forth the applicable percentage goal for such Contract, and provide a signed copy thereof to CMD and the Port within 10 business days of execution. Such Contract shall specify the notice information for the

Contractor or Consultant to receive notice pursuant to Section 16.Developer and each Vertical Developer shall identify a "LBE Liaison" as its main point of contact for outreach/compliance concerns and shall be available to meet with CMD staff on a regular basis or as necessary regarding the implementation of this Attachment A. If Developer, with respect to Horizontal Improvements, or a Vertical Developer, with respect to construction of the Vertical Improvements, fulfills its obligations as set forth in this Section 5 and otherwise cooperates in good faith at CMD's request with respect to any meet and confer process or enforcement action against a non-compliant Contractor, Consultant, Subcontractor or Subconsultant, then Developer or Vertical Developer, as applicable, shall not be held responsible for the failure of a Contractor, Consultant, Subcontractor or Subconsultant or any other person or party to comply with the requirements of this Attachment A.

6. Good Faith Efforts. City acknowledges and agrees that Developer, Vertical Developer, Contractor, Subcontractor, Consultant and Subconsultant shall have the sole discretion to qualify, hire or not hire LBEs. If a Contractor or Consultant does not meet the LBE hiring goal set forth above in Section 5, it will nonetheless be deemed to satisfy the good faith effort obligation of this Section 6 and thereby satisfy the requirements and obligations of this Attachment A if the Contractor, Consultants and their Subcontractors and Subconsultants, as applicable, perform the good faith efforts set forth in this Section 6 as follows:

a. Advance Notice. Notify CMD and the Port in writing of all upcoming solicitations of proposals for work under a Contract at 15 business days before issuing such solicitations to allow opportunity for CMD to identify and outreach to any LBEs that it reasonably deems may be qualified for the Contract scope of work.

b. Contract Size. Where practicable, Developer, Vertical Developer, Contractor, Consultant, Subcontractor or Subconsultant will divide the work in order to encourage maximum LBE participation or, encourage joint venturing. The Contracting Party will identify specific items of each Contract that may be performed by Subcontractors.

c. Advertise. Developer, Vertical Developer, Contractor, Consultant, Subcontractor or Subconsultant will advertise for at least 30 days prior to the opening of bids or proposals, for professional services and contracting opportunities in media focused on small businesses including the Bid and Contract Opportunities website through the City's Office of Contract Administration (http://mission.sfgov.org/OCABidPublication) and other local and trade publications, and allowing subcontractors to attend outreach events, pre-bid meetings, and inviting LBEs to submit bids to Developer or Vertical Developer or their respective Prime Contractor or Consultant, as applicable. As practicable, convene pre-bid or pre-solicitation meetings no less than 15 days prior to the opening of bids and proposals to all for LBEs to ask questions about the selection process and technical specifications/requirements. Developer or Vertical Developer may request CMD's permission to award a contract without advertising if the work consists of specialty services or otherwise does not provide

opportunities for LBE participation.

d. CMD Invitation. If a pre-bid meeting or other similar meeting is held with proposed Contractors, Subcontractors, Consultants or Subconsultants, invite CMD to the meeting to allow CMD to explain proper LBE utilization.

e. Public Solicitation. Developer or Vertical Developer or their respective Prime Contractor(s) and/or Consultants, as applicable, will work with CMD to follow up on initial solicitations of interest by contacting LBEs to determine with certainty whether they are interested in performing specific items in a project.

f. Outreach and Other Assistance. Developer or Vertical Developer or their respective Prime Contractor (s) and/or Consultants, as applicable, will a) provide LBEs with plans, specifications and requirements for all or part of the project; b) notify LBE trade associations that disseminate bid and contract information and provide technical assistance to LBEs. The designated LBE Liaison(s) shall be or work with a LBE Consultant with experience in and responsibility for making recommendations on how to maximize engagement of local small businesses from disadvantaged communities including, but not limited to the Bayview/Hunters Point, Chinatown, Mission, South of Market, Tenderloin, Visitacion Valley and Western Addition neighborhoods, and will work with CMD to conduct outreach to LBEs for all consulting/contracting opportunities in the applicable trades and services in order to encourage them to participate on the project.

g. Contacts. Make contacts with LBEs, associations or development centers, or any agencies, which disseminate bid and contract information to LBEs and document any other efforts undertaken to encourage participation by LBEs.

h. Good Faith/Nondiscrimination. Make good faith efforts to enter into Contracts with LBEs and give good faith consideration to bids and proposals submitted by LBEs. Use nondiscriminatory selection criteria (for the purpose of clarity, exercise of subjective aesthetic taste in selection decisions for architect and other design professionals shall not be deemed discriminatory and the exercise of its commercially reasonable judgment in all hiring decisions shall not be deemed discriminatory).

i. Incorporation into contract provisions. Developer or Vertical Developer shall include in its Contracts provisions that require prospective Contractors and Consultants that will be utilizing Subcontractors or Subconsultants to follow the above good faith efforts to subcontract to LBEs, including overall LBE participation goal and any LBE percentage that may be required under such Contract.

j. Monitoring. Allow CMD Contract Compliance unit to monitor Consultant/Contractor selection processes and, when necessary give suggestions as to how best to maximize LBEs ability to complete and win

procurement opportunities.

k. Insurance and Bonding. Recognizing that lines of credit, insurance and bonding are problems common to local businesses, staff will be available to explain the applicable insurance and bonding requirements, answer questions about them, and, if possible, suggest governmental or third party avenues of assistance. Contractor, Subcontractor, Consultant and Subconsultant will work with the Developer, Vertical Developer and CMD in good faith to design and implement for each Horizontal and Vertical Improvement insurance programs which provides to LBE participating subcontractors access to the required coverage through either the owner, Owner-Controlled Insurance Policy (OCIP), general contractor, Contractor-Controlled Insurance Policy (CCIP), or such other insurance program as may become reasonably commercially available.

l. Maintain Records and Cooperation. Maintain records of LBEs that are awarded Contracts, not discriminate against any LBEs, and, if requested, meet and confer with CMD as reasonably required in addition to the meet and confer sessions described in Section 9 below to identify a strategy to meet the LBE goal;

m. Quarterly Reports. During design and construction, the LBE Liaison(s) shall prepare a quarterly report of LBE participation goal attainment and submit to CMD as required by Section 9 herein; and

n. Meet and Confer. Attend the meet and confer process described in Section 9.

7. Good Faith Outreach. Good faith efforts shall be deemed satisfied solely by compliance with Section 6. Contractors and Consultants, and Subcontractors and Subconsultants as applicable shall also work with CMD to identify from CMD's database of LBEs those LBEs who are most likely to be qualified for each identified opportunity under Section 6.b, and following CMD's notice under Section 8.a, shall undertake reasonable efforts at CMD's request to support CMD's outreach identified LBEs as mutually agreed upon by CMD and each Contractor or Consultant and its Subcontractors and Subconsultants, as applicable.

8. CMD Obligations. The following are obligations of CMD to implement this LBE Utilization Plan:

a. During the fifteen (15) business day notification period for upcoming Contracts required by Section 6.b, CMD will work with Developer or its prime Contractor and/or Consultant as applicable to send such notification to qualified LBEs to alert them to upcoming Contracts.

b. Provide assistance to Contractors, Subcontractors, Consultants and Subconsultants on good faith outreach to LBEs.

c. Review quarterly reports of LBE participation goals; when necessary give

suggestions as to how best to maximize LBEs ability to compete and win procurement opportunities.

d. Perform other tasks as reasonably required to assist Developer or Vertical Developer or their Contractors, Subcontractors, Consultants and Subconsultants in meeting LBE participation goals and/or satisfying good faith efforts requirements.

9. Meet and Confer Process. Commencing with the first Contract that is executed for a Construction Work, and every six (6) months thereafter, or more frequently if requested by either CMD, Developer or a Contractor or Consultant each Contractor and Consultant and the CMD shall engage in an informal meet and confer to assess compliance of such Contractor and Consultants and its Subcontractors and Subconsultants as applicable with this Attachment A. When deficiencies are noted, meet and confer with CMD to ascertain and execute plans to increase LBE participation.

10. Prohibition on Discrimination. Developer and Vertical Developer shall not discriminate in its selection of Contractors and Consultants, and such Contractors and Consultants shall not discriminate in their selection of Subcontractors and Subconsultants against any person on the basis of race, gender, or any other basis prohibited by law. As part of its efforts to avoid unlawful discrimination in the selection of Subconsultants and Subcontractors, Contractors and Consultants will undertake the Good Faith Efforts and participate in the meet and confer processes as set forth in Sections 6 and 9 above.

11. Collective Bargaining Agreements. Nothing in this Attachment A shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, project labor agreement, project stabilization agreement, existing employment contract or other labor agreement or labor contract ("Collective Bargaining Agreements"). In the event of a conflict between this Attachment A and a Collective Bargaining Agreement, the terms of the Collective Bargaining Agreement shall supersede this Attachment A.

12. Reporting and Monitoring. Each Contractor, Consultant, and its Subcontractors and Subconsultants as applicable shall maintain accurate records demonstrating compliance with the LBE participation goals, including keeping track of the date that each response, proposal or bid that was received from LBEs, including the amount bid by and the amount to be paid (if different) to the non-LBE contractor that was selected, documentation of any efforts regarding good faith efforts as set forth in Section 6. Developer and Vertical Developer shall create a reporting method for tracking LBE participation. Data tracked shall include the following (at a minimum):

a. Name/Type of Contract(s) let (e.g. Civil Engineering contract, Environmental Consulting, etc.)
b. Name of prime Contractors (including identifying which are LBEs and non-LBEs)
c. Name of Subcontractors (including identifying which are LBEs and non-LBEs)
d. Scope of work performed by LBEs (e.g. under an Architect, an LBE could be procured to provide renderings)

e. Dollar amounts associated with both LBE and non-LBE Contractors at both prime and Subcontractor levels.

f. Total LBE participation is defined as a percentage of total Contract dollars.

13. Basis of Compliance:

a. With regard to Horizontal Improvements, CMD shall determine compliance with this Agreement on a Phase-wide basis and measure compliance by dividing the cost of all Contracts for a Construction Work awarded to LBE Prime Contractors, Subcontractors, Prime Consultants or Subconsultants divided by the total cost of all Contracts awarded to Prime Contractors, Subcontractors, Prime Consultants or Subconsultants for such Construction Work. Notwithstanding anything to the contrary, Developer may, at its election, require that compliance be determined on a Project-wide basis by giving notice to CMD and the Port of such election not later than the submission of the penultimate Phase Submittal. After such election, compliance shall be measured upon the completion of the Project. In each case, once compliance is established, any Excess Credit shall be confirmed by CMD and shall be available for Developer, provided Developer remains a Giants Affiliate, as defined in the DDA, to offset shortfalls elsewhere on the Project Site, provided, however that Excess Credits may only be transferred to Horizontal Improvements that complied with the procedures set forth in Section 6 and at completion are short of attaining the participation levels set forth in Section 4.

b. With regard to Vertical Improvements, CMD shall determine compliance with this Agreement on an individual Vertical Improvement basis and measure compliance by dividing the cost of all Contracts for a Construction Work awarded to LBE Prime Contractors, Subcontractors, Prime Consultants or Subconsultants divided by the total cost of all Contracts awarded to Prime Contractors, Subcontractors, Prime Consultants or Subconsultants for such Vertical Improvement. Notwithstanding anything to the contrary, Developer may, at its election, require that compliance be determined on a Phase-wide basis, as Developer plans to develop each Vertical Improvement in such Phase, by giving notice to CMD and the Port of such election during the submission of a Phase Submittal. After such election, compliance shall be measured upon the completion of the Phase, as applicable. In each case, once compliance is established, any Excess Credits shall be confirmed by CMD and shall be available to the Vertical Developer of the Vertical Improvement that generated such Excess Credits to transfer to another Vertical Developer, provided that such Vertical Developer is a Giants Affiliate, as defined in the DDA, to offset shortfalls in the same trade on Vertical Improvements elsewhere on the Project Site, provided, however that Excess Credits may only be transferred to Vertical Improvements that complied with the procedures set forth in Section 6 and at completion are still short of attaining the participation levels set forth in Section 4.

14. Workforce Improvement Operations. Each Vertical Developer will use good faith efforts to hire LBEs for ongoing service contracts within Workforce Improvements and advertise such contracting opportunities with CMD except to the extent impractical or infeasible. If a master association is responsible for the operation and maintenance of publicly owned improvements within the Project Site, CMD shall refer LBEs to such association for consideration with regard to contracting opportunities for such improvements. Such association will consider in good faith such LBE referrals, but hiring decisions shall be entirely at the discretion of such association.

15. Monitoring and Enforcement. CMD shall both monitor and enforce the standards and requirements, including the good faith efforts, of this Program. CMD Compliance Officers shall schedule meetings with the LBE Liaison(s) through the term of this Program to promote consistent communication and practice.

16. Written Notice of Deficiencies. If based on complaint, failure to report, or other cause, the CMD has reason to question the good faith efforts of a Developer, Vertical Developer, Contractor, Subcontractor, Consultant or Subconsultant, then CMD shall provide written notice to Developer or Vertical Developer, as applicable, each affected prime Contractor or Consultant and, if applicable, also to its Subcontractor or Subconsultant. The prime Contractor or Consultant and, if applicable, the Subcontractor or Subconsultant, shall have a reasonable period, based on the facts and circumstances of each case, to demonstrate to the reasonable satisfaction of the CMD that it has exercised good faith to satisfy its obligations under this Attachment A. When deficiencies are noted CMD staff will work with the appropriate LBE Liaison(s) to remedy such deficiencies.

17. Remedies. Notwithstanding anything to the contrary in the DDA, the following process and remedies shall apply with respect to any alleged violation of this Attachment A:

> Mediation and conciliation shall be the administrative procedure of first resort for any and all compliance disputes arising under this Attachment A. The Director of CMD shall have power to oversee and to conduct the mediation and conciliation.
>
> Non-binding arbitration shall be the administrative procedure of second resort utilized by CMD for resolving the issue of whether a Developer, Contractor, Consultant, Subcontractor or Subconsultant discriminated in the award of one or more LBE Contracts to the extent that such issue is not resolved through the mediation and conciliation procedure described above. Obtaining a final judgment through arbitration on LBE contract related disputes shall be a condition precedent to the ability of the City or Developer, Contractor, Consultant, Subcontractor or Subconsultant to file a request for judicial relief.
>
> If a Developer, Vertical Developer, Contractor, Consultant, Subcontractor or Subconsultant is found to be in willful breach of the obligations set forth in this Attachment A, assess against the noncompliant Developer, Vertical Developer, Contractor, Consultant, Subcontractor or Subconsultant liquidated damages not to exceed $25,000 or 5% of the Contract, whichever is less, for each such willful breach. In determining the amount of any liquidated damages to be assessed within the limits described above, the arbitrator or court of competent jurisdiction shall consider the

financial capacity of Developer, Vertical Developer, Contractor, Consultant, Subcontractor or Subconsultant. For purposes of this paragraph, "willful breach" means a knowing and intentional breach. For all other violations of this Attachment A, the sole remedy for violation shall be specific performance.

18. Duration of this Agreement. This Attachment A shall terminate (i) at the expiration of the Development Agreement, as defined in the DDA, and; (ii) for any Construction Work that has commenced before the termination of the Development Agreement, but is not yet complete upon the termination of the Development Agreement, upon the completion of such Construction Work. Upon such termination, this Attachment A shall be of no further force and effect.

19. Notice. All notices to be given under this Attachment A shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to CMD: _____
_____
_____
Attn: _____

If to the Port: _____
_____
_____
Attn: _____

If to Developer: _____
_____
_____
Attn: _____

If to Vertical Developer: _____
_____
_____
Attn: _____

If to Contractor: _____
_____
_____
Attn: _____

If to Consultant: _____
_____
_____
Attn: _____

Any party may change its address for notice purposes by giving the other parties notice of its new address as provided herein. A "business day" is any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to close.

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B7

TRANSPORTATION EXHIBIT

to

DISPOSITION AND DEVELOPMENT AGREEMENT

Mission Rock Project

DDA EXHIBIT B7

TRANSPORTATION EXHIBIT

I. Transportation Fee.

A. **Payment by Vertical Developers**. Each VDDA will require that the Vertical Developer shall pay to SFMTA a "**Transportation Fee**" that SFMTA will use and allocate in accordance with Section I.B below. The Transportation Fee must meet all requirements of and will be payable on all vertical development on the Mission Rock Project Site in accordance with Planning Code sections 411A.1-411A.8., except as provided in this Exhibit. Under the Development Agreement and this Transportation Program:

- The Transportation Fee will be payable on any development project on the Mission Rock Project site, except Affordable Housing Projects pursuant to Planning Code section 406(b).
- The Transportation Fee will be calculated at 100% of the applicable TSF rate without a discount under Section 411A.3(d). The Project shall be subject to 100% of the applicable TSF rate as if it were a Project submitted under 411A.3(d)(3).
- The Transportation Fee will be equal to the Transportation Sustainability Fee listed on the current San Francisco Citywide Development Impact Fee Register for the same land use category with annual escalation in accordance with the methodology currently provided in Section 409 to the date that the Port issues the first construction permit for each Vertical Improvement. For example, the Transportation Sustainability Fee in 2017 for residential buildings with up to 99 units is $8.13/gsf, and $9.18/gsf of residential use in all dwelling units at and above the 100th unit in the building.

B. **Accounting and Use of Transportation Fee by SFMTA**. Section 411A.7 will apply except as follows. The Treasurer will account for all Transportation Fees paid for each development project on the Mission Rock Site (the "**Total Fee Amount**"). SFMTA will use an amount equal to or greater than the Total Fee Amount to pay for uses permitted by the TSF Fund under Planning Code section 411A.7, including SFMTA and other agencies' costs to design, permit, construct, and install a series of transportation improvements in the area surrounding or serving the Mission Rock SUD Area. SFMTA and other implementing agencies will be responsible for all costs associated with the design, permitting, construction, installation, maintenance, and operation of these improvements above the Total Fee Amount. SFMTA will report to the Planning Director on any use of the Total Fee Amount in any reporting period for the Annual Review under the Development Agreement. Examples of projects that SFMTA may fund with the Total Fee Amount include:

- Water Transit. Construction of a new ferry terminal at 16th Street in Mission Bay and support of other water transit, including a network of water taxi/small water ferry docks along the Central Waterfront.
- T-Third Enhancements. Reliability and capacity enhancements, including flashing "Train Coming" signs, in-ground detectors at to-be-identified intersections, and additional light rail vehicles (LRV) as needed to serve the growing population along the line.
- Existing and future MUNI lines that serve Project neighborhood. Capital improvements, including buses, associated with newly proposed MUNI routes, and re-routing of existing MUNI lines to better serve transit riders in the Dogpatch, Mission Bay, and Potrero Hill neighborhoods. Operation plans for all Muni service is contingent on the SFMTA Board of Directors adoption of an operating budget.
- Muni Metro East. Capital costs associated with an expanded facility for on-site rebuilds, capacity for expanded bus and LRV fleet, and tracks for storage.

- Mission Bay E-W Bike Connector. Implementation of a connection across tracks, likely between 17th Street and Owens Street, to connect the 4th Street bikeway on east side and the 17th Street bikeway on west side.
- Terry A. Francois Boulevard Cycletrack. Implementation of bicycle access on Terry A. Francois Boulevard, including multi-use (peds/bikes) access on the 3rd Street Bridge and associated signal modifications.
- North-south bike connection on Indiana Street. Implementation of bicycle connection along Indiana Street from Cesar Chavez Boulevard to Mariposa Street.
- Upgraded bicycle access on Cesar Chavez Boulevard. Implementation of a lane along Cesar Chavez Boulevard from US 1-280/Pennsylvania to Illinois Street, including elements such as bulbs, islands, and restriping.
- Pedestrian improvements. Implement improved sidewalks and crosswalks as needed at various gap locations throughout the adjacent neighborhood, as identified in partnership with community and City partners.

Nothing in this Transportation Exhibit will prevent or limit the City's absolute discretion to: (i) conduct environmental review in connection with any future proposal for improvements; (ii) make any modifications or select feasible alternatives to future proposals that the City deems necessary to conform to any applicable laws, including CEQA; (iii) balance benefits against unavoidable significant impacts before taking final action; (iv) determine not to proceed with such future proposals; or (v) obtain any required approvals for the improvements.

II. TDM Plan.

Developer shall implement the Transportation Demand Management ("**TDM**") Plan attached as **DDA Exhibit B7 Schedule 2** and otherwise comply with EIR Mitigation Measure M-AQ-2.3, as set forth in the MMRP, **DDA Exhibit A5.** The TDM Plan shall remain a component of the Project to be implemented for the duration of the Project. Monitoring, and submittal of monitoring reports and plan adjustments, shall be required as described in Mitigation Measure M-AQ-2.3. The City and Developer agree that the option for the offset fee discussed in the last paragraph of Mitigation Measure M-AQ-2.3 is not applicable, unless the Planning Department determines in its discretion that further TDM Plan adjustments will not achieve the reduction goal.

Developer's TDM Plan has a goal of reducing estimated aggregate daily one way vehicle trips by 20 percent compared to the aggregate daily one-way vehicle trips identified in the project's travel demand memo, prepared by Adavant Consulting, dated June 30, 2015. The project sponsors shall be responsible for monitoring implementation of the TDM Plan and proposing adjustments to the TDM Plan if its goal is not being achieved as described in Mitigation Measure M-AQ-2.3.

Developer's TDM Plan shall have been approved by the Planning Department prior to site permit application for the first building and the TDM Plan shall be implemented as to each new building upon the issuance of the certificate of occupancy for that building.

Notwithstanding any other provision of the DDA or Development Agreement (DA), Planning Code Section 169.4 shall apply and, under Planning Code Section 169.4(e), the Zoning Administrator shall approve and order the recordation of the TDM Plan against the Project and it shall be enforceable though the Notice of Violation procedures in the Planning Code, or any other applicable provision of law. The Zoning Administrator shall retain the discretion to determine what constitutes a separate violation in this context. The Planning Code procedures shall apply, except that the Zoning Administrator shall have discretion to impose a penalty of up to $250 per violation. If the submittal of monitoring reports is no longer required in accordance

with Mitigation Measure M-AQ-2.3, the provisions of Planning Code Section 169.5(b) shall apply.

III. SFMTA Contact

SFMTA commits to designating a staff person to follow up on the transportation related components of the Project, including this Exhibit and associated Schedules, the DA, and the FEIR. This staff person will be a point person for the Developer and the community.

IV. Event Management Plan

Section 3.3(j) of the DDA requires inclusion of an Event Management Plan with each Phase Submittal. The scope of the Event Management Plan is outlined in Chapter 5 of the Transportation Plan, DDA Exhibit __. Any Parcel Lease for a Garage Parcel shall include provisions with respect to the Event Management Plan as described below.

Prior to entering into any Agreement between the Garage Operator and a third party entity for use of garage by patrons of events not on site or at AT&T Park (an "Event Parking Agreement"), the Garage Operator will submit to the Port for its approval an updated Event Management Plan to address use of garage by patrons of such events.

The garage operator will pay for, or cause to be paid by third parties (e.g. off-site third party event operator), all direct and indirect expenses incurred by the SFMTA associated with incremental enforcement on the Project Site required under the Event Management Plan beyond the SFMTA current enforcement levels described below. The SFMTA will deploy such enforcement to the extent that enforcement resources are available.

SFMTA's current enforcement levels refers to the following deployment of SFMTA Parking Control Officers (PCOs) on the Project Site for events at AT&T Park:

	Total PCO hours	Total PCO Supervisor hours
Weekday Daytime Event	178	16
Weekend Daytime Event	168	16
Weekday Evening Event	168	16
Weekend Evening Event	168	16

V. Dedicated Storage Space

Mission Rock will provide a 10' by 10' street-level secure storage space at no cost to the SFMTA for the purpose of storage of SFMTA event management-related equipment. This space will be provided in interim phases as well as at final build-out.

VI. Garage Consultation

The Developer and the City will follow the provisions of DDA Section 2.5 (c) related to consultation regarding garage sizing and operations.

VII. Transportation Plan

The Developer and the City will follow the Mission Rock Transportation Plan (**DDA Exhibit B7 Schedule 1**) for the site.

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B7 - TP SCHEDULE 1

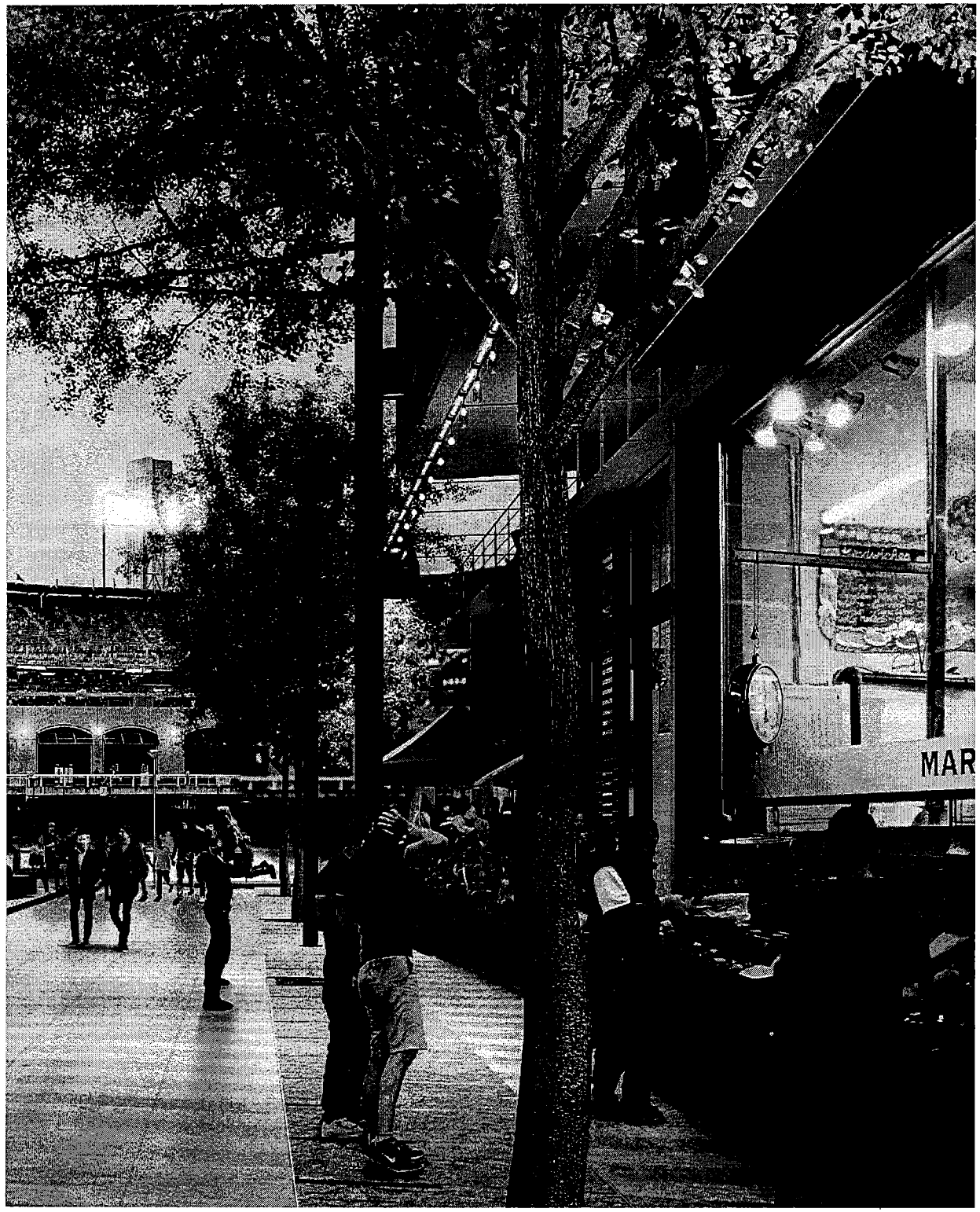
"Mission Rock Transportation Plan"

MISSION ROCK

DDA EXHIBIT B7 SCHEDULE 1
Lodged with Board of Supervisors
2/1/18

TRANSPORTATION PLAN

coffee
pancakes



MISSION ROCK
TRANSPORTATION PLAN

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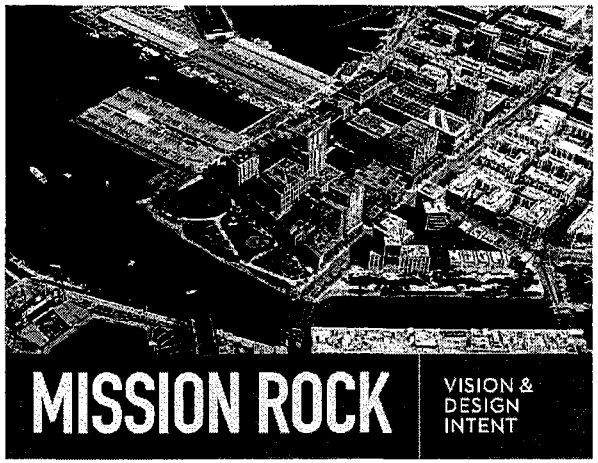
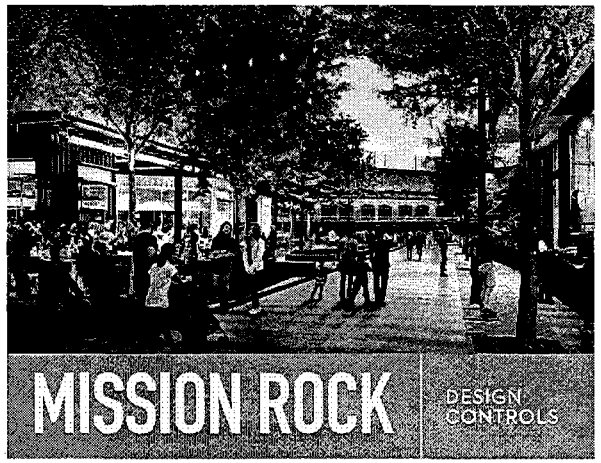
MISSION ROCK DESIGN DOCUMENTS

The Transportation Plan comprises the fifth in a set of five documents which together describe the requirements for the development of Mission Rock.



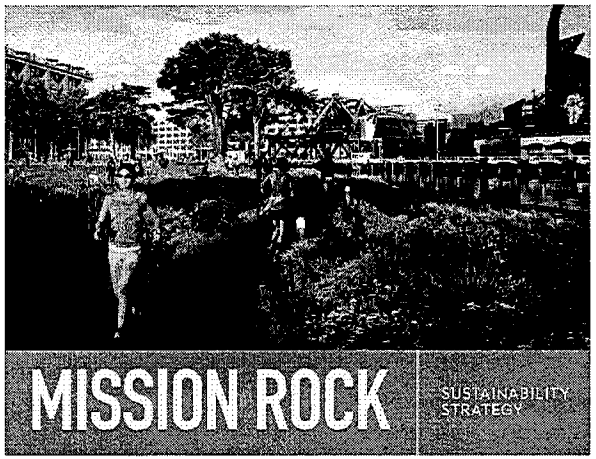
MISSION ROCK VISION & DESIGN INTENT

This document contains the big picture thinking and aspirations that will guide the process for the design and implementation of Mission Rock.



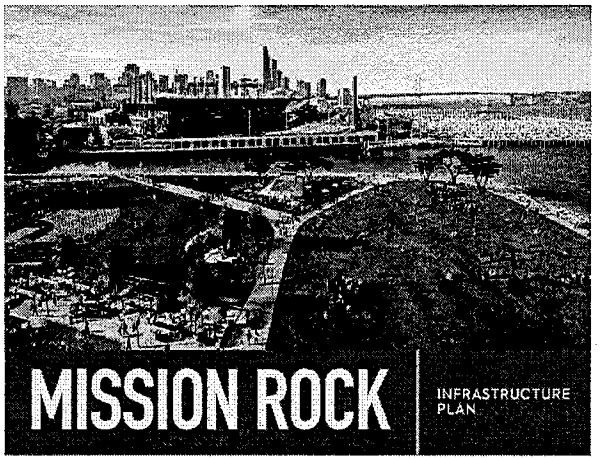
MISSION ROCK DESIGN CONTROLS (DC)

This document guides the development of the open spaces, streets, and buildings at Mission Rock. The DC ensures that the site will be developed in a way that is consistent with the vision as defined in the Mission Rock Vision and Design Intent document.



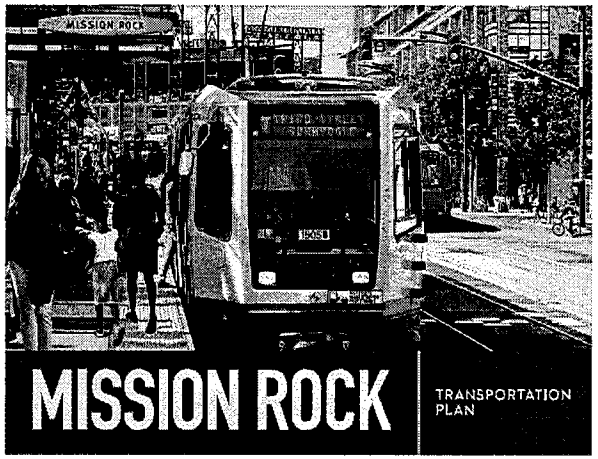
MISSION ROCK SUSTAINABILITY STRATEGY

This document identifies the high level sustainability goals for Mission Rock, details the requirements for the horizontal and vertical development and summarizes the anticipated reduction in greenhouse gas (GHG) emissions resulting from the district's approach to sustainable design.



MISSION ROCK INFRASTRUCTURE PLAN

The design of the landscape, buildings, and sustainability strategies will be closely coordinated with the infrastructure planning at Mission Rock. This plan regulates the complex coordination of streets, utilities, and services.



MISSION ROCK TRANSPORTATION PLAN

This plan describes the ways in which the site will be designed to support the mobility choices of all users, with a special emphasis on safe and comfortable conditions for pedestrians and cyclists.

01

INTRODUCTION

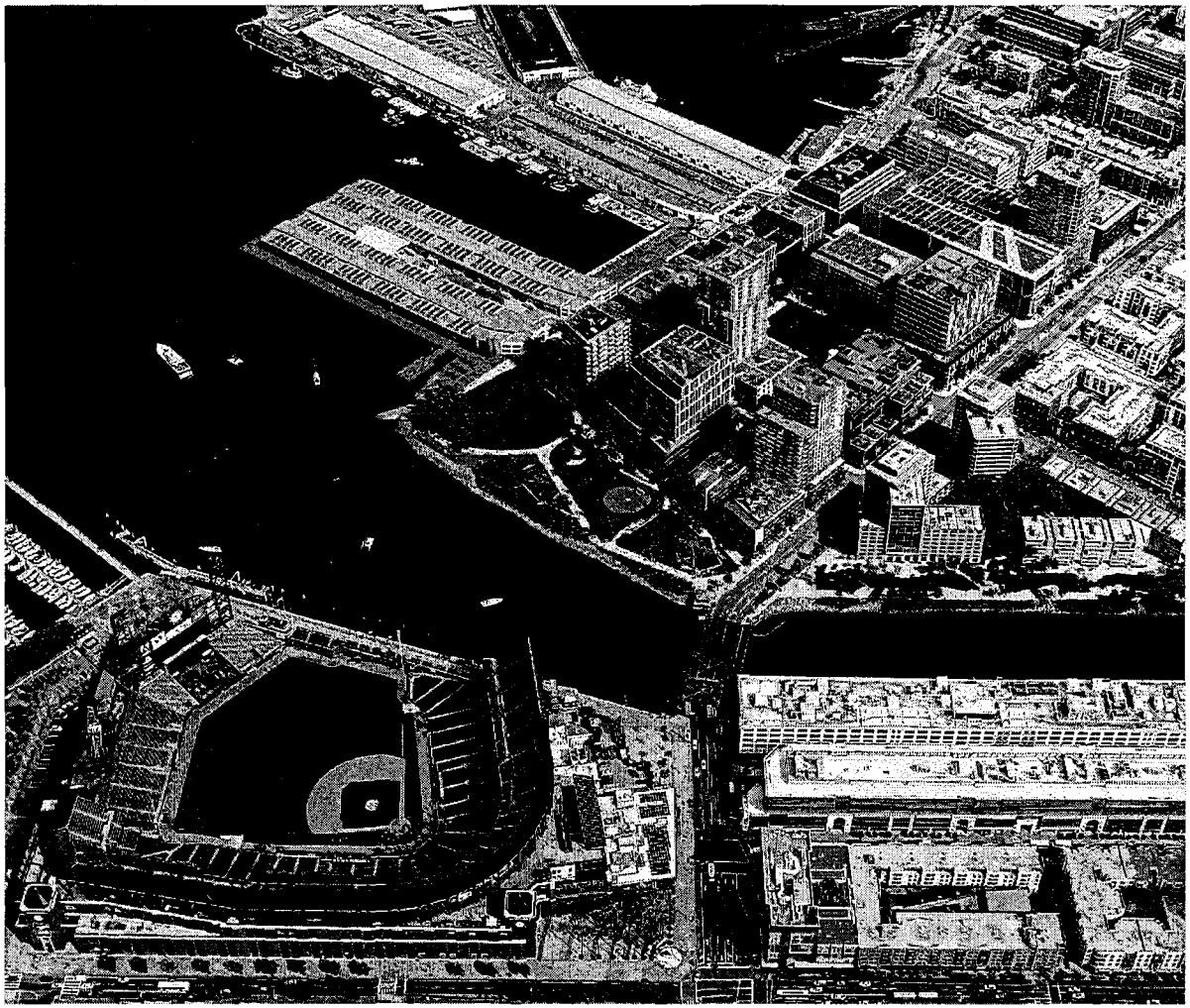
Located just steps from the center of the Bay Area's transportation system and along one of the premiere bicycle and pedestrian routes in the region, Mission Rock is poised to be a model for sustainable transportation. With a multitude of mobility choices built directly into the site's DNA, it will be one of the first true 21st Century developments in San Francisco.

Small, walkable blocks, wide sidewalks, and a diverse mix of uses will make it easy for those who live or work at Mission Rock to avoid traveling far to eat or shop for everyday necessities. A range of cycling facilities will ensure that cyclists of all ages and skill levels are comfortable navigating the site on two wheels. The opening of the Central Subway will mean frequent, rapid service to Market Street and downtown is just steps away via the T-Third Muni Metro line, and access to the Peninsula and South Bay is just a few minutes further at Caltrain's 4th and King Street terminal. Supplemented by a suite of services and incentives that will make it easy to choose any mode, this wide range of mobility options mean the site will truly be a good fit for any modern lifestyle.

1.1 OVERVIEW

This document details how Mission Rock will achieve this vision. It starts by laying out the elements of the project's context that make it an ideal fit for a moment in which San Franciscans are choosing to accomplish more and more each year by a range of modes (Chapter 2). It walks through plans for the design of the site's internal streets, describing how bikes, pedestrians, and vehicles will circulate through the site and connect to its surroundings (Chapter 3). Mission Rock is committed to a robust set of infrastructure investments and ongoing programs that will make it easy to choose modes like walking, biking, and taking transit, and Chapter 4 details the planned package of transportation demand management (TDM) programs. With AT&T Park just steps away from the site, event-related travel will have an important impact on circulation patterns. Chapter 5 walks through how circulation will be managed around events to help reduce impacts on residents and employees, both on the site and in the surrounding neighborhood.

Note that this document focuses on the site's transportation programs at full build-out. The Infrastructure Plan discusses how the project will be phased and implications for the site's physical infrastructure, including transportation.

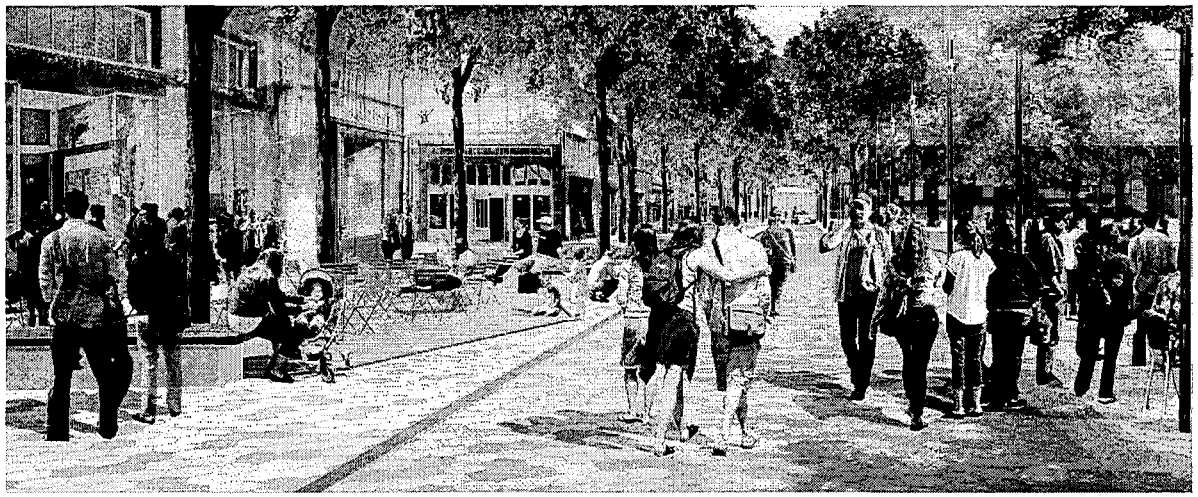


The proposed project, aerial view simulation from the northwest

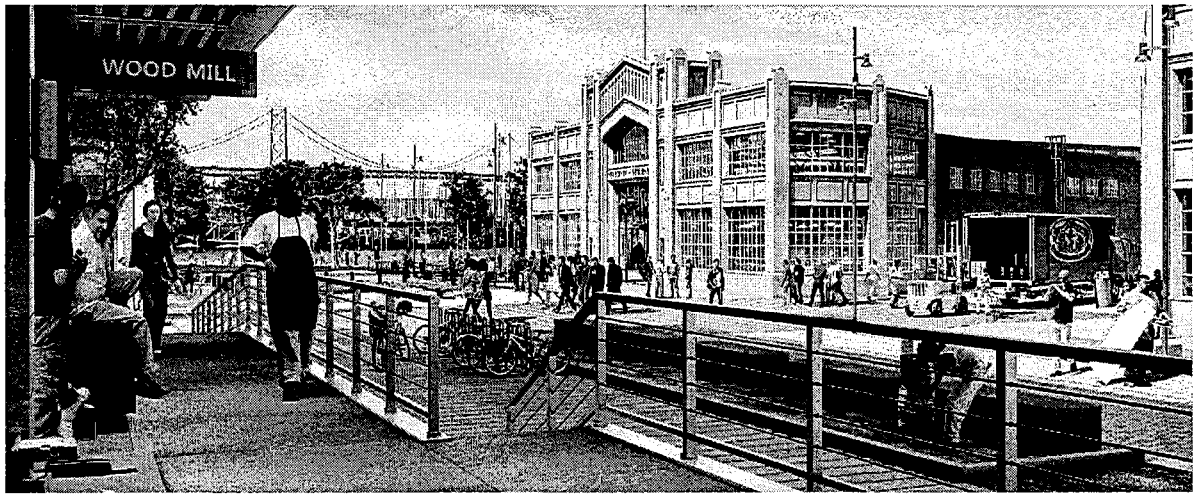
1.2 GOALS

Mission Rock aims to do the following through its transportation program:

1. Facilitate lifestyles low in vehicle miles traveled (VMT) by providing a robust set of sustainable choices for movement to and from the site
2. Create a vibrant, pedestrian-oriented, and visually interesting public realm within the site
3. Connect seamlessly to the site's broader context, including the City's growing bike network, the Mission Bay neighborhood's developing network of streets and sidewalks, and the city and region's transit systems
4. Ensure that the site is adaptable to new transportation technologies and changing travel habits over time
5. Play a productive role in the City's efforts to manage event-related travel



Shared Public Way, the shared street that will serve as the primary north-south pedestrian route through the site

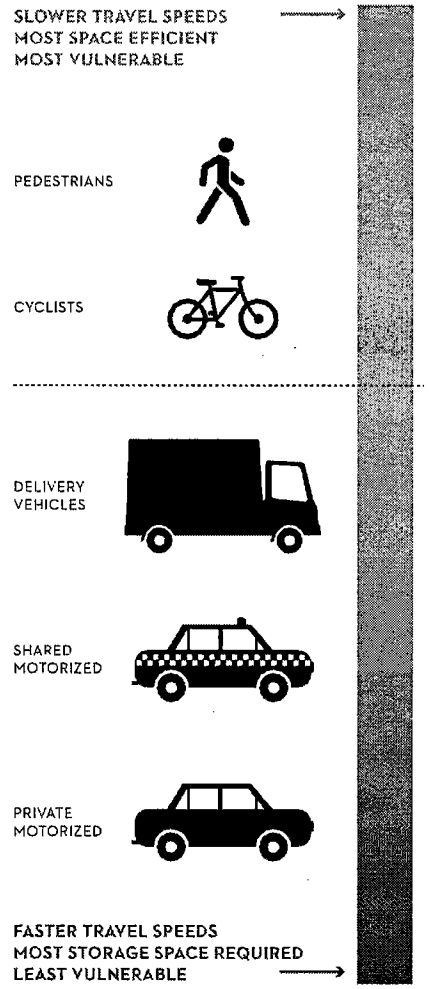


Terry A. Francois Boulevard, another shared street, will have a more maritime-industrial character

1.3 STRATEGIES

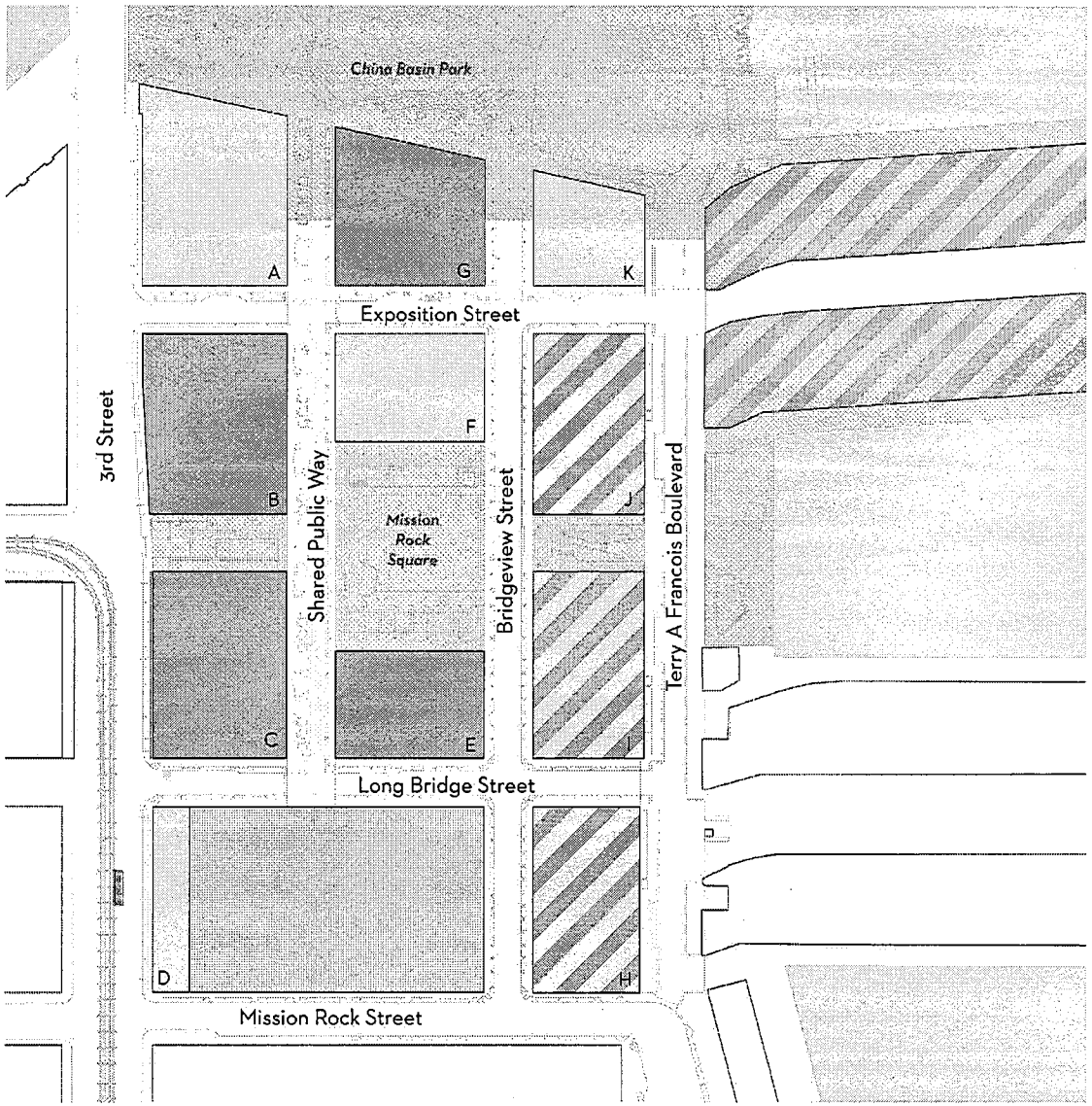
The project will accomplish those goals through the following primary strategies:

- Prioritize movement on-site using a modal hierarchy that puts the focus on the most space-efficient and environmentally sustainable modes
- Encourage walking, biking, and taking transit through convenience and meaningful incentives
- Design a highly connective street grid with generous and active pedestrian areas
- Allow for a diverse mix of uses that enables residents and employees to avoid long trips for daily necessities
- Design for safety through smart deployment of traffic calming strategies on internal streets
- Facilitate bike connectivity by adding an important link to City and regional bike networks through the site and providing safe and comfortable routing options for people of all cycling skill levels
- Create generous curb-side loading areas to:
  - Facilitate site access for people with mobility limitations and for families with small children
  - Facilitate the use of taxis and ride hail services, which can help obviate the need to bring a personal automobile to the site
  - Help site users avoid vehicle trips by facilitating convenient delivery of goods
- Actively manage parking to ensure it is used efficiently as part of the larger multimodal network
- Work in concert with neighborhood groups to help in responsibly managing event-related travel



A modal hierarchy for travel through Mission Rock

The figure on this page shows the site's urban street grid and mixed land-use plan. The site plan and approach to circulation are two key ingredients in making the transportation vision come to life.



Residential
Commercial
Flex
Working Waterfront
Structured Parking

02

PROJECT CONTEXT

Mission Rock's location, mix of uses, density, and design approach are all consistent with regional trends in land use and transportation and supportive of Bay Area planning agencies' efforts to direct new housing toward urban infill locations near transit stations.

The site's mix of uses, including residential, commercial, and retail, will make it easy for residents and employees to take care of most needs within a short walk, and the project's location will naturally facilitate the use of transit and other shared modes for longer-distance trips.

This chapter details the context into which Mission Rock fits. It looks at the broader trends and policy context, as well as the array of local transportation resources that will help make the site's sustainable, multimodal vision come to life.

2.1 TRENDS IN POLICY AND TRAVEL BEHAVIOR

Mission Rock fits into a larger context of city, regional, and state policy encouraging transit-oriented mixed-use development, as well as the emergence of new transportation options that are changing the way Bay Area residents travel to work and play. The project is poised to both take advantage of the new mobility options and further encourage these shifts.

2.1.1 STATE, REGIONAL, AND CITY POLICIES

Starting in 2006, the State of California began laying out a constellation of policies aimed at reducing the state's carbon footprint. Assembly Bill (AB) 32, signed into law in 2006, required that the state reduce greenhouse gas emissions to 1990 levels by 2020, a 15 percent reduction relative to expected trends. Senate Bill (SB) 375 was the first major policy aimed at implementing AB 32. It required that each major region in the state create a "sustainable communities strategy" that would use a combination of land use and transportation planning to create more sustainable development patterns. Furthermore, the City of San Francisco's Climate Action Strategy specifically calls for shifting 80% of all trips to non-automobile trips by 2030.

Plan Bay Area is this Bay Area's sustainable communities strategy, and concentrating growth around the existing transit system is a key pillar of the plan. The plan identified Priority Development Areas with strong transit access and higher existing densities, and Mission Rock sits along a major axis of priority development areas along the eastern edge of San Francisco.

Infill and transit-oriented development are the two most important strategies for developing in a more sustainable fashion. When projects are located in areas that are already developed, they generally allow their inhabitants to travel shorter distances to reach jobs, grocery stores, and other daily destinations. When located near existing transit networks, they make transit the default mobility option.

Infill development has long been a priority for the City of San Francisco, and the City has an array of policies aimed at aligning the transportation system to denser development patterns. Policies include the city's long-standing "transit first" policy, a 20% bicycle mode share goal, and a collection of recent policy changes – known as the Transportation Sustainability Program - that aim to further invest in transit, bike, and pedestrian network improvements, align the environmental review process for development with other city policies, and shift travel behavior toward non-motorized or shared modes while ensuring access and mobility. Mission Rock's transportation program is consistent with this approach.

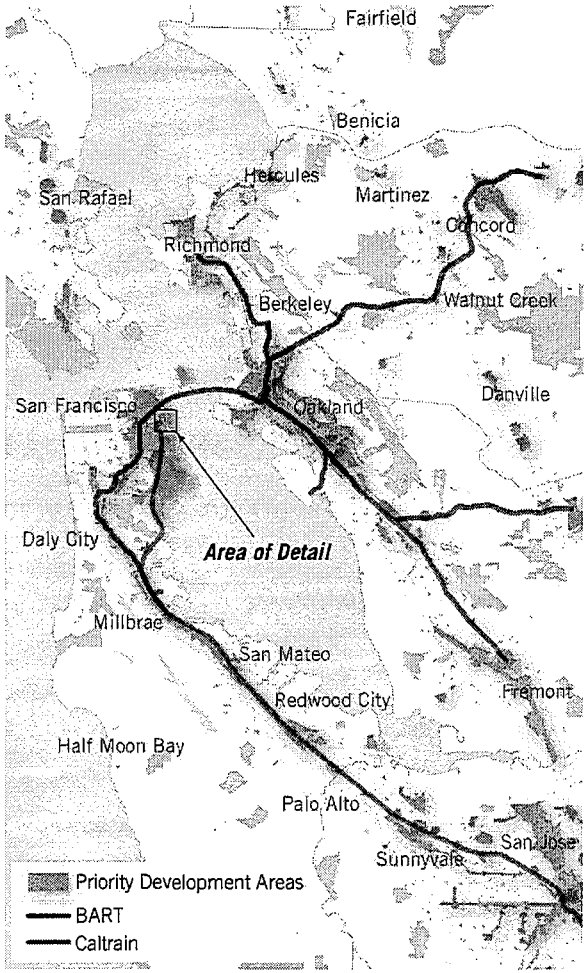
With these policies in the background, travel behavior in San Francisco seems to be steadily shifting toward transit and non-motorized modes, and the market for developments that enable transit-, bicycle-, and pedestrian-oriented lifestyles has strengthened. The last few years have seen increases in transit ridership (including record ridership levels on BART and Caltrain in recent years) and major increases in cycling, particularly for commutes.

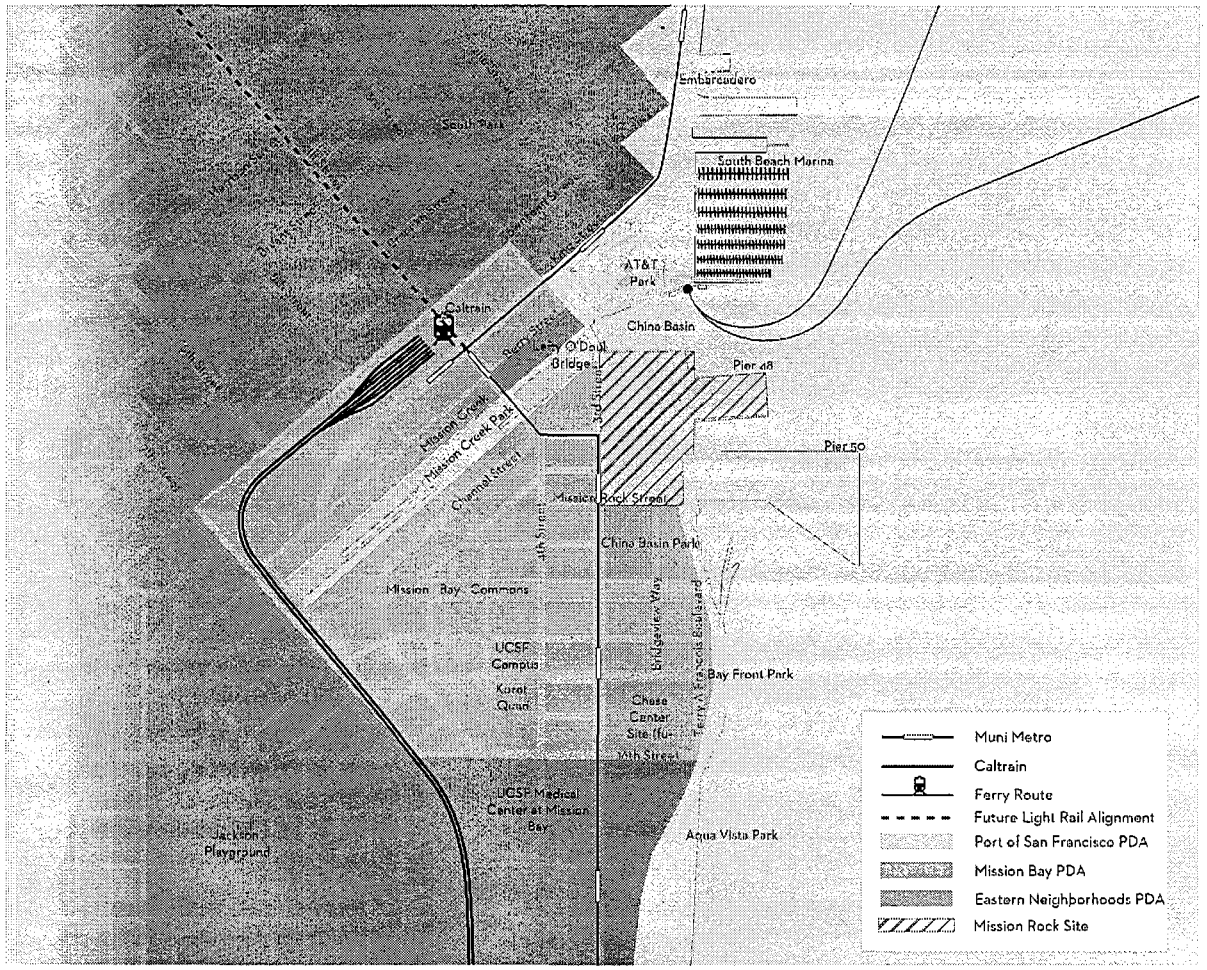
2.1.2 THE IMPACT OF TECHNOLOGY

New technology-enabled travel options have also emerged, making it easier to routinely travel longer distances or make trips that do not align well to the transit network without owning a car. Car share companies like Zipcar and City Car Share have made it easy to rent vehicles, stored conveniently in small pods across the city, for short periods. This allows people who

SFMTA has installed "red carpet" transit-only treatments around the city in recent years (SFMTA)

Cycling rates have increased dramatically in recent years (FLICKR USER RICHARD MASONER)





Plan Bay Area's Priority Development Areas (PDAs) and regional transit connections

do not own a car to conveniently accomplish errands that require hauling more than one can carry on transit or a bicycle. Transportation network companies (TNCs) like Uber and Lyft and taxi hailing apps like Flywheel have made it far easier and more convenient to hail rides for trips the transit system is less well set up to handle – across town or late at night.

These trends and the new suite of travel options seem to be affecting people's behavior. A recent study showed that newcomers to the city began taking advantage of them as they emerged, with nine in 10 net new households in the city since 2000 not owning an automobile, according to data from the U.S. Census Bureau. Additional evidence from the Shared Use Mobility Center (TCRP Report 188) shows that individuals who use car sharing frequently tend to own vehicles at lower rates.

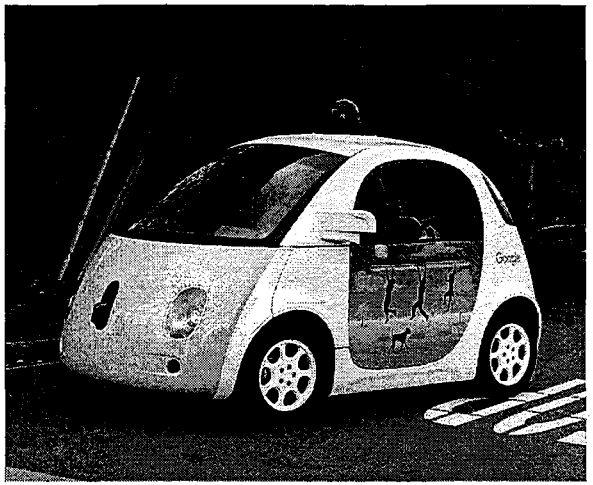
2.1.3 THE FUTURE OF TRANSPORTATION

More dramatic changes could be in the offing. In the middle of 2016, several companies announced the first limited public use of autonomous vehicles, in Pittsburgh (Uber) and Singapore (nuTonomy). Google has been developing its own autonomous vehicles and testing them around its Mountain View headquarters for several years, and several other major Bay Area companies are also working hard – sometimes in partnership with more traditional auto companies – to develop their own models. When autonomous vehicles emerge in large numbers, the Bay Area is likely to be an area that adopts them quickly.

The precise effects self-driving cars will have on urban environments is unclear, given that the technology is still in the early stages of development. What is clear, though, is that they have the potential to dramatically change the way we get around, as the advent of motorized mobility did 100 years ago. Indeed, the emergence of automobiles in the early 1900s reshaped the economics and urban space needs of the transportation system.

If autonomous vehicles are used mainly as shared mobility resources, rather than privately held ones in the pattern of the vast majority of small vehicles today, they could lead to shifts like a major drop in parking demand and a major increase in the need for passenger loading space. Even if they emerge as privately owned mobility resources, though, the urban parking footprint is likely to go down. For example, if autonomous vehicles are able to communicate with each other while parking, they could theoretically squeeze together more efficiently, in much the same way as cars parked by valet can be lined up and parked in more narrow columns than can self-parked cars.

Mission Rock is set up to weather these changes well. As Chapter 3 describes, the site's curbs prioritize loading and delivery activities, which have already taken on increasing importance with growth in online shopping and, more recently, the earliest releases of new mobility technologies. The ways in which the site's transportation program has been shaped by its location will also help its design stay current in a world of changing mobility patterns. As detailed in the following sections, Mission Rock is located at the heart of the region's bicycle, pedestrian, transit, and roadway networks, giving future residents, employees, and visitors a wide range of natural options for getting around, even in the absence of new technologies.



Google's autonomous vehicle prototype [illegible]

Smartphones have revolutionized access to transportation information [illegible]

2.2 NEARBY NETWORKS

2.2.1 NON-MOTORIZED NETWORKS

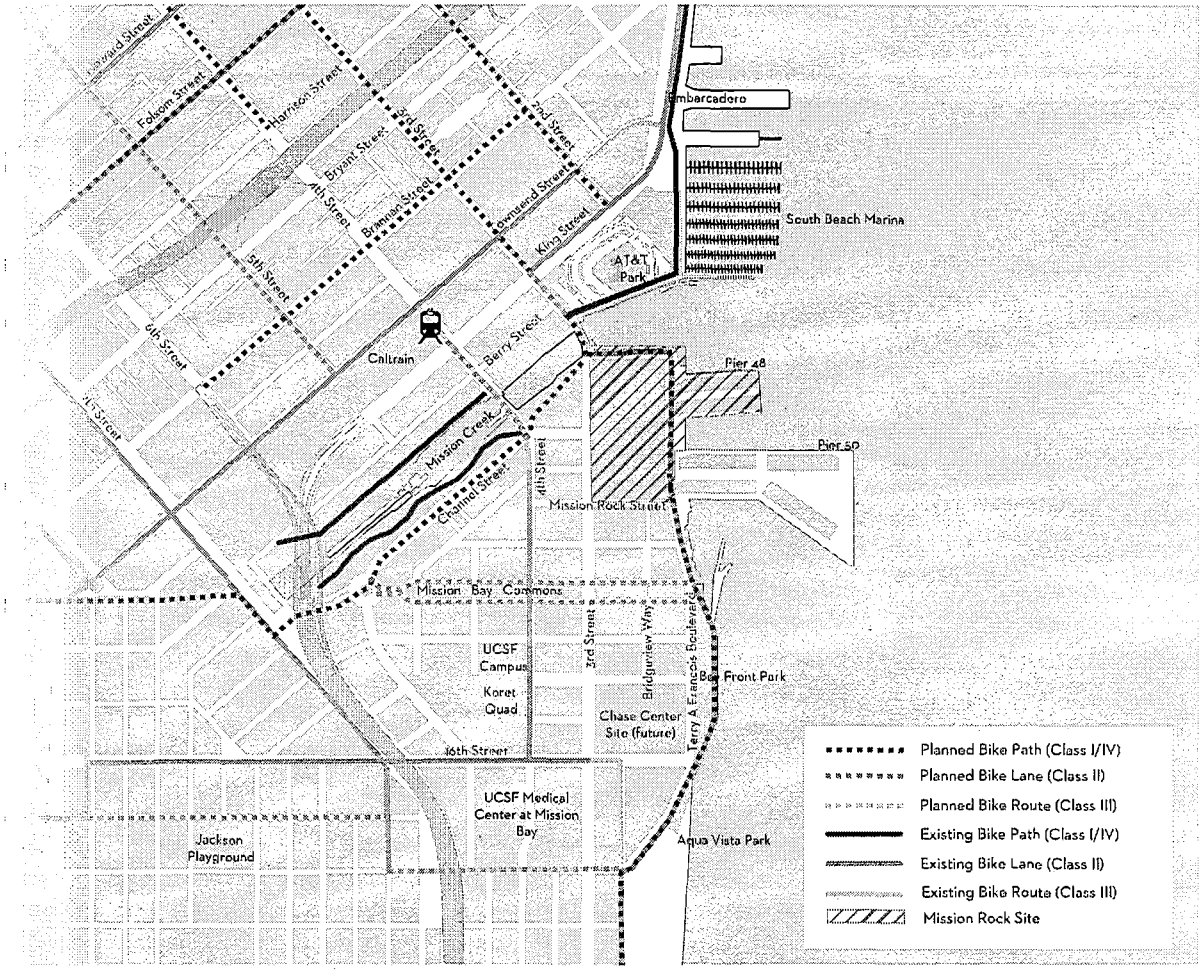
Pedestrian

Most trips begin or end on foot, so safe and robust pedestrian space is the backbone of any high quality transportation system.

The Embarcadero, 3rd Street, and Fourth Street are the major pedestrian routes between Mission Rock and the jobs and transit connections in SoMa and Downtown San Francisco. Pedestrian facilities on the Embarcadero are wide and spacious, while sidewalks through SoMa are typically more narrow and less well maintained. The City's Central Corridor Plan aims to steadily improve pedestrian conditions as the area grows and changes in the coming years. Mission Bay's street network is also in the process of being built out. Once the area's development is complete, all streets in the area will have sidewalks on both sides that are six feet wide, and in many places 10 or 12 feet.

Bicycle

San Francisco continues to build bicycle lanes of various class distinctions throughout San Francisco as part of its implementation of the 2009 San Francisco Bicycle Plan. In Mission Bay, dedicated bicycle lanes exist on Terry A. Francois Boulevard, Fourth Street, and 16th Street. The facilities on Terry A. Francois Boulevard will soon be improved to a full two-way cycle track as part of the larger San Francisco Bay Trail, which will ultimately be a high quality bicycle and pedestrian route along the entire bay-front. New or improved bicycle facilities are slated for multiple streets running north to Market Street, including 2nd, 3rd, and 5th streets.



Mission Rock's connections to the broader bicycle network and planned routes

2.2.2 TRANSIT NETWORKS

Mission Rock is served by several local and regional transit networks within a half-mile walk, including bus, light rail, and commuter rail. More regional connections are available a bit further to the north, along Market Street, the Embarcadero and in eastern SoMa, where there are additional regional rail, bus, and ferry options.

Local Transit - Muni

Muni provides local transit service throughout San Francisco. The following Muni routes have stops within a quarter-mile of Mission Rock:

- **Light Rail** - N-Judah, T-Third, and E-Embarcadero
- **Bus** - 10-Townsend, 30-Stockton, 45-Union-Stockton, 47-Van Ness, 55-16th Street, 81X-Caltrain Express, 83X-Mid-Market Express

Notable investments and plans underway by SFMTA include:

The Central Subway project will place the T-Third line in a subway along Fourth Street north of Bryant Street and along Stockton Street, extending it 1.7 miles north through the SoMa, Union Square, and Chinatown neighborhoods. This will provide a more direct connection between the Mission Bay neighborhood and BART at Powell Station, as well as transit-, job-, and destination-rich neighborhoods near and north of Market Street. The project is due to open to the public in 2019.

Muni Forward is a comprehensive update to Muni routes and service plans. A subset of lines called the Rapid Network is receiving particular attention through the project, including increases in service frequency and other improvements. Service along 16th Street, through the Mission and into Mission Bay, will see notable improvements through the project, including transit-only lanes, stop consolidation, transit signal priority, and additional transit bulbs and islands. An early Muni Forward improvement that directly affected Mission Bay was the implementation of the 55-16th Street bus, creating a direct connection between the BART station at 16th and Mission streets and the center of Mission Bay, at 3rd and Mission Bay Boulevard North. In several years, that route will be replaced by a re-routed 22-Fillmore, a trolley bus that provides crosstown connections along 16th Street through the Mission and north along Church and Fillmore streets to the Lower Height, Fillmore, Pacific Heights, and the Marina. Other routes in the vicinity of the project that will see updates include the 10-Townsend and the 12-Folsom/Pacific (the latter will be replaced by the 11-Downtown Connector).

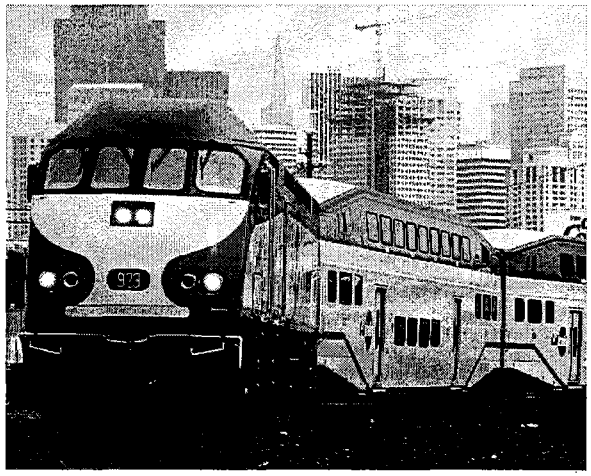
Regional Transit

Caltrain

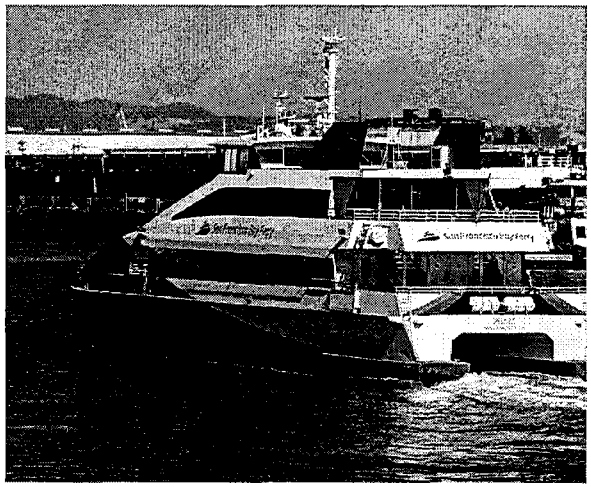
Caltrain provides commuter rail service between San Francisco and the South Bay, with stops along the Peninsula, into San Jose and, during peak periods, south to Gilroy. Caltrain offers local, limited stop and "baby bullet" express routes which all serve San Francisco. Caltrain's northernmost station is located about a quarter mile from the Mission Rock site at the intersection of 4th and King streets in San Francisco and is the busiest in the Caltrain system.

Notable planned Caltrain investments include:

- **Caltrain electrification** will replace the existing diesel service with electrified service between San Francisco and San Jose by 2020, allowing for increased speeds and service levels along the



Caltrain (CALTRAIN)



SF Bay Ferry (FLICKR USER PROCA2006)

Peninsula corridor. The electrification project will also accommodate shared use of the corridor by Caltrain and planned high-speed rail service.

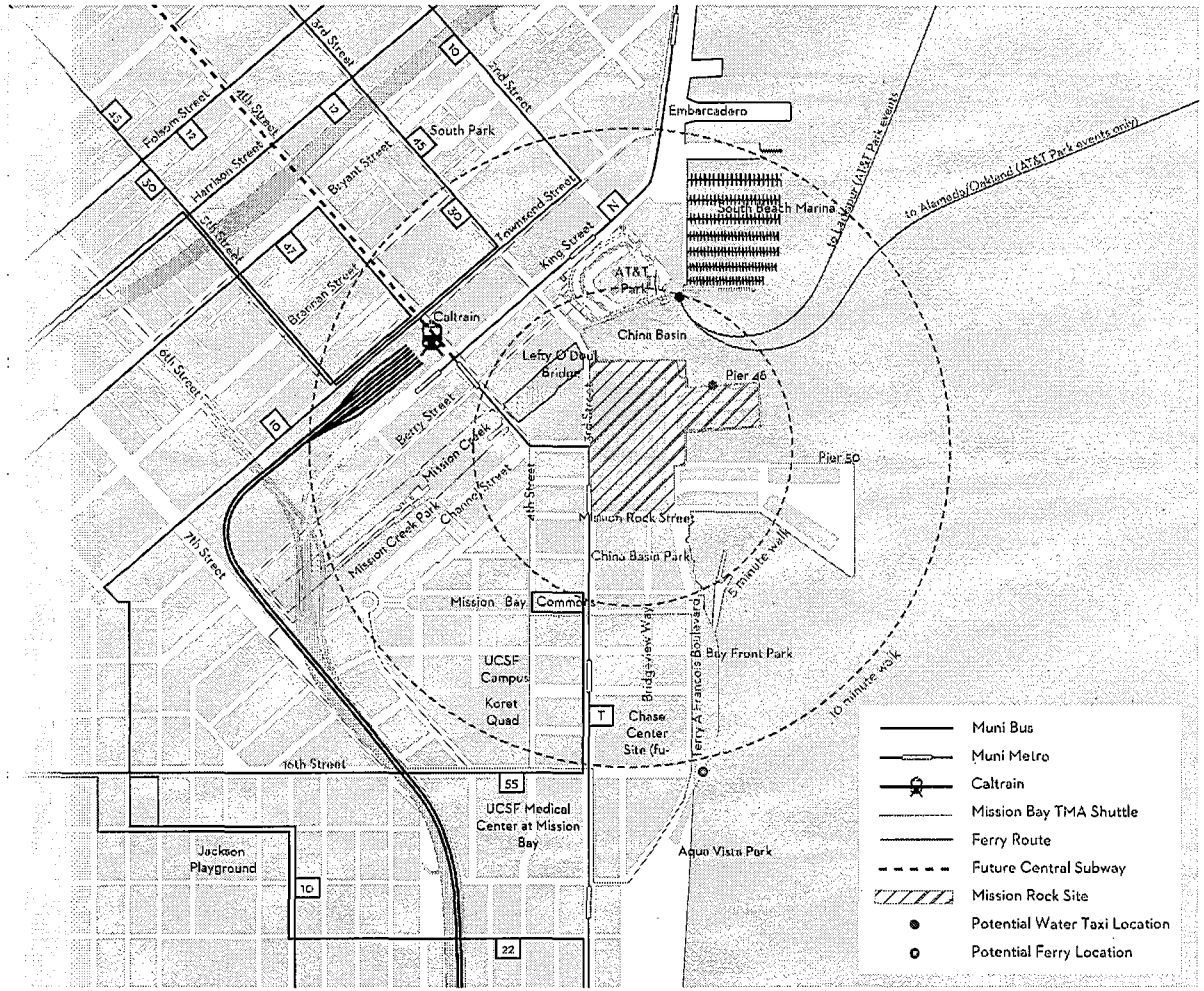
- Caltrain's **Downtown Extension** would connect Caltrain to the new Transbay Transit Center. The alignment of the extension is still being determined and is among the items being advanced in the Planning Department's Railyard Alternatives and I-280 Boulevard Feasibility Study.

BART (Bay Area Rapid Transit)

BART provides regional transit service to the East Bay, Peninsula, and other parts of San Francisco. The closest stations to Mission Rock – Embarcadero and Montgomery – are a little more than one mile from the neighborhood. When it opens, the Central Subway will provide a rapid light rail connection between the site and Powell Station. BART is the region's rail spine, and it operates every 5 to 15 minutes on lines serving downtown San Francisco during the afternoon peak. and every 20 minutes during non-peak times, including weekends.

Ferries

SF Bay Ferry (operated by the Water Emergency Transportation Authority, or WETA) and Golden Gate Ferry provide daily ferry service between the San Francisco Ferry Building and the North and East Bay. Aside from services at the San Francisco Ferry Building, the nearest terminal is currently just beyond AT&T Park's center field gate, where ferries provide service to and from home baseball games. WETA and the City are exploring the potential for a new terminal in Mission Bay near 16th Street, though planning is in the very initial stages.



Local transit connections as of 2017

Transbay Transit Center: Regional Bus and High Speed Rail

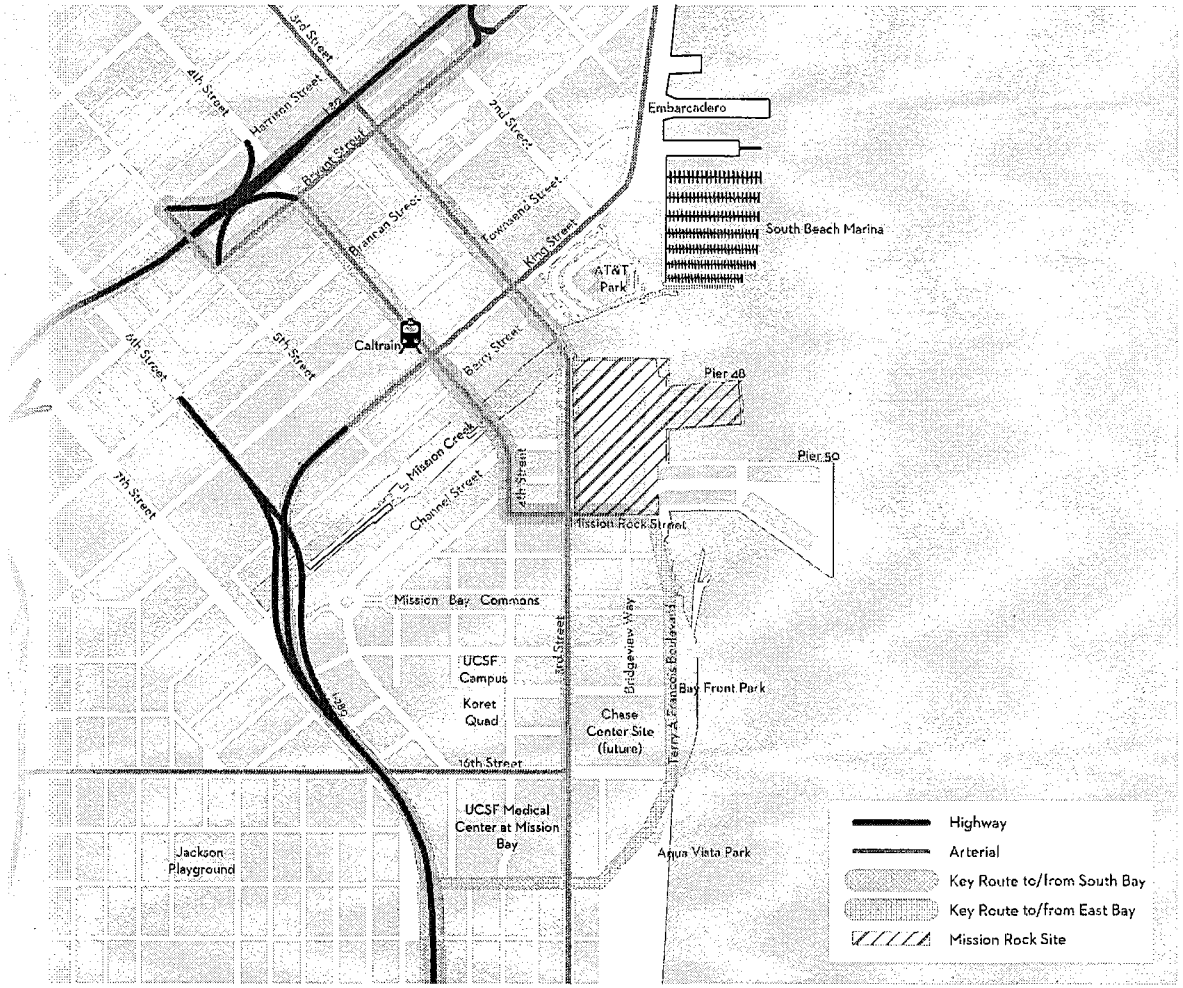
The under-construction Transbay Transit Center is located approximately one mile northeast of Mission Rock and will be open by the time the development is built out. The Transit Center will provide bus connections to regional destinations, as well as access to Greyhound and Amtrak Thruway Connection buses. Once the Downtown Extension is complete, the center will also be the terminal for California High-Speed Rail and Caltrain. Upon completion, the terminal will be served by 11 transit systems: AC Transit, BART, Caltrain, Golden Gate Transit, Greyhound, Muni, SamTrans, WestCAT Lynx, Amtrak, Paratransit, and High Speed Rail.

2.2.3 VEHICULAR CIRCULATION AND PARKING

Mission Rock is located near the center of the Bay Area's auto network, providing easy access to the region's freeway system but also exposing drivers in the area to congestion resulting from the large number of daily trips to, from, and through northeast San Francisco.

Local Streets

Third, 4th, and 16th streets are the key arterials providing vehicular access to and from Mission Rock and the broader Mission Bay neighborhood. Lefty O'Doul Bridge is also a drawbridge that is used several times per day, causing traffic congestion at one of the key access/egress points for the site on 3rd Street. The bridge is a historic landmark for which major structural modification is not an option, though the city is planning to realign lanes traveling across the bridge in the



Local street network

coming years to make space along its the eastern edge for bicycle and pedestrian facilities as part of the San Francisco Bay Trail.

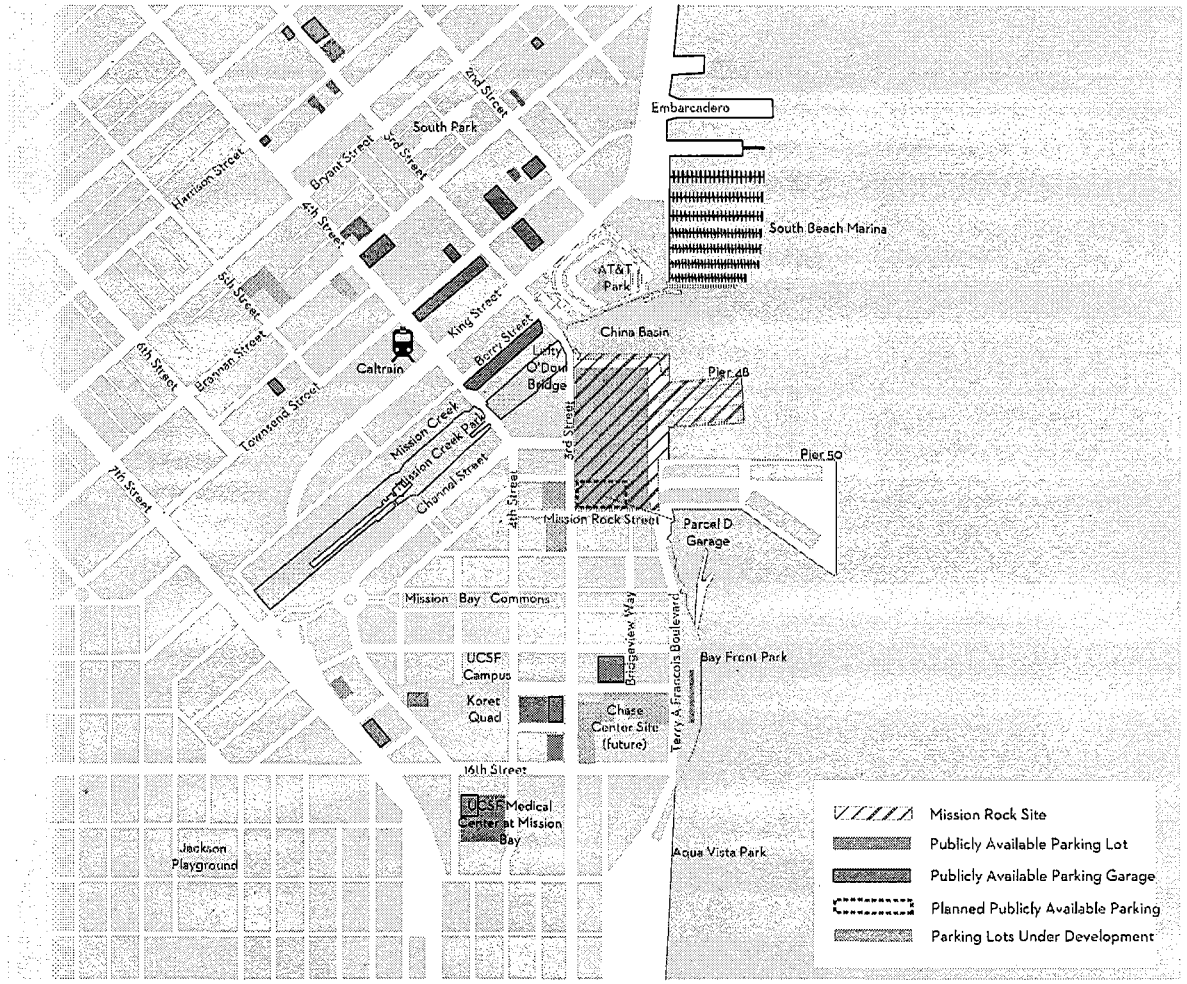
Regional Connections

For connections to the region, ramps to Interstate-80 and access to the East Bay are located approximately a half mile north of the site, via 4th and 5th streets. Interstate 280 provides the main connection to the South Bay, and ramps are located less than a half mile of the site to the west, via King Street, or slightly further to the southwest, at Mariposa Street.

Parking

As of SFMTA's most recent parking inventory in 2011, the Mission Bay and the Central Waterfront area (bound by the Bay to the east, Mission Creek Channel to the north, 7th Street and Iowa Street to the west, and Pier 80 to the south) had approximately 7,000 off-street parking spaces, and SoMa (bound by the Bay, Market Street, 7th Street, and the Channel) had an additional 26,000 spaces. Many of the spaces in Mission Bay are reserved for the users of specific sites like University of California, San Francisco's hospital and medical campus, but a sizable share of the spaces in SoMa are in paid publicly accessible lots and garages. Parking supplies in that area have shrunk somewhat in recent years, as surface parking lots have been redeveloped.

Many streets in SoMa and Mission Bay also have on-street parking. A large share of the on-street parking in both neighborhoods is currently metered per SFpark pricing policies to manage demand during nearby special events.



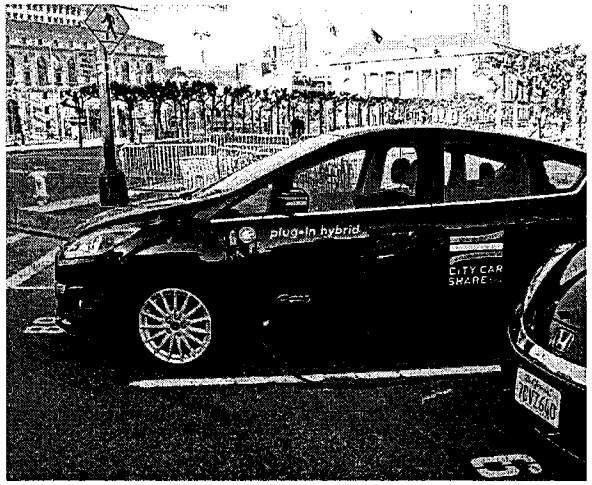
Parking facilities near Mission Rock (2015)

2.3 TECHNOLOGY-BASED TRANSPORTATION

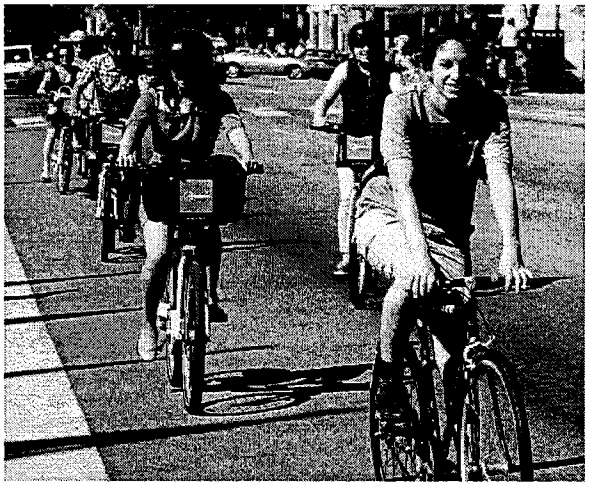
As noted earlier, technology-based transportation companies offering car share, bike share, and app-based ride hailing (e.g. Lyft and Uber) are changing the way people travel. Although it has yet to be determined how ride hailing trips affect the number of overall driving trips, these innovative services have enjoyed early and growing adoption by Bay Area residents, particularly San Franciscans, and they are widely available in the areas around the project.

Car-share has emerged as a strong mobility option for households without cars. Efforts to quantify the impacts of car sharing have found that car share members drive 40% fewer miles than the average driver and take 46% more public transit trips, 10% more bicycle trips, and 26% more walking trips. The average household reduces its vehicle ownership by 50% after joining a car-share service.

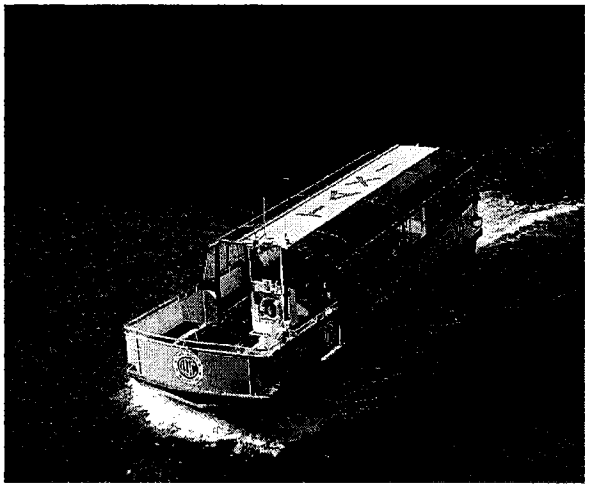
Bike share provides another short-term mobility option, offering hourly rental of bicycles. Unlike car share programs offered in San Francisco, bike share allows for one-way rentals. Bay Area Bike Share is poised to expand dramatically throughout San Francisco by the



City Car Share (WIKIMEDIA COMMONS, USER MARIORDO)


Bay Area Bike Share (WIKIMEDIA COMMONS, USER MARIORDO)

Scoot (FLICKR USER MARTIN MICHAEL)


Water taxi service in Chicago (FLICKR USER LUKE GORDON)

time Mission Rock opens, with a plan to expand to 7,000 bicycles by 2018.

Scooter sharing is another service that has emerged in San Francisco in recent years. Scoot offers $3 one-way rentals of its fleet of more than 400 small two- and four-wheeled vehicles. The two-wheelers travel as fast as 30 miles per hour, and the four-wheeled "mini-cars" travel 25 miles per hour. Users of the service find nearby vehicles and unlock them using the company's smartphone app.

TNCs like Lyft and Uber provide on-demand booking of one-way car trips via smart phone app, and have recently expanded to facilitate shared vehicle trips (through Lyft Line and UberPool).

The rest of the private transit market is an evolving landscape, consisting of long-distance employer shuttles, short-distance institutional and transportation management association (TMA) shuttles, on-demand commuter shuttles, and other services.

Long-distance employer-sponsored shuttles currently make trips to many office campuses outside of San Francisco (e.g. technology companies in the South Bay). An SFMTA program that designated certain Muni bus stop sand other designated curb locations is ongoing.

There are a number of **short-distance shuttles** in operation in the project area. Currently, the Mission Bay TMA operates five routes from Mission Bay to Market Street and points throughout SoMa. Most of the routes operate only during peak periods Monday through Friday. Numerous companies and institutions also offer shuttle service within San Francisco. For example, Levi's operates a shuttle between Caltrain and BART stations and the company's headquarters in Levi's Plaza.

Chariot, which offers a **demand-responsive microtransit service** using 14-passenger vans, operated nine public routes during the morning and evening commute periods as of August 2017. The service typically utilizes white curb loading zones for passenger drop-off and pick-up. Chariot recently expanded many of its routes and now serves points in the South Bay and East Bay, in addition to intra-San Francisco routes.

Two **water taxi** companies currently run limited service between points along the Bay, including the San Francisco Ferry Building. Over time, water taxi operations may expand with growing demand, and there is potential for a landing at Pier 48 and, with the exception of winter, at AT&T Park's ferry dock.

These evolving transportation services provide people in San Francisco with new options to move around the city and the region, further supporting a multimodal lifestyle not dependent upon ownership or use of a private vehicle.

03

GETTING AROUND AT MISSION ROCK

Mission Rock will be designed to give all users high quality choices for how they move about the site and how they get to and from it.

The site will feature generous and active pedestrian areas throughout, and the bicycle network will give cyclists of different ages and skill levels high quality options. Wide sidewalks and wayfinding will help people find the variety of nearby transit options, and Mission Rock's entire street grid will provide comfortable access to the waterfront and, at Pier 48, a variety of water transportation options as well.

This chapter expands on these ideas, laying out the vision for how people will get around Mission Rock. Note that the project's Design Controls go into more detail on dimensions and materials.

3.1 NON-MOTORIZED CIRCULATION

Mission Rock's streets will be designed with the site's modal hierarchy in mind, prioritizing the safe and comfortable movement of pedestrians. Streets will include a variety of features that will help ensure that pedestrians feel safe and comfortable moving throughout the site by keeping vehicle speeds slow and ensuring that those on foot or on bicycles are highly visible to motorists.

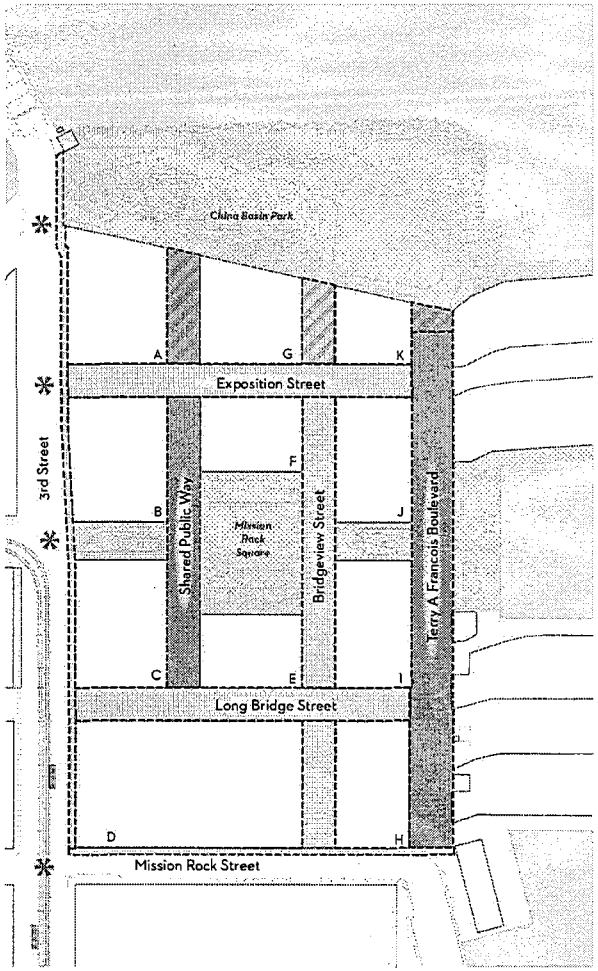
As specified in the Design Controls, all crossings will be marked using high visibility paint and other treatments, and all curbs will include ramps to facilitate accessible paths of travel. Some will be reinforced by bulbouts that bring curbs to the edge of travel lanes, shortening crossing distances and making pedestrians who are readying to cross more visible to drivers. At others, "tabletop" treatments will bring the roadway to sidewalk level and change paving materials through intersections. The changes in grade and visual treatment have been shown to make motorists instinctively slow down through these sensitive zones.

On the site's curbed streets, a combination of street furnishings, lighting treatments, and generous sidewalks will make pedestrian space vibrant, inviting, and comfortable even when pedestrian volumes are higher before and after events. Lighting will be at a pedestrian scale, and furnishings like benches and planters will create variety and a sense of protection from vehicle flows between the curbs. All three north-south streets will transition seamlessly into China Basin Park via vehicle-free zones at their northern ends.

3.1.1 SHARED STREETS

Shared streets, in which all modes mix across the entire street cross-section, will form the backbone of north-south pedestrian circulation, strategically placed along key paths of travel. These streets will be curbless, following street design approaches seen in Europe along key walking corridors and high streets. Visual and tactile cues like changes in the color or texture of pavers, bollards, street furniture, light fixtures, plantings, and tactile warning strips will differentiate between areas dedicated to pedestrian movement and areas shared by pedestrians, bicycles, and vehicles. These types of streets are somewhat rare in San Francisco, but the Mission Rock team has worked closely with the City to design the streets in a way that works with local norms and regulations. The Design Controls document describes the design of these streets in more detail.

The Shared Public Way will be a key retail corridor through the site, creating a vibrant connection between AT&T Park to the north and the ballpark's main parking facility at the southern end of Mission Rock. Lined with ground-floor shops and cafes, the street will feature



Street types on the Mission Rock site

patio seating and displays that extend the ground-floor uses into the right-of-way, creating "street rooms" that invite people to stroll and linger. The street will only allow northbound vehicle movement, and entrances to the zone will feature signs and other visual cues to make clear that vehicle access is for drop-off, pick-up, and deliveries only.

Terry A. Francois Boulevard, along the eastern edge of the site, will be a slightly different shared street, mixing the area's maritime history with a newer identity as a place where people come together for all kinds of activities. The boulevard will feature a slow two-way, plaza-like shared zone for all modes between wide zones reserved for walking, biking, and loading. The San Francisco Bay Trail will extend through the site on the east side of the street, and the west side will allow pedestrian and loading access to ground-floor maker spaces, which will be raised slightly above street level in an ode to traditional industrial and warehouse building vocabulary.

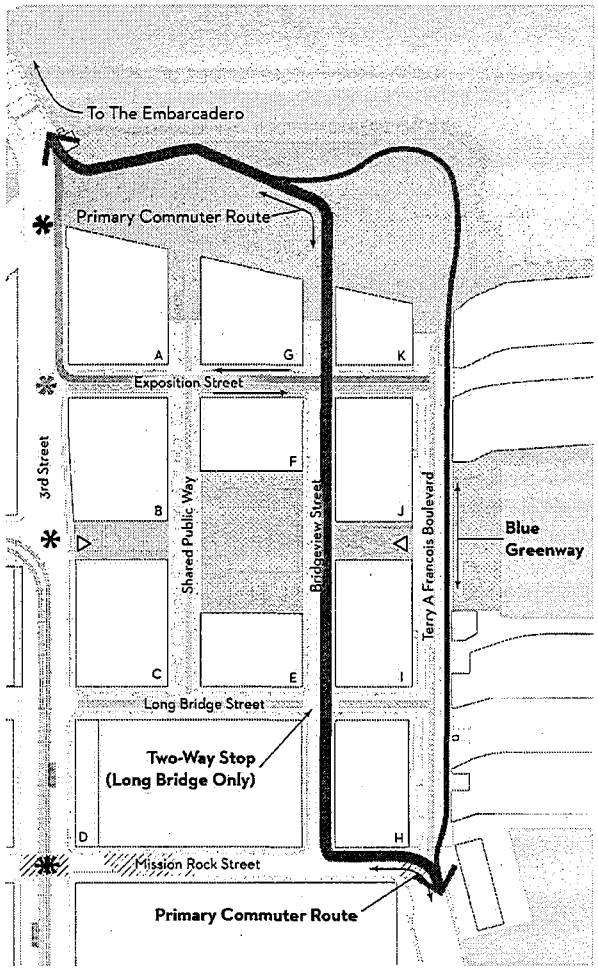
3.1.2 BICYCLE FACILITIES AND CIRCULATION

In keeping with the rest of the transportation program, Mission Rock's approach to bicycle circulation is about providing a multitude of choices, with facilities designed for leisurely riders along the waterfront and higher speed facilities along more direct routes to SoMa, Downtown, and other points north of the site.

Even in cities with higher rates of bicycle commuting like San Francisco, researchers estimate that a considerable number of additional people might consider cycling if there were a network of slower, more protected facilities that made them feel safe and comfortable while riding. Mission Rock will provide routes to and through the site that speak to this need, and these facilities will connect to a large and growing network of bicycle facilities in the surrounding area.

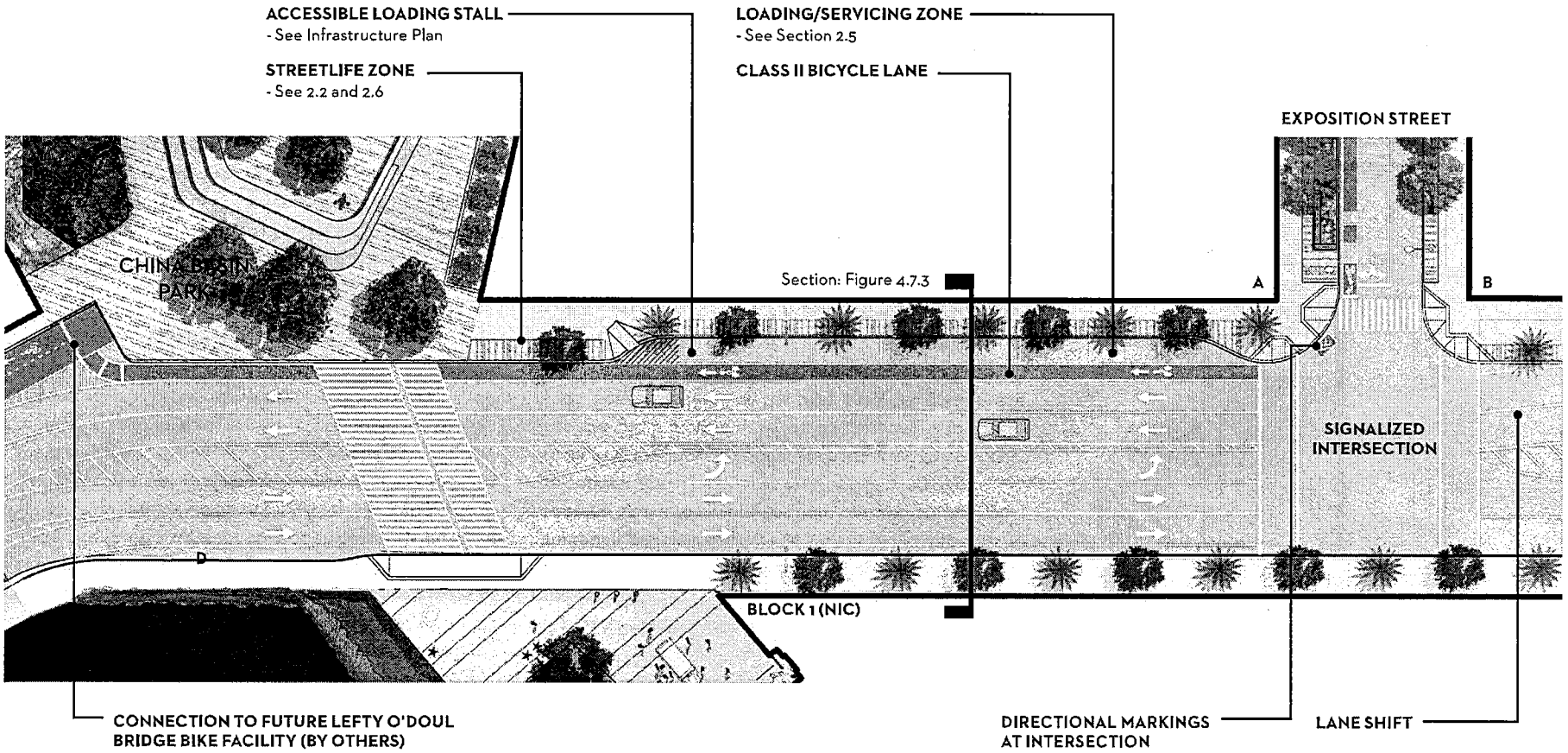
The San Francisco Bay Trail's connection through the site will provide a comfortable route for cyclists of all ages. Visual cues at north and south gateways to the multi-use path will encourage slower bicycle speeds, opening space for younger and older cyclists, as well as pedestrians. The figures on the following pages show how the bicycle facility is anticipated to connect into the City's bicycle network on the north and south ends. For more detail on the proposed design of these intersections or other streets, see Chapter 4 of the Design Controls.

A cycle track route along Bridgeview Street will provide a higher speed connection between the Embarcadero and points south of the site for commuters and more

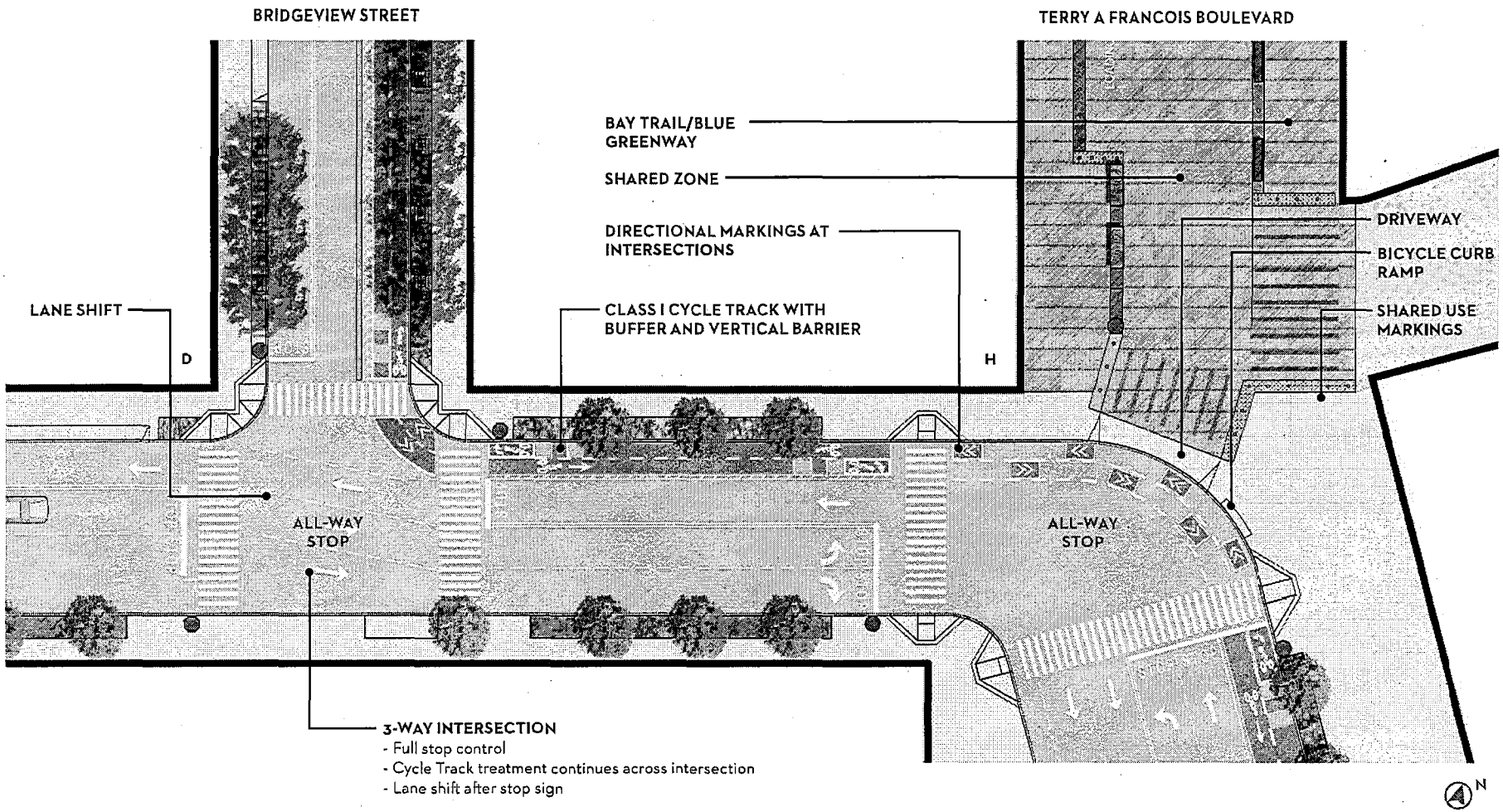


Planned Bike Path (Class I/IV)
Planned Bike Lane (Class II)
Planned Bike Route (Class III)
Existing Signal Location
Planned Signal Location
Access to Below-Grade Parking (if provided)

Bicycle circulation concept



A northbound buffered bicycle lane would provide commuters an alternative to traveling through China Basin Park to connect to a planned two-way cycle track across Lefty O'Doul Bridge.

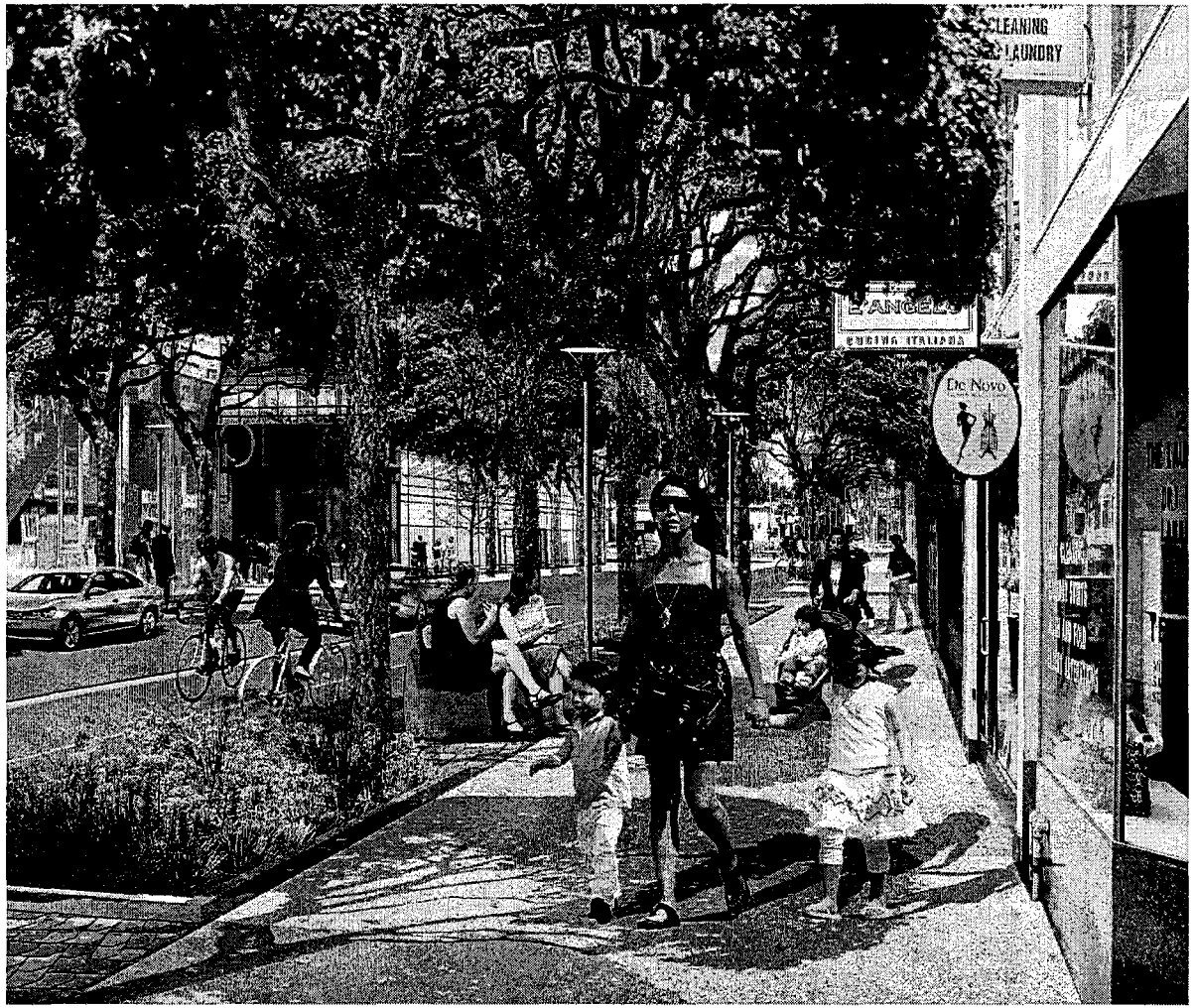


Cyclists on a planned two-way cycle track along Terry A. Francois Boulevard to the south will have two high quality options at the southeastern corner of Mission Rock. Some may choose to continue on Terry A. Francois Boulevard, but those seeking a faster route will be able to connect seamlessly to a two-way cycle track on Bridgeview Street via Mission Rock Street.

experienced cyclists. A raised and green-painted two-way track protected by a painted buffer zone and soft-hit posts or another buffering approach will clearly reserve a piece of the right-of-way for cyclists. A two-way stop will control cross-traffic on Long Bridge Street to enable a faster and smoother ride for north- and south-bound cyclists. The intersection will be raised to the level of the cycle track to slow cars as they approach and move through the intersection. To connect to high quality bicycle facilities planned for Lefty O'Doul Bridge and the Embarcadero, the route will rejoin the San Francisco Bay Trail in China Basin Park. Northbound cyclists will be able to bypass the park via a painted bicycle lane along Exposition and 3rd streets.

The Design Controls document contains more detail on the planned design of these facilities. That document will be updated as the design team works with the City to ensure that bicycle facilities on the site connect seamlessly to improved facilities north and south of the site, to be implemented in the next several years.

For cyclists with destinations in Mission Rock, the site will provide a variety of bicycle storage options, including a network of spaces in public areas and conveniently located secure spaces inside the site's residential and office buildings. The project team anticipates that an existing bike share provider will install at least one bike share pod on the site, connecting to the much expanded bike share network that hit San Francisco streets in 2017.



Bridgeview Street imagined, with a two-way cycle track providing a faster option for commuters.

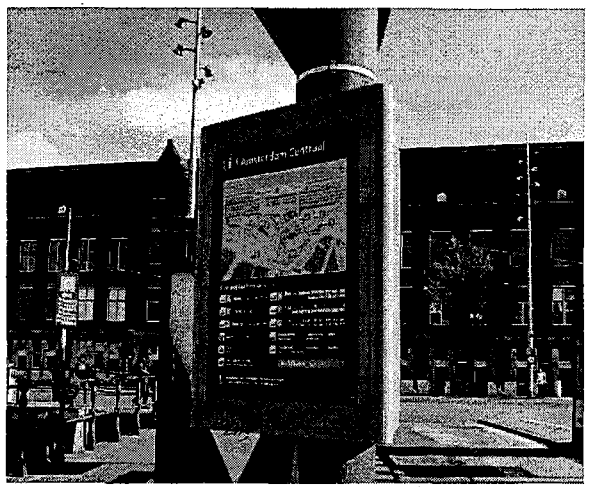
3.2 TRANSIT ACCESS

The Mission Rock site offers close, comfortable connections to several fast, high frequency, and high capacity transit options. By the time Mission Rock opens for occupancy, the T-Third Muni light rail line will have begun providing quick access to Market Street via 4th Street and the Central Subway (Mission Rock Station is located adjacent to the site, at the intersection of 3rd and Mission Rock streets). Caltrain's San Francisco terminal is a 10-minute walk from the site at 4th and King streets, and BART will be a 20-minute walk or quick T-Third ride away. Bay Area Bike Share will also provide a fast and convenient way to get to transit nodes like Market Street's subway stations and the Transbay Terminal.

The project team will implement a multi-pronged signage and wayfinding strategy to ensure that residents, employees, and visitors understand just how convenient it is to access these high quality mobility options. Outdoor static wayfinding will show basic directions and distances to nearby transit stops, and interactive information kiosks in key places on the site will provide access to more specific directions and real-time transit service information. For residents and employees, a Mission Rock website and screens in building lobbies will both show real-time transit information.

Elements of the site's transportation demand management program will also encourage transit use. See Chapter 4 and the Mission Rock TDM Strategy for more information on transit-supportive programs and incentives.

Transit screens set up in an office lobby (TRANSITSCREEN.COM)


Wayfinding signage in Amsterdam (FLICKR, ANDREY KARMATSKIY)

Interactive information kiosk (USDOT)

Directional wayfinding to transit (FLICKR, CHRIS HEATHCOTE)

3.3 VEHICULAR CIRCULATION

Mission Rock's street network will be dense, highly connective, and strongly tied into its surroundings. The interior street grid will link up with the developing Mission Bay street network at several points, continuing east-west and north-south streets that currently dead-end at the edges of the project site. Bridgeview Way, which today runs between South Street and the southern border of the project site at Mission Rock Street, will continue as Bridgeview Street through the site to China Basin Park. Long Bridge Street, which today links Third and Fourth Streets will extend to the waterfront at Terry A. Francois Boulevard.

Most vehicles will enter the site from 3rd Street, the main north-south vehicular route through Mission Bay. The figures on this page show estimated relative vehicle flows through the site at peak periods, extrapolated from traffic modeling done for the Transportation Impact Study.

The site's approach to providing parking would place a single garage near the southwestern corner of the project site, which would keep most private vehicle traffic at the southern and western edges of the site. The project's entitlement documents also include an alternative parking approach that would distribute the site's parking supply between an above-ground facility at the site's southwest corner and a smaller facility under Mission Rock Square.

Vehicular circulation through the rest of the site should mostly consist of delivery vehicles and cars dropping off or picking up passengers. Mission Rock will proactively manage commercial delivery activity, discouraging deliveries during commute periods and encouraging them instead in the early morning hours or late at night. The Mission Rock team will put together a detailed loading management plan for each phase of the project. The team will also work with tenants that are likely to regularly receive large-truck deliveries, such as potential tenants in Pier 48, to ensure that individual deliveries are appropriately staffed to maintain safe conditions for other street users.

As specified in the Design Controls, passenger loading spaces on the Shared Public Way, Bridgeview Street, Long Bridge Street, and Terry A. Francois Boulevard each have curb conditions that meet the standards of the Americans with Disabilities Act, for pick-up and drop-off of passengers with mobility limitations. During specified hours, parcel delivery will be concentrated around commercial loading zones on 3rd, Exposition, and Long Bridge streets and Terry A. Francois Boulevard. Outside of those hours, these spaces would open up to use by private cars picking up and dropping off passengers and for-hire passenger vehicles like taxis and TNCs.

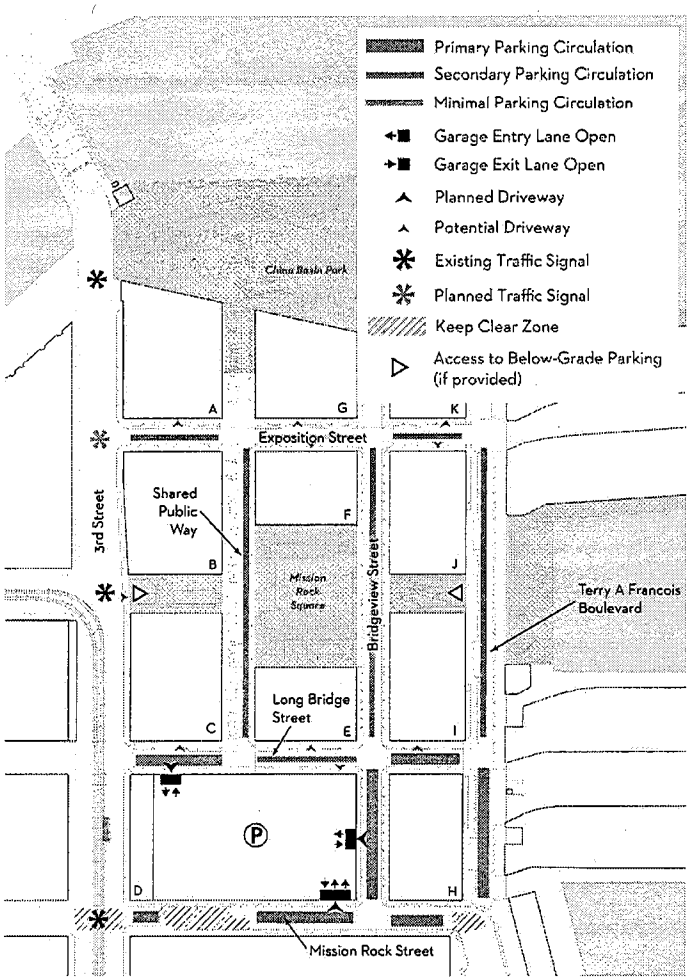
The shared streets – Shared Public Way and Terry A. Francois Boulevard – are expected to see very low traffic volumes, consisting mainly of loading for passengers with mobility limitations. "Traffic calming" treatments like changes in paving materials and changes in roadway grades will help ensure that volumes and speeds stay low (see the Design Controls for more detail). If all parking is concentrated in a single facility at the southwest corner of the site, Channel Lane and Channel Street will each be closed to vehicle traffic. If the project ultimately includes a parking facility under Mission Rock Square, one or both streets may provide vehicle access to the facility.

3.3.1 INTERSECTION CONTROLS

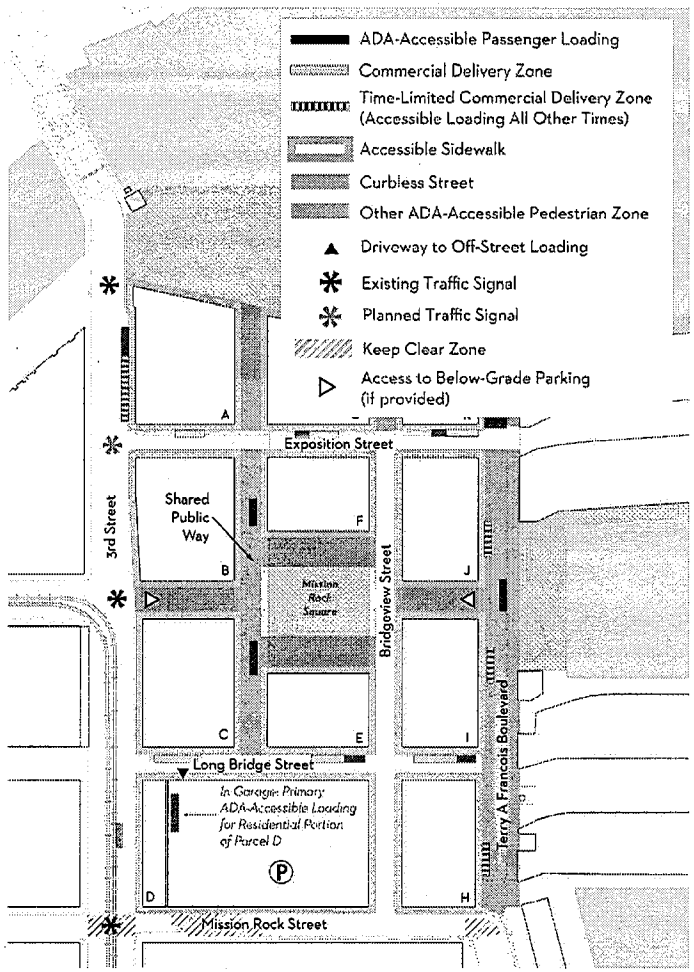
Most internal intersections will be controlled by all-way stop signs. As noted earlier, one intersection along Bridgeview Street will only stop cross traffic on Long Bridge Street to allow for smooth and efficient cycling along the route.

Third Street's interfaces with Mission Rock and Channel streets will be controlled by traffic signals, as they are today. A signal that currently controls the intersection of 3rd Street and Terry A. Francois Boulevard and halts traffic when Lefty O'Doul Bridge is raised for boat traffic entering Mission Creek is anticipated to remain where it is, allowing for signalized control of what will be an important pedestrian and bicycle connection between China Basin Park and a linear park on the west side of 3rd Street. An additional signal is planned at the intersection of 3rd and Exposition streets. The exact sequence of signals along 3rd Street will be determined by the San Francisco Municipal Transportation Agency and the Department of Public Works.

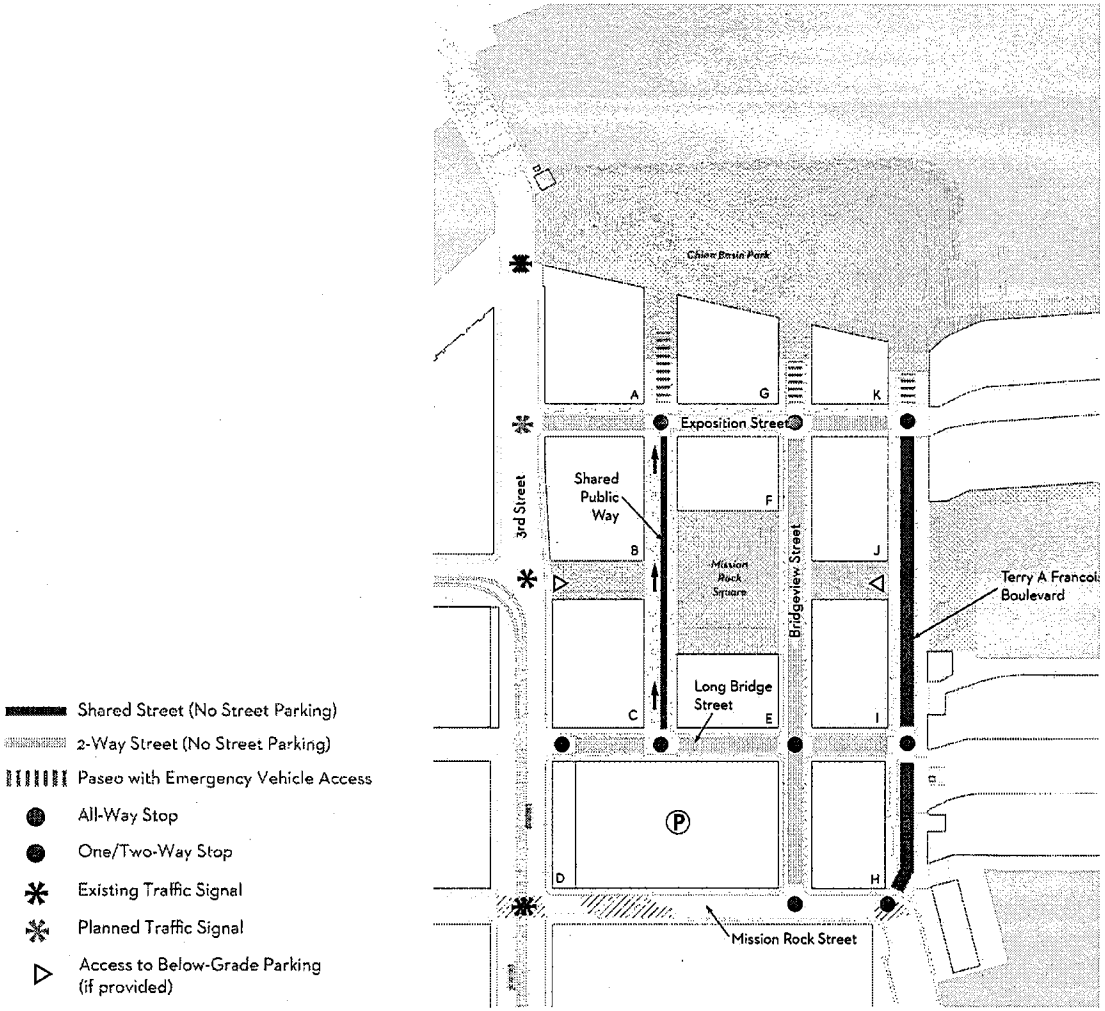
In keeping with the way major entries and exits from AT&T Park's main parking lot are managed before and after events today, intersections around the site's



Relative parking-related vehicle flows and garage access control plan (one-garage scenario)



Planned passenger loading zones



Proposed intersection control plan

parking garage may be controlled by traffic control personnel (also known as parking control officers, or PCOs) before and after events. The number and location of PCOs will be identified in the project's development agreement with the City. See Chapter 5 for more on traffic control before and after major events.

3.3.2 PARKING

Strategic parking management is a cornerstone of the Mission Rock transportation program. A parking garage on the site's southwestern parcel will be the site's main parking facility, with 2,300 to 3,000 of the maximum of 3,100 parking spaces allowed on-site, per the development's entitlement documents. The garage will be used to serve the needs of both users of Mission Rock and users of AT&T Park, replacing the surface parking lot that currently covers the entire site. The site's entitlement documents include an alternative parking approach that could reduce the size of the main garage and locate some of the site's parking supply in a smaller facility under Mission Rock Square.

The site's parking supply will be managed around major AT&T Park events in much the same way as the surface lot is today: To ensure that there is adequate space available for event attendees, prices will be raised around event times to clear the garage at the site's southwest corner. When there is not an AT&T Park event on the calendar, available capacity in the facility could serve the needs of some users of Chase Center (the Golden State Warriors' planned arena and event center at 16th and 3rd streets) as well.

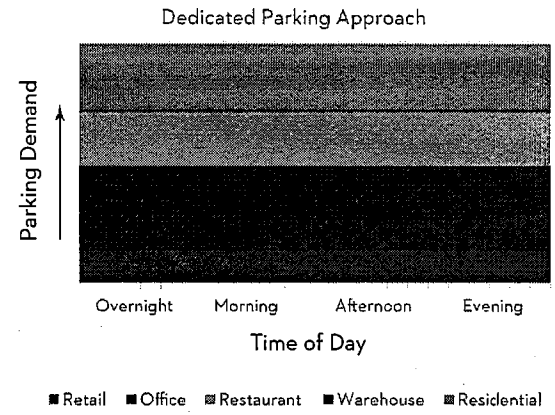
Outside of event times, most parking at Mission Rock will be a resource shared flexibly by all of the users of the site. This arrangement is an alternative to the traditional suburban model of requiring that a certain number of spaces be reserved for each individual use (i.e. office, residential, retail, or restaurant), with enough to accommodate each use's estimated peak demand. Sharing allows a more limited number of spaces to go further by taking advantage of the fact that different uses have different peak periods. For example, peak demand for parking related to office uses tends to take place in the late morning or early afternoon, while peak demand for residential uses is typically overnight. One set of parking spaces can serve both needs. The figures at the right illustrate how this approach to parking management typically results in the need for fewer spaces.

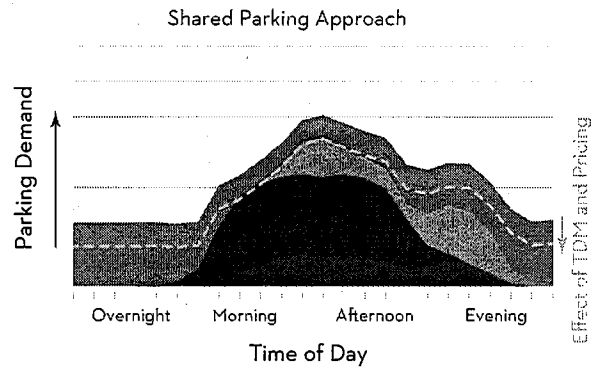
While most spaces will be designed for a typical self-park arrangement, with parking stall widths of eight to nine feet and vehicle circulation lanes, a portion of the spaces for long-term users could be in more space-efficient vehicle stackers. Approximately 60 of the vehicle spaces will also be reserved for car share and scooter share vehicles (see additional information about vehicle sharing programs in Chapter 4).

3.3.2.1 Parking Pricing

The price of parking has been shown to be a highly effective mechanism in changing parking and travel behavior. Parking prices at Mission Rock will be set according to levels of demand: During times with higher levels of typical demand, parking might have a higher price, encouraging the use of other modes. Prices would not change in real time based on current occupancy, but might be adjusted overall a few times a year based on recent occupancy data. Prices might automatically increase by a pre-set amount during peak periods, based on typical demand patterns, or for scheduled events.

Given the project's desire to encourage people to the most sustainable mode that fits their lifestyle, hourly, daily, and monthly parking prices will be set based





These figures illustrate how the concept of shared parking often results in reduced parking supplies overall. Because different uses see peak demand at different times, the total parking needed at any given time in a shared arrangement can be as much as one third less than what would be needed if each use had to accommodate peak demand separately. Pricing and TDM can reduce demand further.

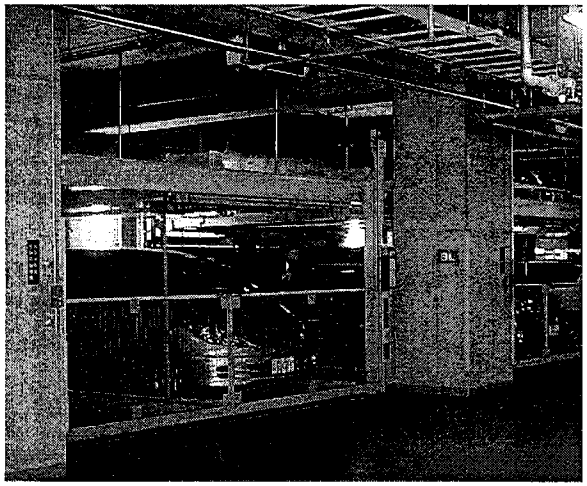
on market prices in the surrounding neighborhood. Disseminating pricing and availability information is critical to ensuring that users are able to change behavior in response to changes in price. Real-time parking information will be shared in a variety of ways, including the Mission Rock website and dynamic signs at entrances to the site.

The price of parking at Mission Rock will be unbundled from residential and commercial leases, which means parking will not be included in rental agreements by default - residents and employees will need to purchase a daily or monthly parking permit separately. This approach is in-line with City of San Francisco policy and ensures that site users who do not own a car or do not plan to commute to the site by single-occupancy vehicle are not burdened with the price of parking they do not plan to use.

3.3.3 EMERGENCY ACCESS

All of Mission Rock's streets have been designed to provide appropriate clearance for emergency vehicles like large fire trucks. Corners have also been designed to accommodate the turning needs of large vehicles. The site's highly connective street grid will help facilitate emergency access to all of the site's buildings. Streets closed to general vehicle traffic will be made accessible to emergency vehicles as needed. The Infrastructure Plan contains further detail on the streets' technical specifications that allow for the safe circulation of emergency and other larger vehicles.

Dynamic parking information board (NELSONNYGAARD)


Car stacker (SALPARKINGSOLUTIONS.COM AD)

3.4 CONCLUSIONS

Mission Rock's design reflects the future of transportation in San Francisco. More and more, people count on having convenient access to several ways of getting around, and Mission Rock provides comfortable facilities for all kinds of lifestyles. Mission Rock is designed to be safe and comfortable to pedestrians and cyclists, to create easy paths of access to the wealth of nearby public transit options, and to ensure that those who rely on motorized transportation can be dropped off or picked up in convenient locations around the site.

Of course, circulation infrastructure is only part of the program. The next chapter details the strategies and up-front investments that will help further provide incentives for the use of sustainable, space-efficient modes of transportation.

04

TRANSPORTATION DEMAND MANAGEMENT

Mission Rock's transit-rich context and its bicycle and pedestrian-oriented approach make the site a prime candidate for robust and effective transportation demand management (TDM).

This chapter summarizes a comprehensive TDM program that will enable Mission Rock to actively manage travel demand through a variety of up-front infrastructure investments and ongoing programs. Ultimately, a robust TDM program will reinforce Mission Rock's forward-thinking vision and its aspirations to be an active and vibrant district that is inclusive and safe for all users.

4.1 PLANNED STRATEGIES

Cities and campuses alike have implemented TDM programs to reduce single-occupancy vehicle (SOV) travel and find the optimal balance of transportation modes to accommodate growth. New residents and office tenants increasingly demand convenient access to quality multimodal infrastructure, and in urban areas like San Francisco, they assume that parking will be treated as a limited commodity that will be priced based on occupancy levels and market rates. The Mission Rock TDM Plan is in line with these expectations and exceeds them in important ways to maximize user satisfaction and foster travel choices that are sustainable in all senses of the word.

As summarized in this chapter, the Mission Rock TDM Plan consists of a package of cost-effective strategies that will work together to affect behavioral change. Strategies include incentives, programs, and infrastructure improvements, and they include many that have been successfully implemented in other mixed-use and urban environments. The package of strategies aims to reduce the number of daily SOV trips to the project site (as projected in the site's environmental impact report) by 20%.

The tables on this and the opposite page give an overview of the individual programs that comprise the site's overall TDM Plan. The text that follows provides some information on these programs; complete operational details are included in a separate TDM Plan document. A few of these recommendations have also been directly integrated into the design of Mission Rock, as codified in the Design Controls and other design documents.

Note that TDM programs work together to reduce demand, providing users with a complete package of incentives and infrastructure that can allow them the flexibility to use the mode that makes the most sense for them on a given day. This is in-line with the overall approach to transportation at Mission Rock - providing a variety of high quality mobility choices.

The collection of programs has been thoughtfully crafted into the cohesive strategy outlined in this chapter and further detailed in the TDM Plan document. While some TDM strategies like parking pricing have a more direct effect on travel behavior, others like facilitating delivery services play a more supportive role. Individual strategies would be unlikely to have the same impact in the absence of other strategies.

MEASURE TYPE	INFRASTRUCTURE AND POLICY	OPERATIONAL	
4.1.1 TRANSIT	4.1.1.1 Real-Time Transit Information and Marketing Screens	4.1.1.1 Dynamic Transportation Information	4.1.1.2 Transit Subsidies
4.1.2 BICYCLE	4.1.2.1 On-Site Bike Share 4.1.2.5 Bicycle Parking 4.1.2.6 Showers and Lockers	4.1.2.2 Bike Share Memberships 4.1.2.3 Bicycle Community Programming	4.1.2.4 Bicycle Resource Centers 4.1.2.7 Bicycle Valet
4.1.3 MOTORIZED TRANSPORT	4.1.3.1 On-Site Shared Scooters 4.1.3.3 On-Site Car Share Parking Spaces	4.1.3.2 Scooter Share Memberships	4.1.3.4 Car Share Memberships
4.1.4 PARKING	4.1.4.3 Unbundled Parking	4.1.4.1 Parking Pricing 4.1.4.2 Real-time Parking Pricing and Availability Information	
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4.1.1 TRANSIT STRATEGIES

4.1.1.1 Real-time Transit Information and Marketing Screens

Dynamic transit information and transportation marketing to residents, employees, and visitors will be displayed on screens in building lobbies, or a similar approach will be used based on state-of-the-practice technology at the time of occupancy. Information will be also displayed in other high traffic areas, such as collaborative work spaces inside residential and office buildings around the site or childcare facility entrances. Making such information readily available can increase residents' awareness of local transit options and facilitate efficient trip planning.

4.1.1.2 Transit Subsidies

Clipper Cards pre-loaded with some cash value will be provided to all residents upon move-in, and business tenants will be required to offer employees the same. Clipper is the Bay Area's transit fare payment card and can be used on more than 20 of the region's transit agencies, including BART, Muni, and the ferries. Providing Clipper Cards upon move-in can increase residents' awareness of nearby transit options and increases the ease with which they can start using it. Clipper Cards can also be customized through a bulk purchase through the Metropolitan Transportation Commission, helping site users further associate Mission Rock with transit access.

Providing Clipper Cards could increase the ease of using transit for employees and residents who currently do not have Clipper. For individuals who already have cards, the one-time financial subsidy could help lower one barrier to increased transit use.

4.1.2 BICYCLE STRATEGIES

4.1.2.1 On-Site Bike Share

At least one high visibility space will be made available for a Ford GoBike dock on-site, with the possibility of additional docks depending on Ford GoBike's intended Mission Bay expansion. Prominently located bike share docks can increase awareness of bike share as a viable transportation option while also facilitating use. Each bicycle dock would be provided and maintained by the Ford GoBike management company, Motivate, and the project team will work with the company to identify appropriate dock locations on the Mission Rock site.

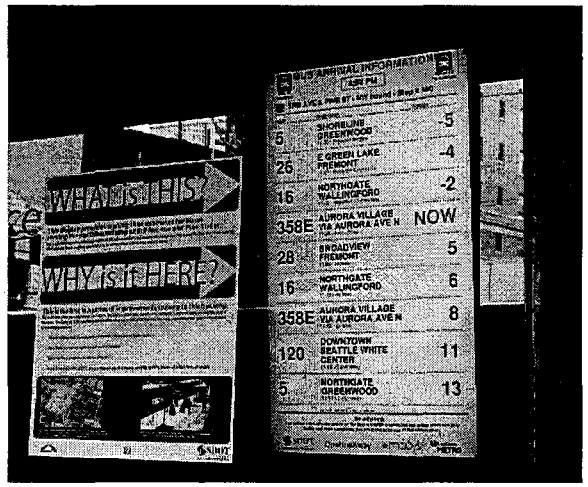
4.1.2.2 Bike Share Memberships

Single-year Ford GoBike memberships will be offered to all residents 18 years or older upon move-in. Members of Ford GoBike can take free, unlimited 45-minute one-way bicycle rides between bike share stations.

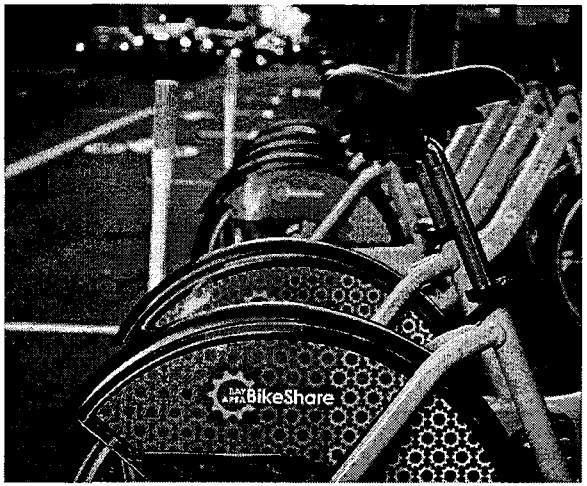
Providing residents with bike share memberships could help tenants with minimal experience cycling in San Francisco a low-cost and low-obligation opportunity to try cycling, and it would provide residents with a quick and easy way to get to the Transbay Transit Center and Market Street, for BART connections and a variety of other transit options and recreational activities.

4.1.2.3 Bicycle Community Programming

Through the site transportation staff, regular bicycle parties or happy hours for the bicycling community will be hosted at Mission Rock, potentially paired with gear giveaways. Bicycle-oriented programs and events encourage bicycling by raising public acceptance and



Real-time transit information in Seattle (FLICKR USER BRIAN VIRVIENCY)



Bay Area Bike Share (FLICKR USER DAVID EDCHIANG)

support for non-motorized transportation and building connections between residents who regularly bicycle, making biking a fun, social activity. Integrating bicycling into the social fabric of the Mission Rock community will raise the profile of bicycling as a viable mode of transportation and encourage people to try biking for a portion of trips.

4.1.2.4 Bicycle Resource Centers

Each building's secure bicycle parking area will be equipped with a bicycle maintenance space, with resources like a bicycle stand, a workbench, tools, and a basic repair kit. These dedicated spaces contribute to social acceptance of bicycling and reduce one key barrier associated with owning a bicycle - concern about complications related to ongoing maintenance - by providing tools and parts through a vending machine at low prices.

This measure will also include working to incorporate a bicycle store in the site retail plan and establishing a resource center containing a vending machine for bicycle parts, a "fix-it" work station with basic tools, and bicycle pumps somewhere else within the site at an easily accessible location.

4.1.2. 5 Bicycle Parking

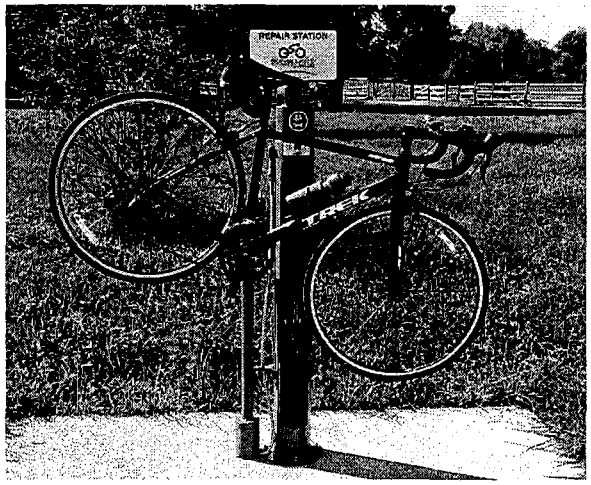
Given the importance of non-motorized transportation to the site's overall design concept, more bicycle parking will be provided than is required by San Francisco City Code. This will include secure Class I parking spaces in residential and office buildings and a network of Class II bicycle parking spaces throughout public areas.

Class I parking consists of secure long-term bicycle parking, including bicycle lockers, bicycle cages, and bicycle rooms. Class II bicycle parking refers to more short-term bicycle parking, including on-street bicycle racks. The site's location in a flat part of San Francisco and the numerous planned bicycle facilities through the site imply a strong potential for very high rates of bicycle usage, and this will be encouraged through easy access to ample, convenient bicycle parking. Bicycle parking facilities will also be available to accommodate various types of bicycles including those with cargo and trailer attachments.

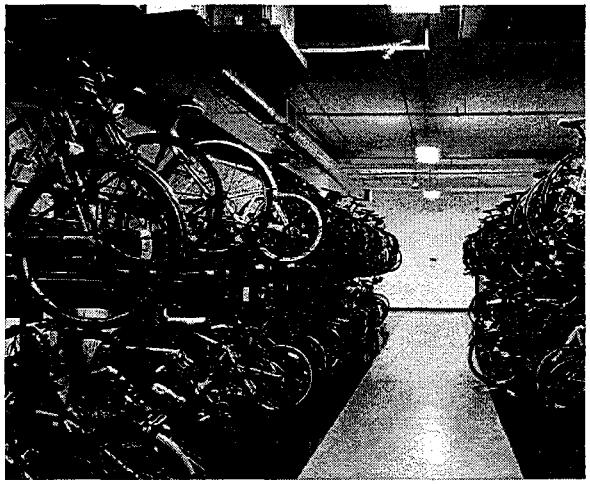
There are several methods of providing secure (Class I) bicycle parking spaces for residents and employees. The site will employ approaches that reflect best practices regarding secure short-term and long-term bicycle parking. For instance, one approach may be to locate bicycle cages at convenient locations within buildings, and bicycle owners who qualify can receive a key or access card to use the cages for a set period of time (e.g. during work hours). The access card can be the same as one used to access an elevator or parking garage. Public bicycle parking is often considered secure when it is situated in well-lit, highly visible areas.

4.1.2.6 Showers and Lockers

The site will meet the San Francisco Code requirement to provide shower and clothes locker facilities for tenants and employees in buildings with certain uses. Offices (including childcare, business services, and light manufacturing) that exceed 10,000 square feet must provide at least one shower and six clothes lockers;



Bicycle fix-it station (FLICKR USER JOE)



Bicycle room (Class I parking) (NELSCHMYGAARD)

for facilities between 20,000 and 50,000 square feet, the building must provide two showers and 12 lockers. Those exceeding 50,000 square feet must provide four showers and 24 lockers. Retail sales and restaurants exceeding 25,000 square feet must also provide one shower and six clothes lockers; those exceeding 50,000 square feet must provide at least two showers and 12 lockers.

4.1.2.7 Bicycle Valet

Free bicycle valet services will be provided for large on-site events (per code requirements). Complementing the bicycle parking available on a daily basis, bicycle valet services during special events can encourage people to travel to and from events by bicycle by eliminating the challenge of finding safe and convenient bicycle parking in an area crowded with event attendees. These services also raise public acceptance and support for non-motorized transportation by building connections with visitors.

4.1.3 MOTORIZED VEHICLE STRATEGIES

4.1.3.1 On-Site Shared Scooters

Off-street parking spaces will be reserved for 15 to 20 shared scooters (approximately six car parking spaces in total). These spaces will be made available to scooter share companies at no cost. Electric scooters are highly convenient in a dense urban environment and may have additional marketing value, given the cache scooters carry among certain population segments. Scoot is a current provider of this type of service. One of the benefits of Scoot's network is the ability to travel point-to-point, instead of needing to return scooters to their point of origin. Scoot already has pods within a short walk of Mission Rock. The parking garage would accommodate space for a scooter dock, which the scooter share vendor would provide and maintain.

4.1.3.2 Electric Scooter Memberships

Pending a partnership with Scoot Networks, a one-year Scoot membership will be offered to all new residents, and Scoot Networks could provide its scooter orientation on-site. Like a bike share membership, a scooter share membership could help establish new travel behavior patterns upon move-in. This measure would entail forming a partnership with Scoot or another electric scooter share vendor to provide free memberships in exchange to reserving space for electric scooter parking on-site.

4.1.3.3 On-Site Car Share Parking Spaces

Designated car share spaces will be provided in the parking garage, with flexibility to increase over time in response to demand. The number of spaces provided will exceed the amount required by the San Francisco Zoning Code. These spaces will be made available to car share companies at no cost.

Research indicates that a single car-share vehicle can remove as many as 20 private cars from the transportation network. Spaces will be located in high-visibility parking spots within the parking garage, which will be publicly accessible. Clear exterior signage will increase these spaces' visibility and emphasize the convenience of car share. Depending on the car share vendor provided, additional partnerships with ChargePoint may be required to provide infrastructure for electric vehicle charging.

SF Bicycle Coalition bicycle valet AT&T Park (NELSON\NYGAARD)

4.1.3.4 Car Share Memberships

Car share memberships will be offered to all households for their first year of residency. Depending on specifics of agreements with car share vendors, membership fees could be reduced or waived and some rental credit could be provided. These memberships could help establish new behavioral patterns upon moving in. Pairing access to car sharing vehicles with car sharing memberships is also shown to be more effective than implementing one or the other on its own.

4.1.4 PARKING STRATEGIES

Priced and actively managed parking is a cornerstone of the Mission Rock transportation program. The following measures will ensure that driving is not the default choice for access to the site.

4.1.4.1 Parking Pricing

The price of parking has been shown to be a highly effective mechanism in changing travel behavior, and as such, parking will be priced strategically at Mission Rock. During times of higher demand, parking might have a higher price, encouraging a higher rate of turnover and the use of other modes. Prices will not change in real time based on current occupancy, but instead might automatically increase by a pre-set amount during peak periods, based on typical demand patterns, or for scheduled events. Prices might be adjusted overall a few times a year based on recent occupancy data.

By refining the price of parking periodically, it would be possible to keep parking occupancy rates relatively close to the optimal level, typically around 90% for off-street parking. Researchers have found that parking facilities function efficiently (i.e. without requiring excessive parking-search time) up to roughly this level of occupancy. Demand-responsive pricing has been successfully piloted in San Francisco, Berkeley, Los Angeles, and other cities, and the AT&T Park lot on which Mission Rock will be built currently employs a form of this concept.

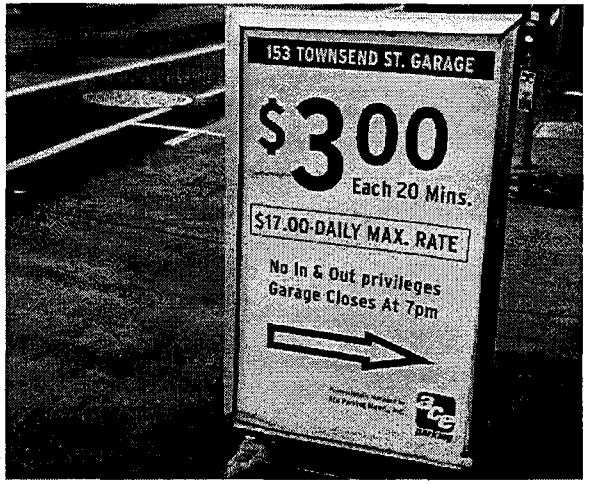
4.1.4.2 Real-Time Parking Pricing and Availability Information

Dynamic displays (or another state-of-the-practice price-information sharing strategy) will be installed to show real-time parking price and availability information. This information will also be made available through other channels like a Mission Rock transportation website; this will require installing technology and associated information systems to automatically monitor parking usage. For market-based parking pricing to be truly effective, the dynamic between price and availability must be clearly communicated to drivers. Making such information readily available to potential drivers, particularly at parking garage entrances, decreases the likelihood of drivers' circling for parking or potentially increases the possibility of choosing other modes.

4.1.4.3 Unbundled Parking

Parking costs will be unbundled from all residential, commercial, and retail leases and ensure that the users of parking are the ones who ultimately pay for it. In other words, individuals desiring parking will be required to pay the cost of parking themselves, and the price of parking will not be included in the leases of any residential or commercial tenants. "Unbundling" parking means that the cost for parking is separate from the cost of residential and commercial units. It is an increasingly common practice in urban areas, and it is required in San Francisco. Thirty percent of San Francisco households do not own a vehicle, and unbundled parking makes housing more affordable, particularly for those who do not need a parking space.

Car share spaces (NELSONNYGAARD)



Parking pricing information sign (NELSONNYGAARD)

This approach provides financial savings to households who decide to dispense with one of their cars, and it can help attract households who wish to live in a transit-oriented neighborhood where it is possible to live well with only one car, or even no car, per household. Unbundling parking costs changes parking from a required purchase to an optional amenity, so that households can freely choose how many spaces they wish to lease.

Unbundling parking tends to reduce demand for parking by specifically calling out and making optional the previously hidden cost of "free" parking. This in turn allows developers to provide less parking, which increases the area that can be developed with more lucrative land uses such as additional housing units. For this measure to work optimally for office users, the users of parking - not their employers - must be the ones who ultimately pay daily or monthly costs.

4.1.5 BUILDING STRATEGIES

4.1.5.1 In-Building Concierge Services

Mission Rock will work with the managers of individual buildings to appoint an in-building concierge to provide information about local merchants and coordinate/facilitate delivery services for residents. In-building concierge services and/or multi-purpose front-desk staff can facilitate valet parking, farm-to-table produce delivery, cold and dry storage for grocery or produce delivery, and secure package delivery. Concierge staff could also provide information about the nearest stores and services like dry cleaning and laundry service, as well as pickup/delivery services from local merchants. Residents would pay for all services.

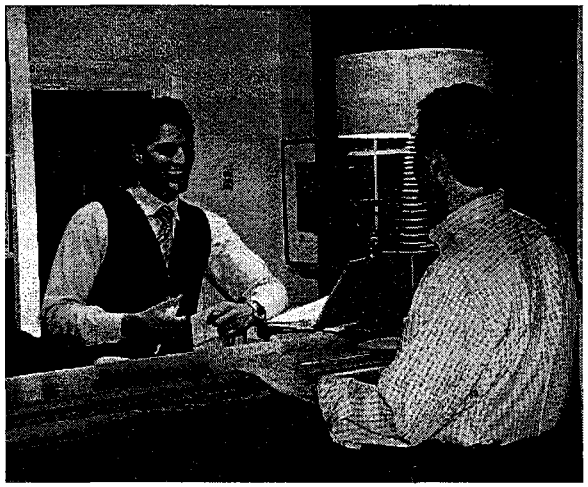
The site-wide transportation staff would provide centralized transportation support to the in-building concierges. The combination of these services will provide targeted travel information, consolidating or eliminating the need for additional trips.

4.1.5.2 Coordinated Delivery Services

Mission Rock will consider partnering with delivery service companies, in addition to establishing a centralized staging location for parcel delivery and a distribution system that relies on non-motorized transportation to deliver packages to the various buildings within the development. In the absence of an official partnership, ways of making ordering in more appealing instead of making separate trips off the property for daily needs would be facilitated, thus reducing vehicle trips in the process. One potential way to do this would be to offer direct ordering through the Mission Rock website. Each building would manage these services individually as needed.

4.1.5.3 Community-Supported Agriculture Partnerships

Local community-supported agriculture (CSA) deliveries will be coordinated. Fostering the use of local CSA organizations has the potential to reduce greenhouse gas emission and vehicle-trips by providing project residents convenient access to locally sourced food, reducing the number of trips and vehicle miles traveled by both vendors and consumers. This measure could also have marketing benefits and reinforce the site's overall message about sustainability.



In-building concierge (FLICKR USER ALAN LIGHT)

CSA box (FLICKR USER MIKE SUBLIME)

4.1.5.4 Cold and Dry Delivery Storage Space

Mission Rock will work with individual building managers to provide storage space near the concierge and elevators to store packages, perishables, laundry, and other deliveries. Storage should be family friendly, including room to store car seats and strollers and near to car share locations. Providing storage space for groceries, laundry, and other packages can have a direct effect on reducing trips by encouraging and facilitating online ordering. A centralized storage facility within each building can also consolidate delivery trips by enabling delivery vehicles to only make one stop for multiple recipients instead of several.

4.1.5.5 Convenient Zones for Loading and Building Servicing

Passenger loading and building servicing zones are integrated into Mission Rock's overall street design. These zones will reduce the need for personal vehicle trips by facilitating deliveries and also enabling easy pick-up and drop-off of seniors and people with disabilities by locating them near elevators and at corners with curb ramps.

4.1.5.6 Childcare Facilities and Services

Mission Rock will aim to attract a provider of on-site childcare services and facilities to ensure easy access for Mission Rock residents and employees. Ensuring that childcare services are provided on-site at Mission Rock would break down a key barrier for parents to taking non-auto modes to work by bringing such services within walking distance and near the many commute options around the Mission Rock site. The childcare services could be provided on the ground floor of a northern parcel, near China Basin Park. Other family-friendly amenities will also be established, including storage spaces with room to store car seats, strollers, and other family-related equipment.

4.1.5.7 Collaborative Work Space

Mission Rock will work with the developers of individual parcels to establish a collaborative work space in each residential building. A typical offering in residential buildings today, business services rooms can help encourage and facilitate working from home, which can directly reduce trips to and from the site.

Work spaces could include for-rent work rooms that can be reserved in advance, equipped with video conference equipment, high-speed internet connections, projectors, white boards, basic office supplies, and printing, scanning, and faxing services. For residents interested in using this work space long term, dedicated mailboxes for businesses could be set aside and located nearby. The developers and managers of individual buildings will ultimately be responsible for developing and maintaining these business services rooms and ensuring that they are equipped with appropriate equipment.

4.1.5.8 Affordable Housing

Forty percent of on-site units will be restricted to inclusionary affordable housing, to be provided in a balanced manner throughout the phasing of the development. Affordable units are generally associated with lower rates of auto trip-making, as residents living in affordable housing typically own fewer cars per household than residents of market-priced units. They are more likely to use transit and are less likely to require parking, reducing overall vehicle trip generation.

4.1.6 ALL-REALM STRATEGIES

4.1.6.1 Signage and Wayfinding across Modes

ADA compliant signage and wayfinding will be installed at key points throughout the development. Signs can help indicate points of connection between different modes, as well as estimated travel times and directions by mode, and they can help increase people's understanding of travel options. Clear signage is also important for ensuring safety for all types of users, differentiating spaces for different users within shared public spaces.

Transit-focused wayfinding (NELSCORNYDAARD)

4.1.6.2 Mobile-Friendly Mission Rock Transportation Website

An ADA compliant site-wide website will be maintained with a dynamic and engaging section dedicated to transportation information and services, with specific portals for each user type (or the state-of-the-practice equivalent to this measure, per changes in technology by the time of first occupancy). A mobile-friendly website oriented toward all residents, employees, and visitors providing online access to concierge services and transportation programs can help raise awareness and visibility of transportation options and facilitates connections among transportation modes. The transportation information on the website will likely include but not be limited to real-time transit information and a transportation tab with all nearby options (e.g. Muni, car share, scooter share, ride-sourcing apps) showing locations and availability.

The informative website of a TMA in Mountain View. The site is mobile-friendly, as the images on the next page show.

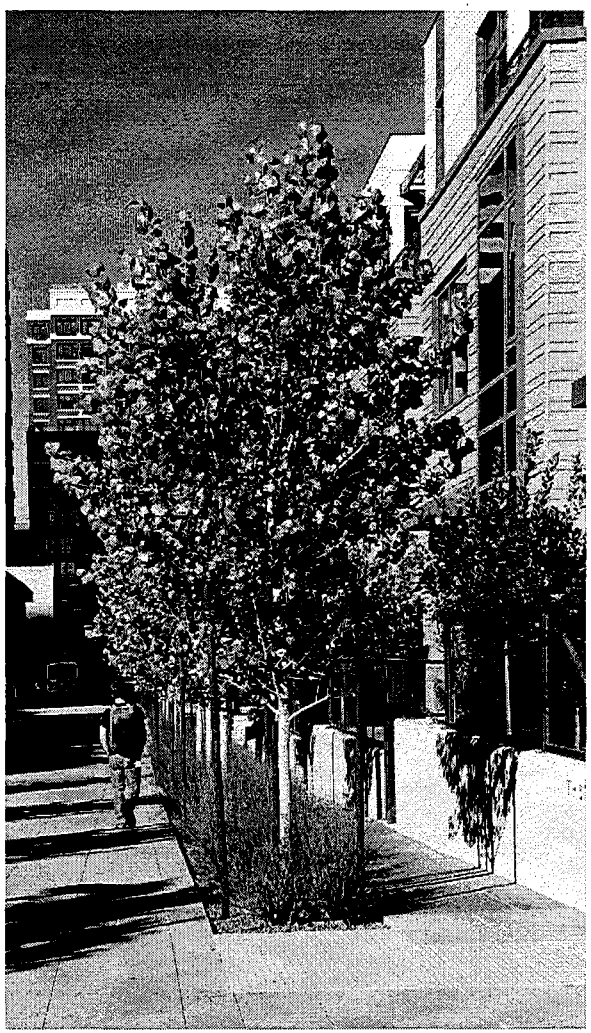
4.1.6.3 On-Site Transportation Staff

A site-wide, dedicated transportation staff will be hired and tasked with providing individualized advice and information on transportation options to residents and employees. This can help raise awareness and understanding of transportation options and ensure that site users can find non-auto transportation options that meet their unique travel needs.

Other staff, such as the in-building concierge or those tasked with organizing bicycle events and maintaining the bicycle resource room, could also provide similar targeted information and facilitate discussions around using different modes. This dedicated transportation staff would act as a centralized transportation resource to the in-building concierges, providing up-to-date transportation information and expert support to front-line staff that are less likely to have the same depth of knowledge of the transportation system. Staff responsibilities may include active campaigns encouraging sustainable trip-making.

4.1.6.4 Improved Walking Conditions

High-quality pedestrian design features (high connectivity, wide sidewalks, highly visible crossings, and others) are directly integrated in the design of Mission Rock. As described in the Mission Rock Design Controls, the development will add over half a mile of complete streets, including new and improved sidewalks and pedestrian crossings. Today, many sidewalks in Mission Bay are narrow or missing in areas. The new streets within Mission Rock will greatly improve the overall walking conditions of the neighborhood and facilitate safer and more convenient pedestrian connections. A pedestrian-oriented urban design is essential for residents, employees, and visitors to fully take advantage of the other TDM strategies, supporting access to all of the available transportation options and programs throughout the site and nearby. These improvements help shape the environment for the other TDM strategies to succeed.



High-quality design for pedestrians (NELSON\NYGAARD)

4.2 MARKETING AND COMMUNICATIONS

A strong communication strategy is critical to the success of any TDM program, ensuring that residents, employees, and visitors receive information about relevant resources and incentives at appropriate times and through channels that are easily accessible. Incorporating consistent branding into all communications can help create a sense of place and establish a cohesive identity for the transportation program. Branding can be used to support marketing and communication efforts, particularly on signage and wayfinding, to emphasize that residents, employees, and visitors can travel seamlessly through the area.

The TDM strategies cited in the chapter include three main channels for transportation-related communications: its site-wide transportation staff, a mobile-friendly web portal for site users, and physical signage and other wayfinding mechanisms on site. This section includes examples of communication tactics and channels to illustrate how specific channels can help reach target audiences.

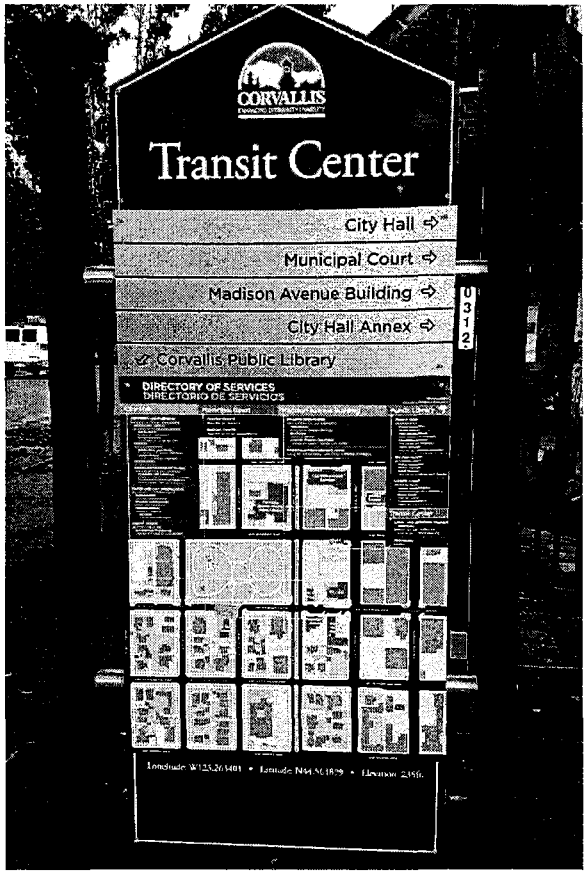
4.2.1 SITE-WIDE TRANSPORTATION STAFF

Led by a coordinator, Mission Rock transportation staff would be responsible for maintaining information about TDM programs and acting as a point of contact to assist residents, employees, and visitors with transportation-related questions, concerns, or general assistance. The transportation coordinator would have the authority to implement TDM strategies, oversee the management and marketing of all measures, manage the TDM program budget, and monitor success of the TDM program.

The transportation staff might also be responsible for compiling a print and/or electronic transportation handbook to be distributed to residents on move-in and employees on hiring. This handbook could include information on transportation programs, policies, and service options, in addition to the following information:

- Transportation staff contact information, including information for the in-building concierges (if relevant)
- How to access transportation information in other media and locations, such as the website, relevant mobile applications, and real-time screens
- Commute trip planning information, including links to the regional 511 Rideshare program
- Clipper Card and vehicle (including car, bicycle, and scooter) share membership subsidies and parking policies
- Information on accessing other TDM program details and amenities, such as the in-building storage facilities
- Walking and biking routes within the area, estimated walking and cycling times to key locations, including transit hubs, and a link to the San Francisco bicycle map
- Local transit options and schedules, including links to Muni, BART, and Caltrain schedules, route maps, and existing trip planner mobile applications

The handbook would be distributed to all prospective residential tenants and all prospective employees who receive an offer to work within the development as part of welcome packets or employee orientation, or posted in prominent locations for all residents and employees.



Signage that combines directional and map-based wayfinding (NELSONNYGAARD)

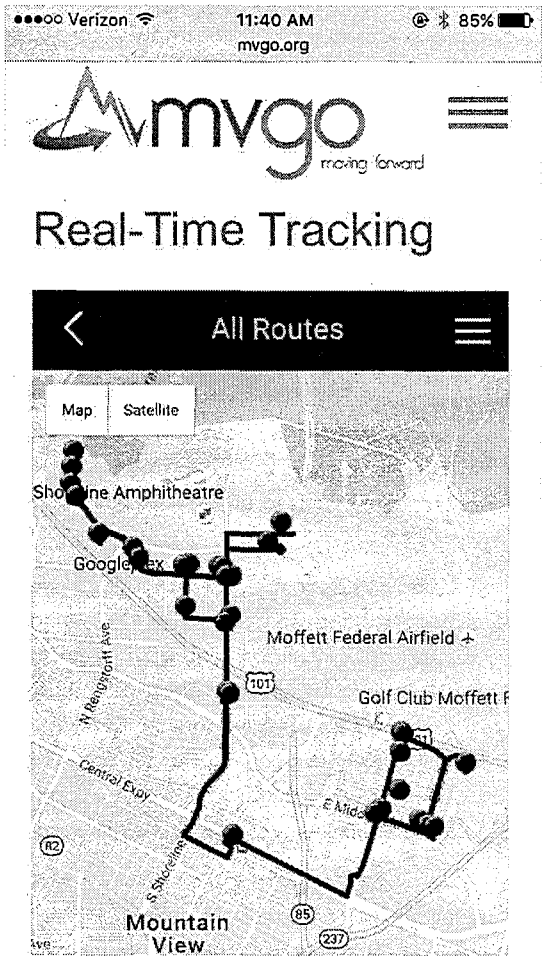
To make sure information stays useful to residents and employees over time, transportation staff will endeavor to keep all information and materials up to

date and relevant. Staff may also consider developing other transportation tools in addition to or instead of a handbook as appropriate, drawing on available best practices.

4.2.2 MOBILE-FRIENDLY WEBSITE

Mobile-friendly websites are a way to create a dynamic and engaging repository for transportation information, point-to-point navigation tools, travel suggestions, user engagement campaigns, and other efforts to raise awareness of alternatives to drive-alone travel options and residents, employees, and visitors to use them. In addition to supporting the information already provided in the resident and employee handbook, this website could include the following:

- Real-time transit information
- Real-time parking pricing and availability information
- Notifications of upcoming transportation-related events, such as bicycle parties and farmers' markets, and alerts
- Integration with internet delivery services for ordering
- Registration for car share, bicycle share, and/or scooter share memberships
- Room reservations for the collaborative workspace
- On-site childcare services enrollment
- Specific pages or portals for residents, employees, and visitors so that each of these audiences has access to the appropriate and relevant travel information



The mobile-friendly version of the Mountain View TMA's website. The TMA offers real-time transit information and links to a variety of other resources.

- Functionality which allows for tracking travel behavior and enables gamification for incentives

This website will be ADA/Section 508 compliant to ensure that users of all abilities are able to easily access this information. Establishing specific portals for each audience can allow for the delivery of targeted, individualized TDM information for each of the audience groups. Each of the portals could also provide specific information on costs and multimodal options available for traveling to and from Mission Rock, as well as information on nearby attractions and services and links to citywide or regional information. The images on the previous pages show an example of computer and mobile-friendly versions of landing pages for this type of website.

4.2.3 SIGNAGE AND WAYFINDING

Clear, consistent, and predictable signage and wayfinding can help residents, employees, and visitors navigate the site easily. Signage can also bring awareness to important information such as parking prices and availability, bicycle parking locations, estimates of bicycle and pedestrian travel times, and other information on Mission Rock programs or services. Simply providing information on non-motorized travel prominently can increase the likelihood that people will select biking or walking as their mode of transportation.

The efficacy of signage and wayfinding is dependent on the design and placement of signs. Signage should be clear and provide relevant information at key decision points in people's journeys, in areas that are highly visible, and in clear lines of sight. For instance, when entering the site, cyclists should be able to clearly understand their route options through the site. This signage will be especially important for safety along the shared public ways, to ensure that users understand the encouraged forms of travel and appropriate behavior on each mode. Temporary signage may be used in areas more highly trafficked by residents or employees, to provide information on specific events or programs, such as CSA pick up locations.

Wayfinding examples throughout the chapter show how it can be used in vibrant, mixed-use areas. Some signs offer clear guidance for the nearby area at several scales while providing clear directional guidance to nearby transportation hubs and popular destinations.

For further information on the design considerations that will be accounted for in designing signage for the Mission Rock site, see section 2.10 of the Design Controls.

4.2.3.1 Transportation Information Kiosks

Transportation information kiosks in the public realm can provide centralized locations for relevant transportation information for trips within Mission Rock and to nearby services and attractions. These kiosks could be placed throughout the site, at strategic decision-making locations where residents, employees, and visitors might need the information, such as the intersection of Terry A. Francois Boulevard and Mission Rock Street, China Basin Park, and Mission Rock Square. The kiosks could include transit schedules and fare information, walking and cycling routes, real-time transit information, and Bay Area Bike Share dock locations and bicycle availability.

It is recommended that these kiosks be digital, interactive displays (as shown in the accompanying image) to allow information to be updated easily and regularly. These boards would be maintained and updated as needed by the transportation staff.

While the information kiosks can provide detailed information on transportation options to visitors and others new or unfamiliar with Mission Rock and the surrounding area, real-time transit screen technology is designed to offer an opportunity to understand transportation options at a quick glance. This would be particularly useful for employees and residents, those who make recurring trips frequently and don't need detailed guidance.

Each of the communication-based TDM measures are pertinent to residents, employees, and visitors at different times during their life cycle at Mission Rock. As such, it is critical to think strategically about when to share what with each of these key segments to reach certain groups of users.

The mobile-friendly Mission Rock website will be an important avenue for sharing information about programs, policies, and services. It is reasonable to assume that the website will act as a front-line communications vehicle to reach all of those who have or may be interested in having a connection with the site. Signage and wayfinding will be seen on a daily basis and is an important element for users of the development to efficiently navigate Mission Rock.

4.3 CONCLUSIONS

Establishing a robust TDM program reaffirms Mission Rock's commitment to sustainability and inclusivity. The program will encourage the site's residents, employees, and visitors to use the most environmentally friendly and spatially efficient mode possible for each trip, with an emphasis on cycling, walking, and shared rides.

TDM MEASURE	TARGET AUDIENCE		
	RESIDENT	EMPLOYEE	VISITOR
4.1.1.1 Real-Time Transit Information			
4.1.1.2 Clipper Cards			
4.1.2.2 Bike Share Memberships			
4.1.2.1 On-Site Bike Share			
4.1.2.7 Bicycle Valet			
4.1.2.3 Bicycle Community Programming			
4.1.2.4 Bicycle Resource Centers			
4.1.2.5 Bicycle Parking			
4.1.2.6 Showers and Lockers			
4.1.3.1 On-Site Shared Scooters			
4.1.3.2 Scooter Share Memberships			
4.1.3.4 On-Site Car Share			
4.1.3.4 Car Share Memberships			
4.1.4.1 Parking Pricing			

TDM MEASURE (CONT'D)	TARGET AUDIENCE		
	RESIDENT	EMPLOYEE	VISITOR
4.1.4.2 Real-Time Parking information			
4.1.4.3 Unbundled Parking			
4.1.5.1 In-Building Concierge Services			
4.1.5.2 Coordinated Delivery Services			
4.1.5.3 CSA Partnerships			
4.1.5.4 Cold and Dry Delivery Storage Space			
4.1.5.5 Convenient Zones for Loading			
4.1.5.6 Childcare Services			
4.1.5.7 Collaborative Work Space			
4.1.5.8 Affordable Housing			
4.1.6.2 Mobile-Friendly Website			
4.1.6.3 Site-Wide Transportation Staff			
4.1.6.1 Signage and Wayfinding			
4.1.6.4 Improved Walking Conditions			

Target audience for each TDM program

05

EVENT MANAGEMENT

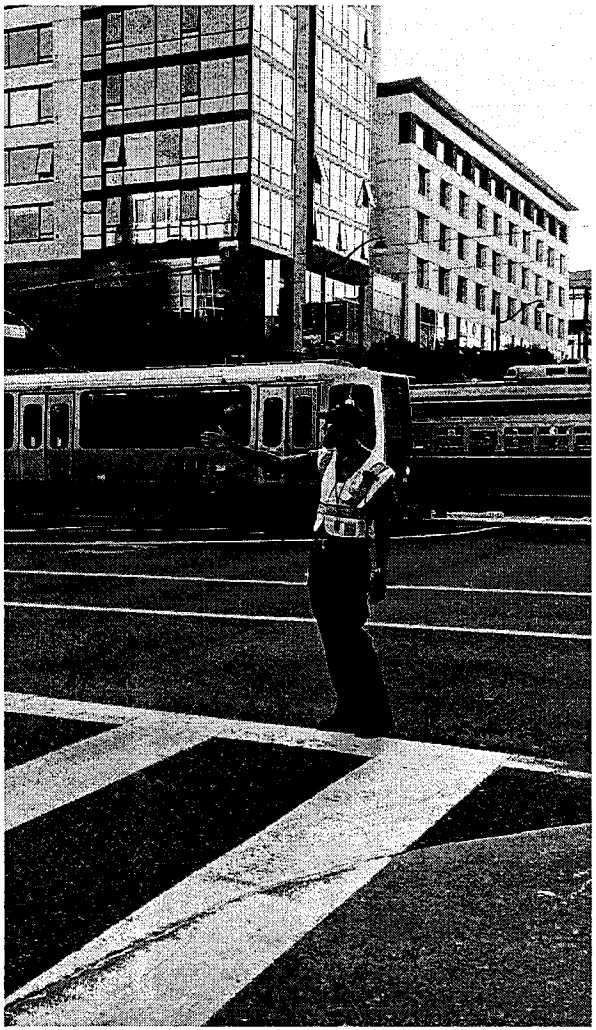
The energy and excitement generated by people visiting parks and event venues will be part of what makes Mission Rock a fun and interesting place to live, work, and play.

These visitors will bring the area to life throughout the year. Mission Rock will be designed and actively managed to maximize the best aspects of festivities in these spaces while responsibly managing the potential inconveniences that large crowds can cause. This chapter outlines the basic site's anticipated approach to managing pedestrian activity, vehicle flows, and bicycle parking around them to ensure that residents and employees can enjoy the energy without the hassle.

As the team has since it moved to AT&T Park in 2000, the San Francisco Giants will continue to work closely with the City and with citizens advisory committees in the area to manage the effects of event crowds on surrounding neighborhoods, through measures like deploying traffic control officers (known in San Francisco as parking control officers, or PCOs). In addition to such measures, the Mission Rock transportation staff might also be empowered to take additional actions like closing on-site streets or individual lanes to vehicle traffic and encouraging the use of non-auto modes for travel to on-site events.

This chapter describes how these types of strategies might be combined for three scenarios, representing the likely range of common events: A primary event at AT&T Park (35,000+ attendees), a secondary event at AT&T Park (15,000 to 35,000 attendees), and on-site events in China Basin Park, Mission Rock Square, or potential event venues in Pier 48 or Block E (500 to 4,000 attendees). A more detailed Event Management Plan will be developed in concert with City agencies before construction of the first phase of the project, and it will be updated ahead of each subsequent phase of the site's build-out. The Event Management Plan will include the topics listed in the table of contents referenced below.

Given their storage-space needs, automobiles naturally pose challenges for organizers of any large event. As such, most scenarios include some restrictions on vehicle movement through the site, and the TDM Plan's efforts to reduce reliance on single-occupancy vehicles for travel to and from the site will be particularly crucial during these times. However, some vehicle movement will be accommodated. An up-to 3,000-space parking garage at the southwest corner of the site will serve as AT&T Park's main parking facility, replacing the surface lot on which Mission Rock will be built. During AT&T Park and Mission Rock events, curb space around the site will also provide important capacity for passenger loading.



Parking control officers (PCOs) (NELSON/NYGAARD)

EVENT MANAGEMENT PLAN TOPICS

An Event Management Plan will be developed for submission and approval as part of the first phase application for the Mission Rock site, then updated and submitted (for informational purposes) as part of each subsequent phase application. The plan will cover all events on-site at Mission Rock. Section V will identify the full universe of potential TDM and traffic management strategies. The subsets of such strategies that will apply to different events (by size/type and location) will also be identified in Section V.

I. Introduction

a. Purpose of the Document

b. Goals of the Mission Rock Event Management Program

II. Mission Rock Project Update

a. Description of Current Phase Land Use

b. Description of Cumulative Project To Date

c. Interim Transportation Network (Phases 1-3 only)

III. Transportation Context

a. Transit Network

b. Bicycle and Pedestrian Networks

c. Key Local and Regional Roadways

d. Parking Facilities

IV. Events at Mission Rock

a. On-Site Event Venues

b. Characteristics of Potential Event Types (would include: location, event format/type, number of attendees, likely days of week, likely times of day, attendee arrival/departure windows and concentrations, estimated attendee trips linked with other nearby events/land uses, and likely frequency)

c. Project Phasing & Implications for Events

i. Phase I

ii Phase II

iii. Phase III

iv. Phase IV

d. Relationship with Other Venues and Potential Events in the Area

i. Other Venues and Event Types

1. AT&T Park

2. Chase Center

ii. Concurrent Events: Type and Frequency of Overlaps

V. Managing On-Site Event-Related Travel Demand

a. Desired Outcomes

i. Ensure Safe Conditions for Pedestrians and Cyclists

ii. Avoid Transit Delays Related to Garage Queuing Impacts

iii. Minimize Mission Bay Traffic Impacts during Sensitive Times

b. Universe of Event-Specific TDM and Traffic Management Tools

i. Transportation Demand Management Strategies (e.g. communications/information distribution, temporary or permanent multimodal wayfinding, incentives/disincentives for using particular modes at particular times, etc.)

ii. Traffic Control Strategies (e.g. curb management, the use of temporary or permanent static and/or dynamic signs, PCOs, traffic flow/lane adjustments, other strategies to prevent transit delays on T-Third & support safety of all users, etc.)

c. Matrix: Event Types + Tools/Strategies To Be Used + Responsible Party/ies + Additional Considerations

d. Event-Specific Nuances (as applicable; e.g. differences in the location of PCOs, differences in the use of dynamic or temporary signage, differences for events on different days/at different times, at different phases of build-out, etc.)

e. Emergency Vehicle Access/Circulation On-Site

f. Event-Related Loading & Servicing

g. Managing Concurrent Event Scenarios: Coordinating with Other Venues through Ballpark Mission Bay Transportation Coordinating Committee (BMBTCC) and/or Other Applicable Body

VI. Implementation and Refinement

a. Mission Rock Transportation Coordinator Responsibilities

b. Coordinating with City Agencies

i. Port of San Francisco (e.g. manage efforts to involve relevant city agencies, staff-level approval with rest of relevant phase application materials)

ii. San Francisco Municipal Transportation Agency (e.g. involved in development of initial content, involved in approval process)

c. Coordinating with Venue Managers and Neighborhood through BMBTCC and/or Other Applicable Body

d. Monitoring and Plan Refinement

** Note that while this plan will focus on events on-site at Mission Rock, there is a separate event-management plan in place to manage traffic associated with AT&T Park.*

5.1 PRIMARY EVENTS

AT&T Park, 35,000 to 40,000+ Attendees

A primary event at AT&T Park will be the most common scenario, occurring between 80 and 100 times per year, depending on whether the Giants make the playoffs and on how many non-baseball events (like concerts or other sporting events) AT&T Park hosts.

5.1.1 MANAGEMENT STRATEGIES

Parking Pricing

As noted in Chapter 4, it is anticipated that the Mission Rock garage will be actively managed around event times to ensure that there is space available for AT&T Park event attendees. To encourage regular users of the garage to find alternative ways to get to the site on event days, parking prices could be raised during a period covering a few hours before and after AT&T Park events. This approach has already been successfully employed to manage parking demand in the existing main AT&T Park lots, Lot A and Pier 48. People arriving at the garage around event times could pay a flat event rate that might amount to a total that is higher than typical hourly rates would be (i.e. if the event period is six hours long, the flat event rate would exceed the total cost of parking for six hours at typical hourly rates).

Vehicle Flows and Curb Space

Vehicular circulation through Mission Rock could be restricted during primary events in anticipation of high pedestrian volumes through the site. The Shared Public Way is a particularly critical north-south pedestrian route, providing the most direct path of travel between the main garage and the ballpark. As such, it is anticipated that the street would be closed

Giants games at AT&T Park regularly sell out, bringing a festive atmosphere to the neighborhood

to vehicle traffic around major event times. Right turns from Mission Rock Street to 3rd Street could also be prohibited before events, to reduce volumes on Mission Rock Street in front of the Public Safety Building. Left turns into and out of the site at 3rd Street's intersections with Long Bridge will be prohibited at all times. The eastern-most lane on 3rd Street between Exposition and King streets will also likely be closed before and after events, as it is today, to facilitate the movement of large volumes of pedestrians near the ballpark.

Traffic flows will be actively managed through PCOs and strategically placed signs, and garage entrances and exits will be managed to allow for efficient processing of major vehicle flows. To ensure that emergency vehicles have clear access to Public Safety Building driveways on the south side of Mission Rock Street, keep clear zones will be maintained and could be reinforced by one or more PCOs. Traffic flows on Mission Rock Street could also be managed to maintain an open lane for potential emergency vehicle movement. Event vehicles will also be encouraged, via signs and PCOs strategically located at points south of the site, to enter and exit the area via Terry A. Francois Boulevard. Specific PCO locations will be determined by the SFMTA with the goal of supporting pedestrian safety, limiting impacts on transit, and keeping intersections clear of vehicles.

Most vehicular circulation through the site is expected to be for passenger pick-up and drop-off. Key passenger loading locations will include the north side of Exposition Street and the east side of the block of 3rd Street just north of Exposition Street. Primary loading zones for people with mobility limitations include the east side of 3rd Street north of Exposition Street and an accessible loading zone on Exposition Street between the Shared Public Way and Bridgeview Street.

To manage vehicle movement at points of potential conflict between modes, this plan recommends the use of PCOs in key places along 3rd Street and through the site, including the intersections of Mission Rock and 3rd, Mission Rock and Bridgeview, and Mission Rock and Terry A. Francois Boulevard, and the 3rd Street crossing just south of Lefty O'Doul Bridge.

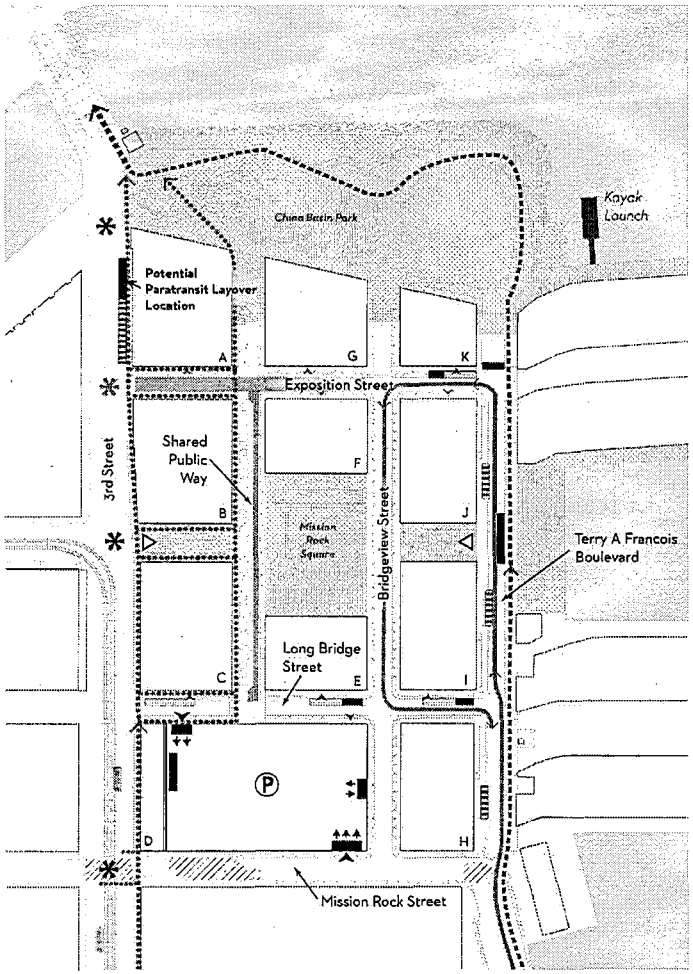
Pedestrians

It is anticipated that all pedestrian paths of travel will be open, but pedestrian activity is likely to concentrate along the Shared Public Way and 3rd Street, the two key north-south routes between Long Bridge Street and the ballpark.

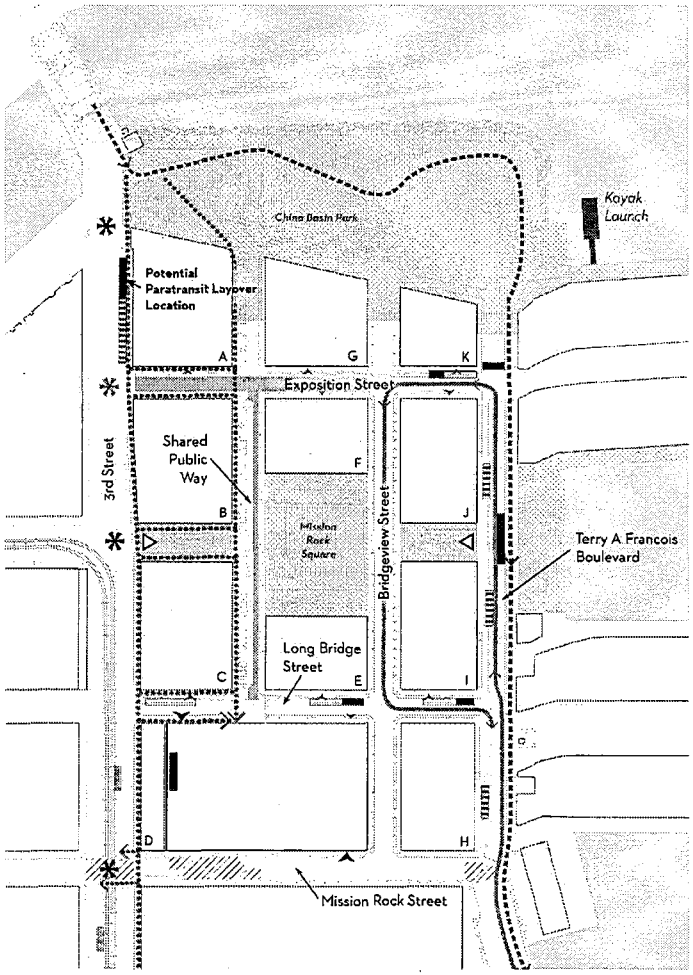
Bicycles

Primary bicycle flows south of China Basin are expected to be along the San Francisco Bay Trail to and from bicycle parking facilities immediately around AT&T Park. Some cyclists may also use Bridgeview Street, but they might be less likely to do so than in normal conditions due to larger numbers of vehicles turning into and out of the garage. Cyclists will be encouraged to dismount at the western end of China Basin Park to reduce conflicts with the heavy pedestrian flows across Lefty O'Doul Bridge. Some event attendees will also likely lock their bicycles on the Mission Rock site, to visit on-site restaurants before or after games or to avoid crowds closer to the venue. An additional ballpark bicycle valet facility could also be located on the Mission Rock site, if usage of the main valet facility warrants it.

- Key Pedestrian Routes
- Primary Bicycle Route
- Primary Passenger Loading Flow
- ADA-Accessible Loading
- Commercial Deliveries Only
- Time-Limited Commercial Loading
- Closed to Vehicular Traffic
- Existing Traffic Signal
- Planned Traffic Signal
- Potential Traffic Control Officer Location
- Garage Lanes
- Planned Driveway
- Potential Driveway
- Keep Clear Zone
- Access to Below-Grade Parking (if provided)



Pre-event circulation patterns



Post-event circulation patterns

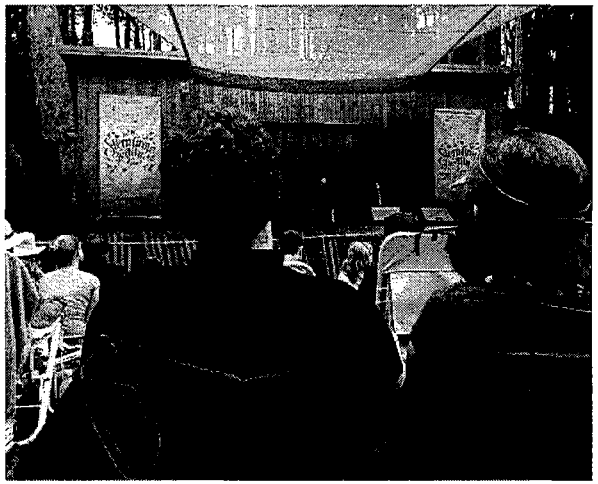
5.2 SECONDARY EVENTS

AT&T Park, 15,000 to 35,000 Attendees

Circulation patterns at Mission Rock are anticipated to be similar around smaller events at AT&T Park. The Shared Public Way could be closed, and the relative intensity of different vehicle flows should be consistent with the basic patterns seen for the biggest events at the ballpark, though overall flows should be much smaller. Bicycle and pedestrian circulation patterns are also expected to be consistent with those anticipated for larger events.

Given lower levels of expected parking demand, it is anticipated that the garage at the southwest corner of the site would generally not need to use flat-rate event pricing around secondary events. Event attendees would be able to park in available spaces as long as spaces are available. However, communications related to AT&T Park events would likely still encourage the use of other modes to access the ballpark, in the interest of reducing congestion and parking demand overall.

Concert at AT&T Park (FLICKR USER REBECCA WILLIAMSON)



Stern Grove concert series (NELSON/MYGAARD)

5.3 ON-SITE EVENTS

Mission Rock, 500 to 4,000 Attendees

Mission Rock will have two spaces equipped to host large events. The Great Lawn in China Basin Park will have room to host concerts, movie nights, and other large gatherings. Mission Rock Square will likely host a broader range of events, from staged performances to farmers markets or craft fares, with thousands of people flowing through the space over a several-hour period.

The garage at the southwest corner of the site's parking prices could be converted to event rates for a period covering several hours before and after the biggest events, to discourage use by regular users.

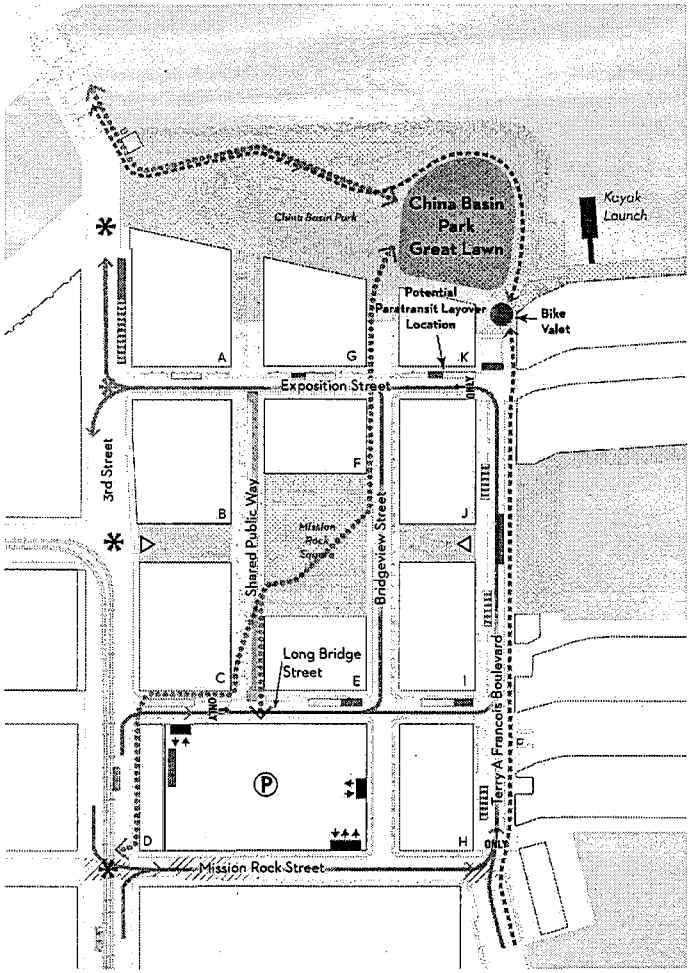
5.3.1 CHINA BASIN PARK EVENT

5.3.1.1 Vehicle Circulation and Passenger Loading

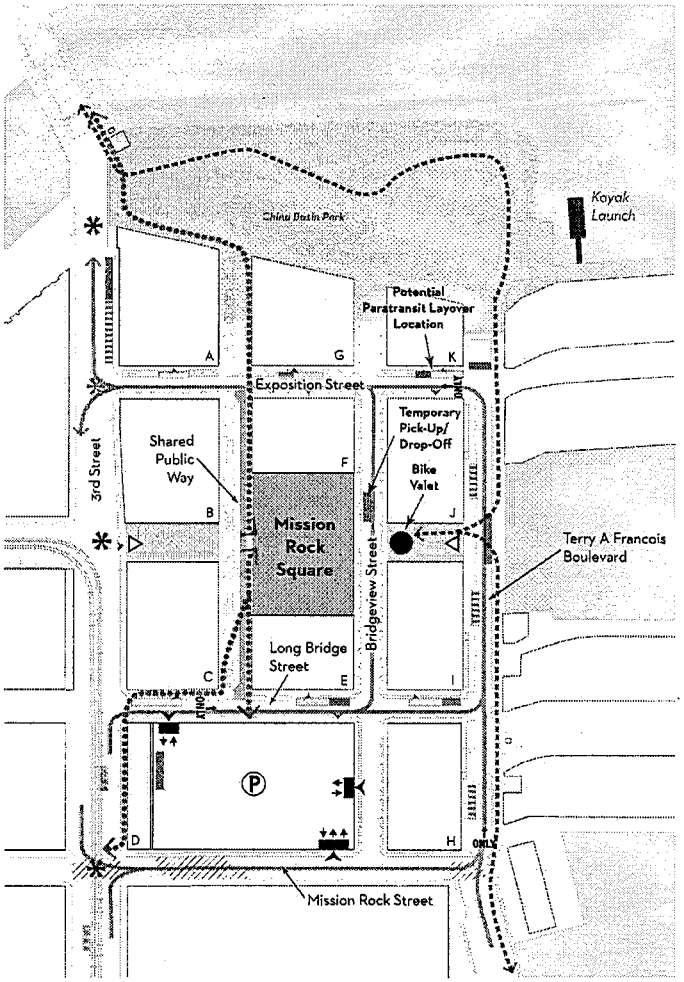
For the biggest China Basin Park events, Terry A. Francois Boulevard and Exposition Street could be closed to through traffic (the project team will apply for street closure permits through the standard City process), with the streets reserved for event-related pick-up and drop-off. To make vehicle flows predictable for pedestrians crossing these key streets, Terry A. Francois Boulevard could be converted to a one-way street northbound, and Exposition Street could be one-way westbound to complete a site-wide circuit.

It is anticipated that the north end of Terry A. Francois Boulevard, at or north of the intersection with Exposition Street, would be the main drop-off and pick-up location for people with mobility limitations. Taxi, TNC, and other vehicular loading could be focused along Exposition Street west of Terry A. Francois Boulevard.

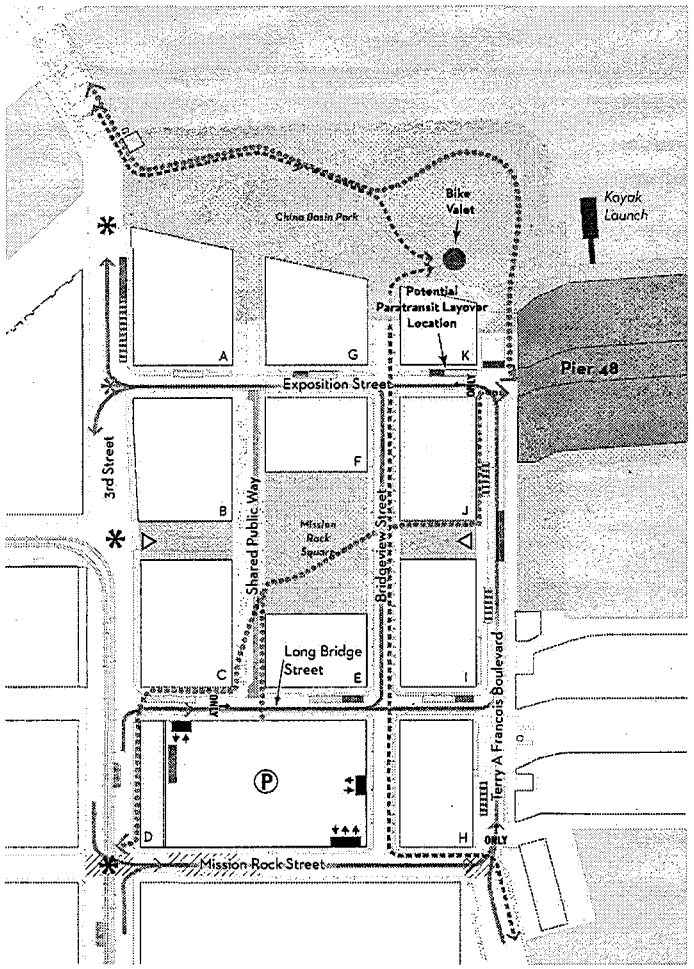
- Passenger Pickup & Dropoff
- ADA-Accessible Loading
- Commercial Deliveries Only
- Closed to Vehicular Traffic
- Existing Traffic Signal
- Potential Traffic Signal
- Garage Entry Lane Open
- Garage Exit Lane Open
- Planned Driveway
- Potential Driveway
- Keep Clear Zone
- Access to Below-Grade Parking (if provided)



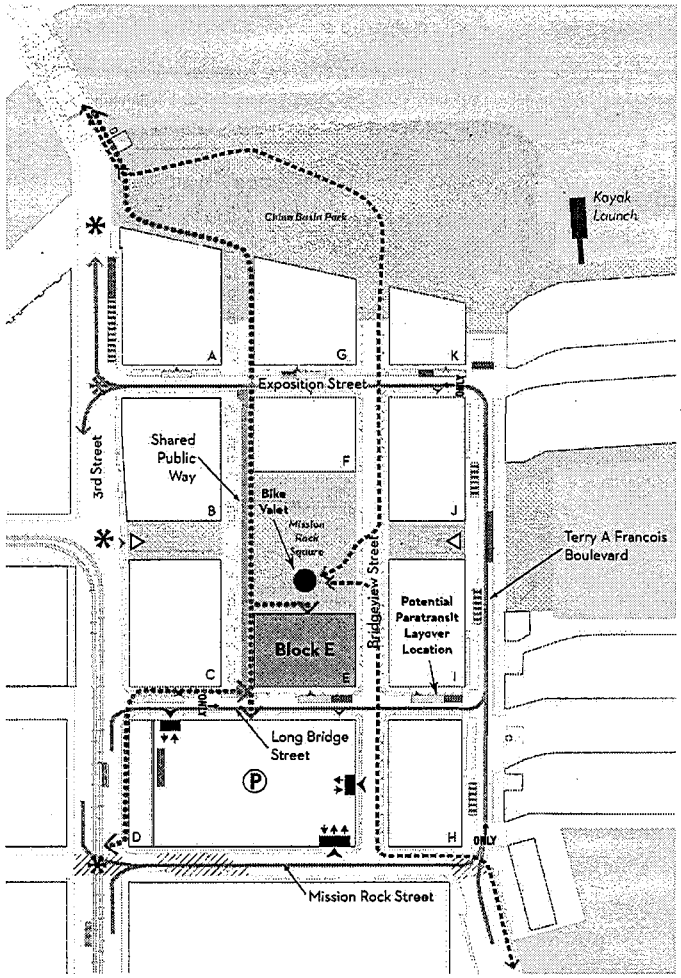
China Basin Park event circulation patterns



Mission Rock Square event circulation patterns



Event circulation patterns for potential event venue at Pier 48



Event circulation patterns for potential event venue at Block E

- Passenger Pickup & Dropoff
- ADA-Accessible Loading
- Commercial Deliveries Only
- Closed to Vehicular Traffic
- Existing Traffic Signal
- Potential Traffic Signal
- Garage Entry Lane Open
- Garage Exit Lane Open
- Planned Driveway
- Potential Driveway
- Keep Clear Zone
- Access to Below-Grade Parking (if provided)

5.3.1.2 Pedestrian Circulation

Pedestrian traffic is likely to focus along two major routes: 1) through China Basin Park and up 3rd Street to/from the Caltrain terminal at 4th and King streets and toward BART on Market Street, and 2) through the site to/from the parking garage and the Muni light rail station on 3rd Street south of Channel Lane. Flows through the site can be expected to concentrate on Bridgeview Street north of Mission Rock Square, in the square, and along the Shared Public Way and Long Bridge Street, en-route to the parking facility and the Muni station at the southwestern corner of the site. PCOs may be helpful on Exposition Street at Shared Public Way and Bridgeview Street, to enable vehicles picking up or dropping off passengers to exit the site.

5.3.1.3 Bicycle Circulation and Parking

Bicycle valet facilities could be located along the San Francisco Bay Trail, just southeast of the event space, and cyclists will also be able to use the network of public bicycle parking spaces throughout the site.

Cyclists from the north could be encouraged to dismount at the edge of China Basin Park and walk their bicycles around the event space to the bicycle valet facility. Cyclists from the south could be encouraged to dismount as they approach the area for pick-up and drop-off of attendees with mobility limitations.

5.3.2 MISSION ROCK SQUARE EVENT

5.3.2.1 Vehicle Circulation and Passenger Loading

For the biggest Mission Rock Square events, Shared Public Way could be closed to vehicle traffic (with appropriate City permits), and Bridgeview Street between Long Bridge and Exposition streets will be closed to all but pick-up and drop-off of people with mobility limitations. As for China Basin Park events, Terry A. Francois Boulevard and Exposition Street could create a one-way loop for taxi, TNC, and other vehicular drop-off, and they could be closed to through traffic.

5.3.2.2 Pedestrian Circulation

Major pedestrian flows to transit nodes north and northwest of the site are anticipated to follow the Shared Public Way through China Basin Park to 3rd Street. Flows southwest to the main garage and the T-Third Muni light rail stop would follow Shared Public Way to the south and Long Bridge Street between Shared Public Way and 3rd Street.

5.3.2.3 Bicycle Circulation and Parking

Bicycle valet could be located on Channel Lane east of Mission Rock Square. The main flows of cyclists from points south would follow the San Francisco Bay Trail to Channel Lane. Temporary signage at the north end of the site would encourage cyclists to follow the San Francisco Bay Trail to Channel Lane. The cycle track on Bridgeview Street could be closed to bicycle traffic temporarily, to make way for large pedestrian flows and for the primary loading area for event attendees with mobility limitations.

Mission Rock residents, employees, and visitors would also be encouraged to travel to and from the site on foot, bike, or transit on days with events on-site or at AT&T Park. Site transportation staff would keep and prominently display a calendar of major events as a planning resource for regular users of the site.

5.3.3 EVENTS IN POTENTIAL VENUES AT PIER 48 AND BLOCK E

As the figures on page 63 show, circulation patterns related to events at potential Pier 48 and Block E event venues would be similar to those for events at China Basin Park and Mission Rock Square respectively. The following subsections describe slight differences.

5.3.3.1 Vehicle Circulation and Passenger Loading

For events at Pier 48, vehicular circulation through the site are anticipated to be the same as for events at China Basin Park. For events at Block E, paratransit loading could be moved to Long Bridge Street. To account for increased flows of cyclists along Bridgeview Street, vehicles could be discouraged from using that street by on-site personnel or temporary signs.

5.3.3.2 Pedestrian Circulation

Pedestrian flows are expected to be broadly similar to those for China Basin Park (Pier 48 events) and Mission Rock Square (Block E events).

5.3.3.3 Bicycle Circulation and Parking

For Pier 48 events, bicycle valet services could be sited on the China Basin Park Great Lawn. Cyclists from the south could be encouraged to use Bridgeview Street, to clear space for pedestrian circulation between Pier 48 and Block K. For Block E events, bicycle valet services could be sited in Mission Rock Square, and cyclists would be expected to gravitate to Bridgeview Street for access from both north and south.

5.4 CONCLUSIONS

Those who live and work near AT&T Park enjoy the exciting, festive atmosphere created by such a premiere urban event space, and they also know it takes some extra planning to make trips to and from the area as smooth as possible. The Giants and the transportation staff at Mission Rock will work hard to aid in this planning by providing users of the site ready access to an abundance great information and a range of travel choices.

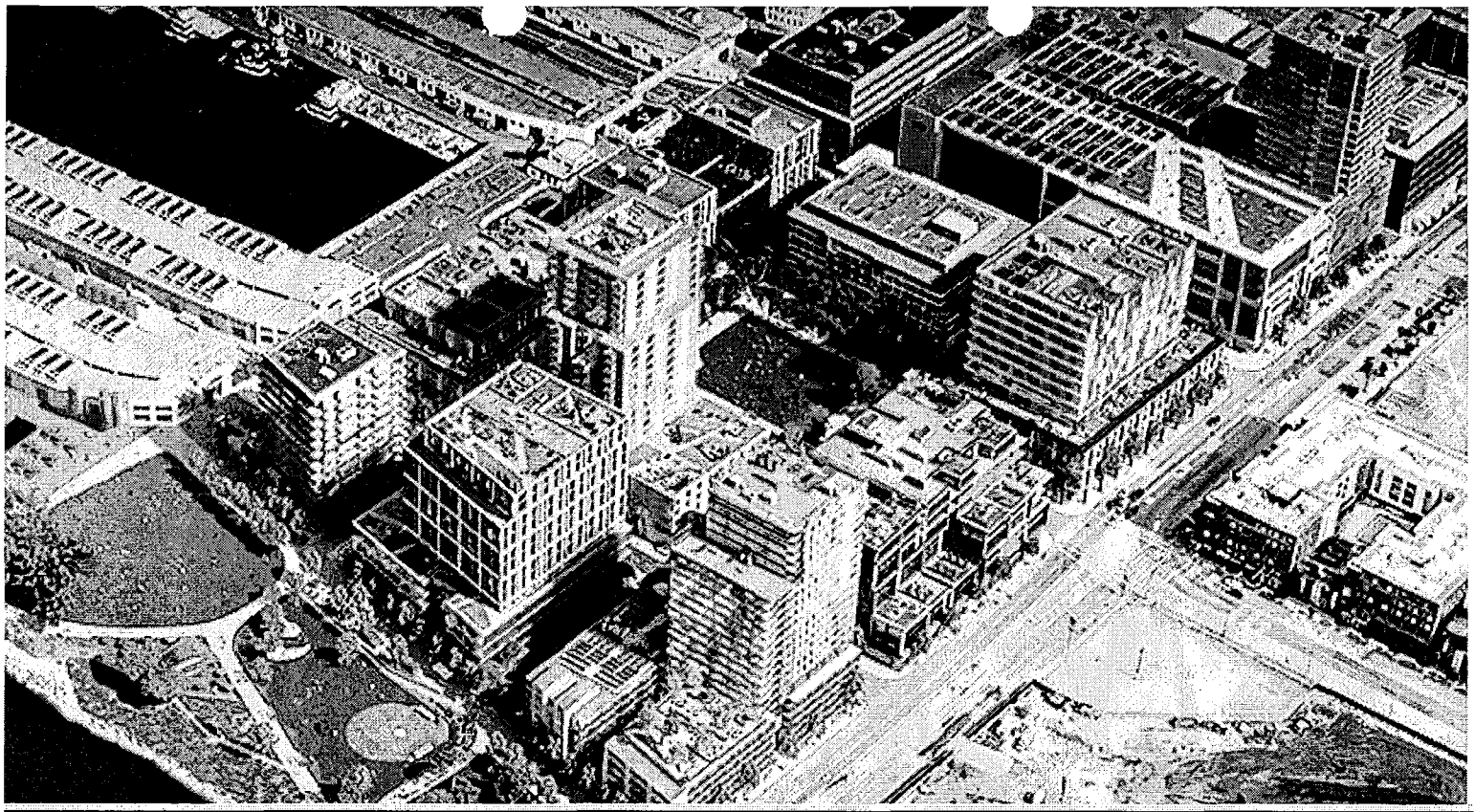
In the same spirit, the Giants and the Mission Rock team are committed to working with neighborhood organizations to responsibly manage event-related transportation conditions and make sure inconveniences related to events are kept to a minimum.

AT&T Park and Mission Rock

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT B7 - TP SCHEDULE 2

"TDM Plan"



DDA EXHIBIT B7 SCHEDULE 2
Lodged with Board of Supervisors
2/1/18

MISSION ROCK TRANSPORTATION DEMAND MANAGEMENT PLAN

December 2017

NELSON
NYGAARD

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1 OVERVIEW

The development context and overall design profile of Mission Rock make it a prime candidate for robust and effective transportation demand management (TDM). Travel demand generated by Mission Rock will be affected by locational and land use factors, such as proximity to high quality transit, the presence of transit-supportive land use densities, and mixed land use patterns.

This TDM Plan describes measures that will enable Mission Rock to actively manage travel demand through a variety of up-front infrastructure investments and ongoing programs, including unbundled parking, pedestrian- and bicycle-friendly design, transportation marketing, vehicle share facilities and memberships, and others. Ultimately, implementing a robust TDM program will reinforce the forward-thinking vision and brand of Mission Rock as an active and vibrant district that is inclusive and safe for all users.

DEVELOPMENT CONTEXT AND DESIGN PROFILE

Establishing new and enhanced links to and along San Francisco's waterfront, Mission Rock's mixed-used, multi-phase development will be a dynamic addition to the Mission Bay neighborhood. Encompassing approximately 27 acres, Mission Rock is slated to include 11 parcels of residential, office, and retail development as well as a refurbished and reactivated Pier 48, an expanded China Basin Park, and a variety of smaller open space areas. Including Pier 48, Mission Rock will include approximately 1,000 to 1,500 dwelling units, 1.4 to 1.8 million square feet of commercial development, and more than five acres of new open space, for a total of approximately 3.9 million gross square feet of development and eight acres of open space. The site plan calls for a tight and highly walkable urban street grid, with more than half a mile of complete streets. In addition, between 2,400 and 3,000 parking spaces could be provided in off-street facilities.

Mission Rock is located near a busy, increasingly congested part of San Francisco and is readily accessible via car, transit, walking, and bicycling. The site is accessible to I-280 and US-101/I-80 through SoMa's urban street grid, with bicycle connections to the north via the Embarcadero bike route as well as to the south via the Blue Greenway. More importantly, the project is well served by transit, both local and regional. Multiple lines of Muni bus and light rail are within a quarter-mile of the site, with moderate to high frequency of service for most of the day and late into the evening.

Although narrow sidewalks, missing crosswalks, long blocks, and the amount of on-going construction in the surrounding area all currently challenges for pedestrians and bicyclists, the Mission Rock development includes multiple street design improvements to create a safe and inviting environment, such as:

- A highly connective grid of internal streets
- Sidewalks that are to be between 12 and 15 feet wide throughout the project site

- High visibility sidewalks, bulb-outs, and raised pedestrian crossings
- Completion of the portion of the Blue Greenway that runs through the site, with a 16-foot-wide shared bike and pedestrian right-of-way running along Terry Francois Boulevard and the northern edge of China Basin Park
- Designated bicycle lanes or bicycle-friendly low-traffic blocks on all internal roadways
- Bicycle treatments at internal intersections

Mission Rock will also provide important neighborhood amenities – groceries, childcare, personal services – establishing destinations that are easily accessible by all modes of transportation. The existing and future transportation infrastructure in the area (see Figure 1) will further promote the use of all modes of active transportation.

Figure 1 Mission Rock Context Map

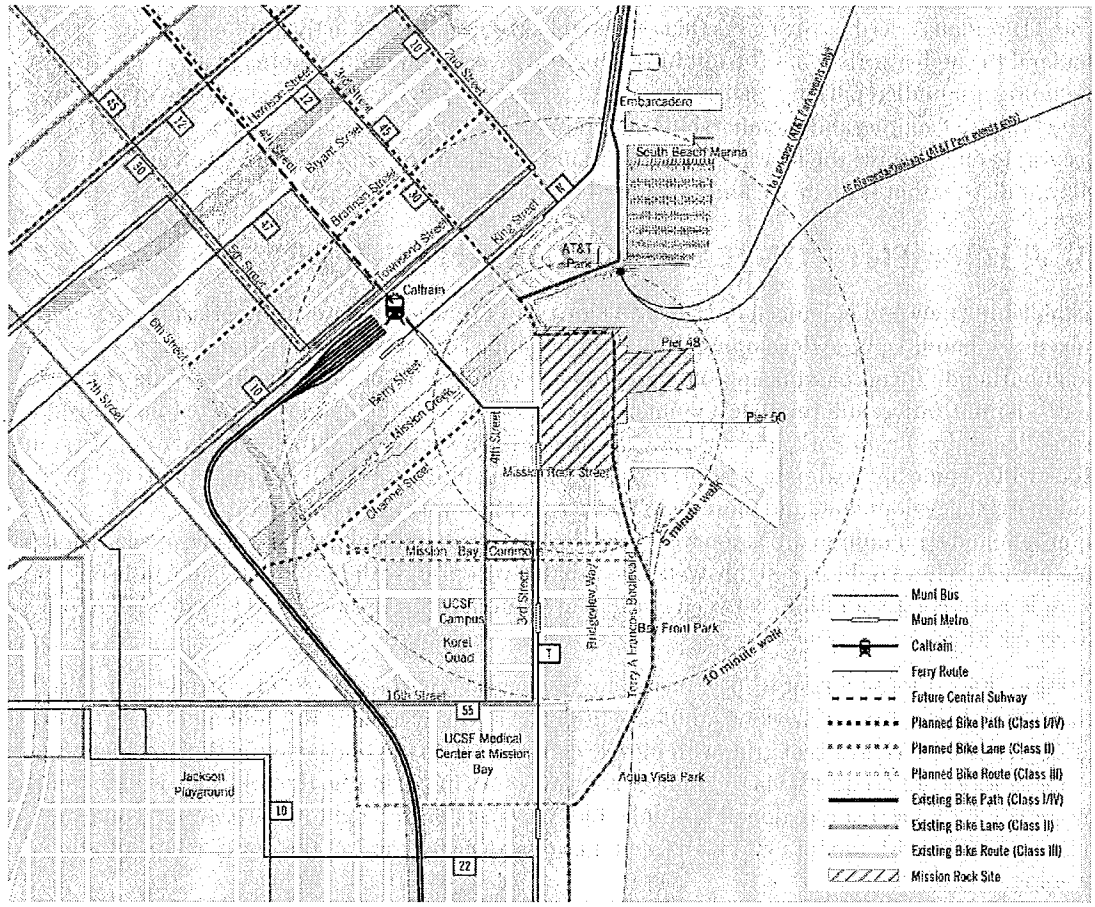

Figure 2 summarizes Mission Rock's development components, associated vehicle trip estimates, and the anticipated trip reduction goal, per commitments made in the project's Environmental Impact Report (EIR).

Figure 2 Estimated Vehicle Trip Generation and Trip Reduction Goal[1]

Scenario	Proposed Development Components (approximate)	Aggregate Daily One-Way Vehicle Trips (a)	Number of Trips to be Reduced (b = a * 20%)	Target Threshold (c = a – b)
High Commercial, Low Residential	▪ 1,048 dwelling units ▪ 1.4 million square feet (sf) office ▪ 130,000 sf retail ▪ 86,000 sf sit-down restaurant ▪ 37,000 sf quick service restaurant ▪ 5 acres park ▪ 190,000 sf brewery ▪ 11,000 sf brewery retail ▪ 11,000 sf brewery restaurant	7,615	1,523	6,092
Low Commercial, High Residential	▪ 1,579 dwelling units ▪ 980,000 square feet (sf) office ▪ 130,000 sf retail ▪ 84,000 sf sit-down restaurant ▪ 36,000 sf quick service restaurant ▪ 5 acres park ▪ 190,000 sf brewery ▪ 11,000 sf brewery retail ▪ 11,000 sf brewery restaurant	7,242	1,448	5,794

WHY TRANSPORTATION DEMAND MANAGEMENT

This TDM Plan reaffirms Mission Rock's commitment to sustainability and inclusivity. It encourages the site's residents, employees, and visitors to use the most environmentally friendly and spatially efficient mode possible for each trip, with an emphasis on cycling, walking, and shared rides.

The measures outlined below are designed to work together to affect site users' travel habits. Targeted programs strengthen the benefits of investments in bicycle and pedestrian infrastructure and the site's proximity to major transit nodes by reinforcing awareness of these options, breaking down barriers to incorporating them in travel routines, and incentivizing habitual use.

The site plan and TDM program are consistent with several decades of City of San Francisco climate and sustainability policies that aim to encourage the use of transit and other non-auto modes of transportation. It is also consistent with the City's efforts to manage the transportation impacts of new development. The Plan was developed with San Francisco's new TDM Ordinance in mind, and the Mission Rock team used the Ordinance's framework to scale the site's programs appropriately.

Many campuses have implemented similar TDM programs to reduce single-occupancy vehicle (SOV) travel and find the optimal balance of transportation modes to accommodate growth.

[1] Seawall Lot 337 and Pier 48 Mixed-Use Project Environmental Impact Report, Appendix 4-1 – Transportation Impact Analysis, April 2017. Pg. 486.

Genentech implemented an aggressive TDM strategy in 2006 that included programs such as shuttle service and parking cash-out accompanied by comprehensive marketing and communications through an online employee portal. Since implementation, drive-alone mode share has decreased by almost 30%, decreasing carbon emissions from 4.5 tons per employee to 1.9. Similarly, Stanford University's extensive TDM program, which has for years included meaningfully priced parking, transit subsidies, and incentive programs, has effected a substantial decrease in SOV commuting, from 72% in 2002 to 46% in 2011. Moreover, these programs serve campuses that grew rapidly during the periods noted, but this growth was not accompanied by substantial increases in parking.

In a similarly urban environment, the City of Cambridge implemented a parking and TDM ordinance in 1998, made permanent in 2006. In the Kendall Square area, which predominantly houses large biotechnology firms and research and academic institutions, such as the Massachusetts Institute of Technology, the ordinance has been particularly effective. Although the neighborhood has added 4.6 million square feet of commercial and institutional development over the past 10 years, automobile traffic has *decreased* on major streets, with vehicle counts decreasing as much as 14 percent.[2] In this way, citywide TDM measures in Cambridge have not deterred the development market while still having a positive impact on quality of life and the environment.

Given these successes, robust TDM programs are becoming expected aspects of new developments, in central cities and suburbs alike. San Francisco is no exception. The City has established a TDM ordinance that would require developers to establish TDM programs scaled to the amount of parking they plan to build on-site. This ordinance reinforces existing multimodal policies, such as the city's Transit First Policy, which was established in 1973 and amended to include pedestrians and bicyclists in 1999. New residents and office tenants increasingly demand convenient access to quality multimodal infrastructure, and in urban areas like San Francisco, they assume that parking will be treated as a limited commodity that will be priced based on occupancy levels and market rates. The Mission Rock TDM Plan reflects the values outlined in City policies by striving to maximize user satisfaction and foster travel choices that are sustainable in all senses of the word.

PLAN OVERVIEW

This Plan is comprised of the following chapters:

- Chapter 2 presents a slate of recommended TDM measures for Mission Rock to reduce SOV trip and parking demand for the development.
- Chapter 3 presents the marketing and communications strategy for Mission Rock's TDM program, discussing the interplay between the primary communication mechanisms, the TDM measures, and the various user groups of Mission Rock.
- Chapter 4 presents Mission Rock's approach to monitoring the TDM Plan's implementation to ensure that it achieves the 20% vehicle-trip reduction target.

This TDM Plan will be incorporated into the Transportation Plan for Mission Rock, which will coordinate daily circulation of people, bicycles, and vehicles to, from, and around the site.

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[2] Moskowitz, Eric. "Car-free commuting push pays off in Kendall Square." *The Boston Globe*. July 25, 2012. https://www.bostonglobe.com/metro/2012/07/24/kendall-square-car-traffic-falls-even-workforce-soars/C4Fio7iKZnwEMAw7y4cJgN/story.html

2 PLANNED MEASURES

The Mission Rock TDM Plan consists of a package of measures that will work together to effect behavioral change in a way that is both cost effective and highly marketable. Measures include incentives, programs, and infrastructure improvements, and they include many that have been successfully implemented in other mixed-use and urban environments; those case studies are cited as possible below each measure.

The measures balance the desire to provide innovative transportation amenities with the need to maintain a cost-effective program and an acknowledgement that Seawall Lot 337 Associates, LLC will not hold a primary relationship with site tenants over the long term – vertical developers or the management companies that take ownership of individual buildings once they are developed will ultimately play this role, and will be required to be responsible for any relevant ongoing programs. As such, programs that necessitate ongoing operational expenditures are included but deemphasized in favor of one-time, up-front investments that give new tenants and visitors immediate experiences with and exposure to the array of non-auto transportation options available to them. These will form lifelong patterns of choosing sustainable transportation options. Figure 2 gives an overview of the measures included in the Plan, and identifies the likely responsible party for implementing the measure, the target audience for the measure, the communication channels used and associated level of impact. The remaining chapter provides further detail. As in the table's column headings, colors are used to differentiate infrastructural (❖) and operational (❖) measures in the text below. A few of these recommendations have been directly integrated into the design of Mission Rock, as codified in the Design Controls and other design documents.

Figure 3 Summary of Planned TDM Measures by Mode

● = High Impact ◉ = Medium Impact ○ = Low Impact Infrastructural = ❖ Operational = ❖

Mode	Measure Type	TDM Program Measures	Responsible Party	Target Audience for Measure			Communication Channels Used			Page Reference
				Residents	Employees	Visitors	Mobile-Friendly, Site-Wide Website	Signage and Wayfinding	Site-Wide Transportation Staff	
Transit	❖ ❖	Real-time transit information and marketing screens	Vertical Developer	x	x	X	●	◉	-	10
Transit	❖	One-time transit subsidies	Vertical Developer	X			●	-	●	11
Bicycle	❖	Bike share memberships	Vertical Developer	X			●	-	◉	12
Bicycle	❖	Space for on-site bike share	Horizontal Developer	X	X	X	●	●	-	13
Bicycle	❖	Bicycle valet	Horizontal Developer			X	●	●	-	13
Bicycle	❖	Bike community programming with periodic giveaways	Vertical and Horizontal Developers	X	X		●	●	●	13
Bicycle	❖	Bicycle resource center, including vending machine with parts and tools and fix-it station	Horizontal Developer	X	X		◉	●	○	14
Bicycle	❖	Secure bike parking in buildings and along desire lines	Vertical and Horizontal Developers	X	X	X	◉	●	-	14
Bicycle	❖	Showers and clothes lockers for employees	Vertical Developer		X		○	●	○	16

Mode	Measure Type	TDM Program Measures	Responsible Party	Target Audience for Measure			Communication Channels Used			Page Reference
				Residents	Employees	Visitors	Mobile-Friendly, Site-Wide Website	Signage and Wayfinding	Site-Wide Transportation Staff	
Personal Motorized Transport	❖	On-site shared scooters	Horizontal Developer	X	X	X	●	●	○	16
Personal Motorized Transport	❖	Electric scooter share memberships	Vertical and Horizontal Developers	X			○	-	○	17
Personal Motorized Transport	❖	On-site car share parking spaces	Horizontal Developer	X	X	X	●	●	○	18
Personal Motorized Transport	❖	Car share memberships	Vertical Developer	X			◉	-	●	18
Parking	❖	Market-based off-street parking pricing	Garage Developer	X	X	X	◉	◉	◉	19
Parking	❖	Unbundled parking	Vertical and Horizontal Developers	X	X		○	-	●	19
Parking	❖	Reduced parking supply	Horizontal Developer	X	X	X	◉	●	-	20
Parking	❖	Real-time information on parking pricing and availability	Vertical and Garage Developers	X	X	X	●	●	-	20
Buildings	❖	In-building concierge services	Vertical Developer	X	X		-	-	◉	22
Buildings	❖	Delivery coordination for online personal services	Horizontal Developer	X	X		●	-	○	22

Mode	Measure Type	TDM Program Measures	Responsible Party	Target Audience for Measure			Communication Channels Used			Page Reference
				Residents	Employees	Visitors	Mobile-Friendly, Site-Wide Website	Signage and Wayfinding	Site-Wide Transportation Staff	
Buildings	❖	Partnerships with CSAs	Horizontal Developer	X	X		●	◉	○	23
Buildings	❖	Cold, dry storage space for grocery and package delivery	Vertical Developer	X			-	●	-	23
Buildings	❖	Family supportive amenities	Vertical Developer	X			-	●	-	23
Buildings	❖	Convenient loading zones	Horizontal Developer	X	X	X	-	●	-	24
Buildings	❖ ❖	Childcare services and facilities	Vertical Developer	X	X		●	○	-	24
Buildings	❖	Collaborative work space with business services	Vertical Developer	X			●	○	-	24
Buildings	❖	Convenient elevator design for bicycles, strollers, wheelchairs, etc.	Vertical Developer	X	X	X	-	○	-	25
Buildings	❖	On-site affordable housing	Vertical Developer	X			●	-	○	26
All Areas	❖	Site-wide transportation staff	Vertical Developer	X	X	X	◉	-	●	26
All Areas	❖	Mobile-friendly Mission Rock transportation website	Horizontal Developer	X	X	X	●	-	-	27

Mode	Measure Type	TDM Program Measures	Responsible Party	Target Audience for Measure			Communication Channels Used			Page Reference
				Residents	Employees	Visitors	Mobile-Friendly, Site-Wide Website	Signage and Wayfinding	Site-Wide Transportation Staff	
All Areas	❖	Intuitive signage and wayfinding for trip planning across all modes	Horizontal Developer	X	X	X	-	●	-	27
All Areas	❖	Improved walking conditions to, from, and within Mission Rock	Horizontal Developer	X	X	X	-	●	-	27

Some TDM measures like parking pricing have a more direct effect on travel behavior, while others like facilitating delivery services play a more supportive role. For another example, providing car share membership leverages the potential impact of providing easily accessible car share spaces. In other words, the effectiveness of these combined measures is more than the sum of the parts.

The importance of monitoring cannot be overstated; regular monitoring enables management to effectively address and adjust these measures over time in response to changing residential and employee needs.

TRANSIT MEASURES

Real-time Transit Information and Marketing Screens

This programmatic measure consists of providing real-time transit information to Mission Rock residents, employees, and visitors. Information will be displayed on screens in lobbies (see Figure 3) and other high traffic areas, such as the collaborative work space or the childcare facilities. Making such information readily available increases residents' awareness of local transit options and facilitates efficient trip planning and use of other modes.

Mission Rock will display dynamic transit information and transportation marketing in building lobbies or use a similar approach based on state-of-the-practice technology at the time of occupancy.

Figure 4 TransitScreen Display in an Office Lobby

Implementation Examples

Parkmerced, the largest apartment community in San Francisco, began a partnership in 2014 with TransitScreen, a company that provides this service. TransitScreen is working with the Metropolitan Transportation Commission to modernize transit displays in over 46 locations throughout the San Francisco Bay Area. Another residential development, NEMA, provides real-time transit information on their resident app and website.

❖ One-Time Transit Subsidies

The Clipper card is the Bay Area's transit fare payment card and can be used on more than 20 of the region's transit agencies, including BART, Muni, and the ferries. Providing a one-time transit subsidy in the form of Clipper cards upon move-in can increase residents' awareness of nearby transit options and increases the ease with which they can start using it. Clipper cards through a bulk purchase through the Metropolitan Transportation Commission, the regional public agency that manages Clipper. A custom-designed Clipper card can help tie the Mission Rock brand more closely to lifestyles that incorporate frequent transit use.

Providing Clipper cards increases the ease of using transit for employees and residents who currently do not have Clipper. For individuals who already have cards, the one-time financial subsidy could help lower one barrier to increased transit use.

Mission Rock will provide a one-time transit subsidy in the form of a Clipper card pre-loaded with $50 cash value to all residents over the age of 18 upon move-in, and will require that business tenants offer employees the same.

Implementation Examples

The City TDM Ordinance lists one-time financial incentives paired with outreach to employees and residents as a possible measure. Although other residential developments in the Bay Area have provided free/discounted monthly transit passes to residents, providing a Clipper Card with a set value pre-loaded would be a new measure.

BICYCLE MEASURES

Figure 5 **Ford GoBike Bike Share Dock**

❖ Bike Share Memberships

Members of Ford GoBike can take free, unlimited 30-minute one-way bike rides between bike share stations. Once the system's expansion is complete (planned for November 2016 through 2018), annual memberships will cost $149 per year. Providing residents and employees with bike share memberships could help tenants with minimal experience bicycling in San Francisco a low-cost and low-obligation opportunity to try cycling, and it would provide residents with a quick and easy way to get to the Transbay Transit Center and Market Street, for BART connections and a variety of other transit options and recreational activities.

Mission Rock will offer bike share memberships for all residents 18 years and older for one year upon move-in.

Implementation Examples

While many property owners partner with bike share services to locate bike share docks nearby, offering a bike share membership to residents would be a new measure. Multiple tech companies in the Bay Area, such as Microsoft and Facebook, partner with Bikes Make Life Better, a company that specializes in bicycle program management, to develop and administer their bike programs.

❖ Space for On-Site Bike Share

This measure would involve partnering with Ford GoBike to locate one or more bike share docks in Mission Rock. The system is primarily concentrated in downtown San Francisco, but has recently expanded to Oakland and Berkeley. In May 2017, they announced their plans to establish 7,000 GoBikes across San Francisco, San Jose, Oakland, Berkeley, and Emeryville by 2018. As bike share placement is most effective every 1,000 feet, Mission Rock should examine where Ford GoBike is already planning to establish bike docks near the development and consider sponsoring at least one dock within the site itself. Currently, there is one bike station planned at Terry Francois Boulevard and 3rd Street. Prominently located bike share docks can increase awareness of bike share as a viable transportation option while also facilitating convenient use. Each bicycle dock would be provided and maintained by Ford GoBike, but sponsoring a bicycle dock would allow control over the specific siting and design of the dock, including incorporation of developer-specific branding on the bikes, docks, and other materials.

Mission Rock will establish a high visibility space for a Ford GoBike (or similar provider) dock, with the possibility of additional docks depending on the bike share provider's intended Mission Bay expansion. If sponsorship is necessary, Mission Rock will take it into consideration.

❖ Bike Valet

Complementing the bike parking available on a daily basis, bike valet services during special events can encourage people to travel to and from events by bicycle by eliminating the challenge of finding safe and convenient bike parking in an area crowded with event attendees. These services also raise public acceptance and support for non-motorized transportation by building connections with visitors.

Mission Rock will provide free bike valet services for all on-site events, as required by code.

Implementation Examples

San Francisco Administrative Code Section 2.76 requires that events that require a street closure and anticipate over 2,000 attendees provide monitored bicycle parking. Currently, the San Francisco Bicycle Coalition provides these services for many events, including those at AT&T Park.

❖ Bike Community Programming

Bike-oriented programs and events encourage bicycling by raising public acceptance and support for non-motorized transportation and building connections between residents who regularly bike, making biking a fun, social activity. These events could include evening bike parties, bike-oriented happy hours, periodic bike gear giveaways, and bicycle campaigns that involve contests

and prizes. Integrating bicycling into the social fabric of the Mission Rock community will raise the profile of bicycling as a viable mode of transportation and encourage people to try biking for a portion of trips.

Through the site transportation staff, Mission Rock will host regular bike parties or happy hours for the bicycling community, potentially paired with gear giveaways.

Implementation Examples

Although private and non-profit organizations such as the San Francisco Bike Coalition often host these types of events, bike event programming led by a mixed-use development would be a new measure. Some Bay Area employers, such as LinkedIn and Google, sponsor special events around Bike to Work Day paired with regular giveaways and bike valet.

Bicycle Resource Center

A bicycle resource center can provide a dedicated space for residents and employees to get information about bicycling as well as tools and parts for bike repairs and maintenance. A dedicated space contributes to social acceptance of bicycling and reduces one key barrier associated with owning a bike – concern about complications related to ongoing maintenance – by providing tools and parts through a vending machine at low prices. This measure will also include working to incorporate a bicycle store in the site retail plan and establishing a resource center containing a vending machine for bicycle parts, a "fix-it" work station with basic tools, and bicycle pumps somewhere else within the site at an easily accessible location.

Mission Rock will establish bicycle maintenance space near a major secure bike parking area within each building with resources like a bike stand, a workbench, tools, and a basic repair kit. This space will be available over the life of the project. The team will work to include a bike store as part of the site retail plan.

Implementation Examples

In Seattle, Via6 is a 654-unit mixed-use apartment complex that provides a bike wash station for residents, as well as a bike shop on the ground floor that is owned and operated separately from the development. The Velo Room at Solera (Denver) provides tools, bike stands, work benches, air pumps, tubes, and other supplies, as well as gel packs, energy bars, and bike trail maps. Several university campuses, including Ponce Health Science University in Portland and the University of California-Davis, have bicycle repair stations in key facilities.

Figure 6 Bike Center, Millenium Park, Chicago

Source: Flickr, Brian Kusler

Bike Parking

Following San Francisco Zoning Code Section 155, Table 155.2, the Mission Rock project is required to provide at least 710 secure bike parking spaces (Class I), in addition to at least 371 spaces for bikes in publicly-accessible locations (Class II), under the Maximum Commercial Scenario. Under the Maximum Residential Scenario, the Mission Rock project is required to provide at least 765 Class I spaces, and 388 Class II spaces.

Given the importance of non-motorized transportation to the site's overall design concept, this measure goes above that requirement to provide one Class I space per dwelling unit, one Class I space per 2,500 square feet of commercial development, one Class I space per 3,750 square feet of retail, and one Class I space per 5,000 square feet of open space, in addition to around 700 Class II spaces. Class I parking consists of secure long-term bicycle parking, including bicycle lockers, bike cages, and bike rooms. Class II bike parking refers to more short-term bicycle parking, including on-street bike racks. The site's location on a Class I north-south bicycle facility and in a flat part of San Francisco implies a strong potential for very high rates of bicycle usage, and this should be encouraged through easy access to ample, convenient bicycle parking. Bike parking facilities will also accommodate various types of bicycles including those with cargo and trailer attachments.

There are several methods of providing secure (Class I) bicycle parking spaces for residents and employees. Bike cages can be placed at convenient locations within buildings or on sidewalks in the area, and bike owners who qualify can receive a key or access card to use the cages. This space

will serve as a common, secure bike room, where residents or employees can use a key or access card (often the same card used to access an elevator or parking garage). Moreover, public bike parking is often considered secure when it is situated in well-lit, highly visible areas.

Exceeding the bike parking required by City code, Mission Rock will construct 1 Class I bike parking space per dwelling unit, an additional 511 (under the High Residential Scenario) or 667 (under the High Commercial Scenario) Class I spaces for commercial development, and 675 (under the High Commercial Scenario) or 692 (under the High Residential Scenario) Class II bike parking spaces and will work with vertical developers to set aside necessary square footage for secure bike parking in the ground floor or another convenient area of each building.

Implementation Examples

As it is required by San Francisco zoning code, any new construction, including the addition of new units or an increase of off-street vehicle parking capacity, must include bicycle parking spaces. For residential development, one Class I (secure) space per unit is required; for buildings with more than 100 units, 100 spaces plus one space per every four units over 100 are required. The requirements for commercial development vary; retail development must provide one Class I (secure) space for every 7,500 square feet of occupied floor area, and office developments must provide one space for every 5,000 square feet.

Showers and Lockers for Employees

Following San Francisco Zoning Code Section 155.4, specific land uses exceeding a certain square footage threshold are required to provide shower and clothes locker facilities for tenants and employees. Offices (including childcare, business services, and light manufacturing) that exceed 10,000 square feet must provide at least one shower and six clothes lockers; for facilities between 20,000 and 50,000 square feet, the building must provide two shower and 12 lockers. Those exceeding 50,000 square feet must provide four showers and 24 lockers. Retail sales and restaurants exceeding 25,000 square feet must provide one shower and six clothes lockers; those exceeding 50,000 square feet must provide at least two showers and 12 lockers.

Mission Rock will work with the vertical developers to meet this requirement.

Implementation Examples

San Francisco first implemented this requirement in 1998, and amended it to include office land uses in 2013.

PERSONAL MOTORIZED VEHICLE MEASURES

On-site Shared Scooters

Electric scooters are highly convenient in a dense urban environment and may have additional marketing value, given the cache scooters carry among certain population segments. The main company providing scooter share services is called Scoot, providing access to both single-rider scooters and quad vehicles, which have four wheels and can carry up to two people. One of the benefits of Scoot's network is the ability to travel point-to-point, instead of needing to return scooters to their point of origin. Scoot already has pods within about a half-mile of Mission Rock.

Providing scooter share access to residents on-site will magnify the effectiveness of offering Scoot memberships. The parking garage would accommodate space for a scooter dock, which the scooter share vendor would provide and maintain.

Mission Rock will reserve off-street parking space for 20 scooters (approximately six car parking spaces), and will pursue a potential marketing partnership opportunity with a provider of scooter share (e.g. Scoot) or a similar service.

Implementation Examples

This would be a new measure.

Figure 7 Scoot Networks

Source: Flickr, Marcin Wichary

❖ Electric Scooter Share Memberships

Like a bike share membership, a scooter share membership for Mission Rock residents can help establish new travel behavior patterns upon move-in. This measure would entail partnering with Scoot or another electric scooter share vendor to provide free memberships in exchange to reserving space for electric scooter parking on-site.

Mission Rock will offer a one-year membership for Scoot or a similar service to all new residents aged 21 and over who meet the scooter share provider's membership requirements, and will offer on-site scooter orientation (provided by Scoot Networks or a similar provider).

Implementation Examples

Offering scooter share memberships would be a new measure.

❖ On-site Car Share Parking Spaces

According to San Francisco Zoning Code[3], Mission Rock is required to provide 31 to 38 car share spaces. Research indicates that a single car-share vehicle can remove as many as 20 private cars from the transportation network. Spaces will be located in high-visibility parking spots within the publicly-accessible parking garage, with clear exterior signage to increase visibility and emphasize the convenience of car share. City Car Share offers electric vehicles which appear to be equally popular, though others have found barriers to adoption as people are still becoming comfortable with using the technology; this may not be the case in five years. Depending on the car share vendor provided, additional partnerships with ChargePoint may be required to provide infrastructure for electric vehicle charging.

Exceeding this code requirement, Mission Rock will negotiate an agreement with one or more local car share vendors to provide 50 designated car share spaces in initial design with flexibility to increase over time in response to demand. Mission Rock will also consider partnering with ChargePoint to provide electrical hookups adjacent to spaces to allow for the potential for electric shared vehicles, with the ability to increase over time in response to demand.

Case Studies

Fox Plaza (San Francisco) has 443 units with a 0.77 parking ratio and provides 14 car share vehicles on site, with 12 additional spaces located within 1/4 mile. Madera Apartments (Mountain View) has 203 units with a 1.37 parking ratio and provides two car share vehicles on site, with two additional Zipcar locations within ¼ mile. The Uptown (Oakland) has 665 units with a 0.80 parking ratio and provides one car share vehicle on site, with an additional four car share locations within a 1/4 mile.

❖ Car Share Memberships

New residents will receive a car share membership for their first year of residency to help establish new behavioral patterns upon moving in (opt-out allowed, but default to providing for all). Pairing access to car sharing vehicles with car sharing memberships is also shown to be more effective than implementing one or the other on its own.

Mission Rock will offer memberships to all households for their first year of residency. Depending on the agreement with the on-site car share vendor, membership fees will likely be reduced or waived and some rental credit may be provided.

Implementation Examples

Several Bay Area residential projects cover the full price of car share memberships for residents (New Californian - Berkeley; Madera Apartments - Mountain View; Fruitvale Transit Village - Oakland; Fox Plaza - San Francisco; The Uptown - Oakland). Many of these developments have parking ratios of less than one per unit, and all of them have seen parking utilization rates of well below capacity.

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[3] San Francisco Planning Code Section 166, Table 166.

PARKING MEASURES

❖ Parking Pricing

The price of parking has been shown to be a highly effective mechanism in changing parking and travel behavior. Demand-responsive pricing involves altering the cost of parking according to the level of demand. During times of higher demand, parking has a higher price and thus encourages both a higher rate of turnover and the use of other modes; during times of lower demand, parking has a lower price. Prices generally do not change in real time based on current occupancy, but instead might automatically increase by a pre-set amount during peak periods, based on typical demand patterns, or for scheduled events. Prices might be adjusted overall a few times a year based on recent occupancy data. By refining the price of parking periodically, it is possible to keep parking occupancy rates relatively close to the optimal level, typically around 90% for off-street parking. Researchers have found that parking facilities function efficiently (i.e. without requiring excessive parking-search time) up to roughly this level of occupancy.[4]

At the time when the site is fully built out, Mission Rock's parking facilities will be priced to keep demand below a threshold occupancy rate and to encourage site users to avoid parking during AT&T Park events. Non-event rates will be comparable to off-street parking prices at other facilities in SoMa and Northern Mission Bay.

Implementation Examples

Demand-based parking pricing has been implemented to various degrees in multiple cities. The *SFpark* program in San Francisco regulates parking prices for off-street as well as on-street parking facilities, adjusting hourly parking rates every three months based on the parking demand at each garage during five different time bands throughout the day. When occupancy exceeds 80%, hourly rates for the following three-month period are increased by 50 cents. Unlike approach planned for Mission Rock, *SFPark* also decreases prices when occupancy falls below a low-end threshold of 40%. When it was first implemented, the program also adjusted early bird parker time requirements and added off-peak discounts to discourage commuting at peak hours, reducing congestion around the garages. Since implementation, San Francisco has seen higher garage occupancy at lower prices overall, resulting in a marginal increase in revenue.

❖ Unbundled Parking

"Unbundling" parking means that the cost for parking is separate from the cost of residential and commercial units. It is an increasingly common practice in urban areas; the City of San Francisco requires residential developments to unbundle parking. Thirty percent of San Francisco households do not own a vehicle[5] and unbundled parking makes housing more affordable those who do not need a parking space. This approach provides a cost savings to households who decide to dispense with one of their cars, and it can help attract households who wish to live in a transit-

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[4] See: Levy, Nadav, Karel Martens, and Itzhak Benenson. Exploring Cruising Using Agent-Based and Analytical Models of Parking. *Transportmetrica*, DOI: 10.1080/18128602.2012.664575, 2012. AND Millard-Ball, Adam, Rachel Weinberger, and Robert Hampshire. Is the curb 80% full or 20% empty? Assessing the impacts of San Francisco's parking pricing experiment. Transportation Research Part A: Policy and Practice, No 63, 2014, pp. 76-92.

[5] U.S. Census, American Community Survey 2013, 5-year estimates

oriented neighborhood where it is possible to live well with only one car, or even no car, per household. Unbundling parking costs changes parking from a required purchase to an optional amenity, so that households can freely choose how many spaces they wish to lease.

Unbundling parking tends to reduce demand for parking by specifically calling out and making optional the previously hidden cost of "free" parking. This in turn allows developers to provide less parking, which increases the developable area for more lucrative land uses such as additional housing units. For this measure to work optimally for office users, the users of parking – not their employers – must be the ones who ultimately pay daily or monthly costs.

Mission Rock will unbundle parking costs from all residential, commercial, and retail leases and ensure that the users of parking are the ones who ultimately pay for it.

Reduced Parking Supply

Overbuilding parking supply leads to increased automobile use, contributing to more vehicle trips, traffic congestion, higher housing costs, and greenhouse gas emissions. Providing parking at a rate below the surrounding neighborhood reduces the parking supply from what would be typically provided for this kind of development, which in turn reduces the number of trips the development may generate. Given the large number of households with no vehicle and the demand for housing in San Francisco, a limited supply of parking could be expected to attract a high proportion of residents without vehicles, which in turn would result in fewer vehicle trips from the development. Mission Rock is within a few blocks of frequent high-quality transit to downtown and is in a neighborhood that is already facing vehicular congestion, which further discourages driving and parking.

Mission Rock will establish maximum parking ratios that are lower than the neighborhood average; if anticipated needs related to AT&T Park require providing parking at a rate higher than the neighborhood average, Mission Rock will still price parking at or above market rates for northern Mission Bay or SoMa, rather than reducing prices to fill the facility.

Real-time Parking Pricing and Availability Information

This programmatic measure consists of providing real-time parking pricing and availability information to Mission Rock residents, employees, and visitors who utilize the off-street parking facilities on-site. Information could be displayed on signs outside of the parking garage, and could also be accessible on the mobile-friendly Mission Rock website. For market-based parking pricing to be truly effective, the dynamic between price and availability must be clearly communicated to drivers. Making such information readily available to potential drivers, particularly at parking garage entrances, decreases the likelihood of drivers' circling for parking or potentially increases the possibility of choosing other modes.

Real-time availability information for an overall facility can be derived from the access control of the parking garage, calculated based on the number of entries and exits at any given time. To provide garage floor-specific information on where spaces are available, each parking space needs a sensor (typically embedded in the floor) that communicates wirelessly with a central system to sense when the space is occupied.

Mission Rock will install dynamic displays (or use another state-of-the-practice price-information sharing measure) to show real-time parking price and availability information, and will endeavor to make this information available through other channels like a Mission Rock transportation website; this will require installing technology and associated information systems to automatically monitor parking usage.

Figure 8 Dynamic Parking Signage, SoMa

Implementation Examples

All City-owned garages that participate in the demand-based parking pricing program, *SFpark*, provide real-time pricing and availability information on the *SFpark* website; there are several dynamic message signs at key intersections in SoMa that indicate the number of parking spaces available and general wayfinding to those garages.

BUILDING MEASURES

❖ In-Building Concierge Services

In-building concierge services and/or multi-purpose front-desk staff can facilitate valet parking, farm-to-table produce delivery, cold and dry storage for grocery or produce delivery, and secure package delivery. Concierge staff could also provide information about the nearest stores and services like dry cleaning and laundry service, as well as pickup/delivery services from local merchants. Residents would pay for all services.

This concierge will be supported by the site-wide transportation staff who would provide centralized transportation support to the in-building concierges (see section on the site-wide transportation staff below). The combination of these services will consolidate or eliminate the need for additional trips and could be a resource for residents, providing targeted travel information. In buildings where a concierge service isn't feasible, the site-wide transportation staff will provide this service to the building tenants.

Mission Rock will encourage vertical developers to appoint an in-building concierge to provide information about local merchants and coordinate/facilitate delivery services for residents.

Implementation Examples

Though many residential buildings provide a concierge, explicitly pairing in-building concierge staff with a transportation specialist would be a new measure for reducing trips and demand for parking. Crafting and marketing the concierge's role as such may increase the program's effectiveness.

❖ Coordinated Delivery Services

Mission Rock will aim to partner with online personal service providers (i.e. Instacart, Postmates, Taskrabbit) or facilitate other ways of making ordering in, instead of making separate trips off the property for daily needs, more appealing and reduce vehicle trips in the process. One potential way to do this would be to offer direct ordering through the Mission Rock website. Each building would manage these services individually as needed.

Mission Rock will aim to establish site-wide partnerships with internet delivery services companies.

Implementation Examples

NEMA on Market Street facilitates local organic produce and wine delivery, which is part of its overall suite of concierge services. This type of amenity could be coupled with an app-based ordering system, such as Instacart or Postmates, or Mission Rock may want to develop one specific to its services.

❖ CSA Partnerships

Partnering with local community-supported agriculture (CSA) organizations has the potential to reduce greenhouse gas emission and vehicle-trips by providing project residents convenient access to locally sourced food, reducing the number of trips and vehicle miles traveled by both

vendors and consumers. This measure could also have marketing benefits and reinforce the site's overall message about sustainability. Initial conversations about bringing a farmers' market to Mission Rock have yielded a cost estimate of approximately $75,000 to $100,000 annually for Mission Rock to manage it in-house. Alternatively, hiring a farmers market management company could reduce costs to as low as $15,000. However, providing a farmers market may result in generating more trips rather than it offsets; as such, a partnership with a local CSA might be more cost-effective.

Mission Rock will coordinate with local CSAs to provide group deliveries, and continue exploring the possibility of hosting regular farmers' markets on the premises.

Implementation Examples

This would be a new measure; although there are multiple farmers' markets throughout San Francisco, they are not specific to a certain development or community, nor were they started with a specific development's needs in mind.

Cold and Dry Delivery Storage Space

Providing storage space for groceries, laundry, and other packages can have a direct effect on reducing trips by encouraging and facilitating online ordering. A centralized storage facility within each building can also consolidate delivery trips by enabling delivery vehicles to only make one stop for multiple recipients instead of several. Where this type of measure has been implemented without direct staff monitoring at all times, building residents typically access deliveries through a locker system with unique pick-up codes that include the locker number and access times for the delivery recipient.

Mission Rock will work with the vertical developers to provide storage space near the concierge and elevators to store packages, perishables, laundry, and other deliveries.

Implementation Examples

Presidio Landmark has a wine cellar with climate controlled lockers; separate storage lockers are also provided.

Family Supportive Amenities

Providing secure storage space for personal car seats, strollers, athletic or other extracurricular gear, and other large equipment can address challenges families face while traveling. Locating this space near car share parking spaces make it easier for families to travel without feeling a personal vehicle is necessary. If this measure is implemented without direct staff monitoring at all times, building residents can access the space with an access code or key card.

Mission Rock will provide storage space for family-related equipment near car share parking spaces.

Convenient Loading Zones

While the site does not contain on-street parking, Mission Rock is planning to dedicate a portion of the site's curb space for loading and deliveries of goods and people to reduce the need to make personal vehicle trips. Curb designations will be consistent with City of San Francisco regulations. Under those regulations, taxis, transportation network companies, and private vehicles may drop off along any curb space not designated by a red curb or marked otherwise. Vehicles may not idle in these locations as per San Francisco Transportation Code Section 7.2.86. As noted earlier, the project team will work with the City to develop a loading management plan during a future phase of project development.

Drop-off locations for seniors and people with disabilities will be located near building entrances, elevators, and at corners with curb ramps. The location of loading zones will also take into consideration the moving needs of residents and businesses. See the Mission Rock Transportation Plan and the Design Controls for more detail on the planned location of loading and delivery zones and for more information on Americans with Disabilities Act (ADA) accessibility on the site.

Mission Rock is integrating loading zones into the site's overall street design.

Childcare Facilities and Services

Providing childcare services on site at Mission Rock would break down a key barrier for parents to taking non-auto modes to work by bringing such services within walking distance and near the many commute options around the Mission Rock site. Mission Rock will aim to attract a childcare provider, likely on the ground floor of a northern parcel, near China Basin Park.

Mission Rock will aim to attract a provider of on-site childcare services and facilities to ensure easy access for Mission Rock residents and employees.

Implementation Examples

Many residential developments in major cities provide childcare services as part of their amenities; NEMA on Market Street provides childcare, and North Beach Place provides day care and children's play areas. A housing development at 8th and Market instituted unbundled parking to free up space for an on-site childcare center. Parkmerced includes a Montessori School on its premises, with full daycare and after-school care.

Collaborative Work Space

A business services room can help encourage and facilitate working from home, which can have a direct impact on reducing trips to and from the site. Such an amenity is a typical part of large rental buildings, though the size and specific services included vary.

At Mission Rock, work spaces could include rentable work rooms that can be reserved in advance, equipped with video conferencing equipment, high-speed internet connections, projectors, white boards, basic office supplies, and printing, scanning, and faxing services. For residents interested in using this work space long term, dedicated mailboxes for businesses could be set aside and located nearby. Vertical developers will ultimately be responsible for developing and maintaining these business services rooms and ensuring that they are equipped with appropriate equipment.

Mission Rock will work with vertical developers to implement this measure.

Implementation Examples

NEMA (Market Street, San Francisco) has a business lounge with Apple computers, printers, fax machines, and scanners, and a board room with phone, touch screen monitor, and computer hook-ups. Many newer residences also offer Wi-Fi throughout all common areas.

Figure 9 Co-Working Space

Source: Wikimedia, Chris Gallegos

❖ Convenient Elevator Design

By designing elevators that easily accommodate bicycles, strollers, and wheelchairs, Mission Rock will be able to increase the visibility and communicate the importance of bicycling and improve the family friendliness and accessibility of the project. Building codes already require elevators to be large enough to accommodate a variety of users, but the project will also aim to provide appropriate wayfinding and signage for elevators to educate residents about using the appropriate elevators to transport bicycles and other wheeled conveyances.

Mission Rock will work with vertical developers to implement this measure and meet building code requirements.

Implementation Examples

Many residential developments have gone to great lengths to design their facilities as bicycle friendly, but none have specifically called out adaptations to their elevations as an accommodation or amenity.

❖ On-Site Affordable Housing

Residents living in affordable housing typically own fewer cars per household than residents of market-priced units. They are more likely to use transit and are less likely to require parking, reducing overall vehicle trip generation.

Mission Rock will restrict 40% of on-site units to inclusionary affordable housing, to be provided in a balanced manner throughout the phasing of the development.

ALL-REALM MEASURES

❖ On-Site Transportation Staff

The Mission Rock team aims to hire at least one on-site transportation staff person proficient in the planning and implementation of a TDM program, with an annual budget for TDM staffing, communications, and programs. The site-wide transportation staff will provide customized travel guidance to residents and employees, helping raise awareness and understanding of transportation options and ensuring that site users can find non-auto transportation options that meet their unique travel needs. They may also provide resources to support employers, such as helping them enrolled in pre-tax benefits and/or San Francisco's Emergency Ride Home program, setting up flexible work schedules, developing employee mobility management programs and organizing sitewide marketing and incentive campaigns. Other staff, such as the in-building concierge or those tasked with organizing bike events and maintaining the bike resource room, could also provide similar targeted information and facilitate discussions around using different modes. This dedicated transportation staff would act as a centralized transportation resource to the in-building concierges, providing up-to-date transportation information and expert support to front-line staff that are less likely to have the same depth of knowledge of the transportation system.

The on-site transportation staff will also support efforts to collect data to evaluate the effectiveness of the overall TDM program and to understand opportunities to adjust the program to meet changing needs of Mission Rock residents, employees, and visitors. Chapter 3 provides additional detail about how the other TDM measures will leverage the transportation staff for marketing and communications.

Mission Rock will hire and task dedicated transportation staff with providing individualized advice and information on transportation options to residents and employees.

Implementation Examples

This would likely be a new measure, as other developments have not explicitly instituted and integrated transportation information with residential or employee services. Several cities have used something similar to this measure at a neighborhood level. Portland, Ore. has seen notable mode shifts from its Smart Trips program, which provides targeted marketing and information on non-auto transportation options in particular neighborhoods.

❖ Mobile-Friendly Mission Rock Transportation Website

A mobile-friendly website oriented toward all residents, employees, and visitors providing online access to concierge services and transportation programs can help raise awareness and visibility of transportation options and facilitates connections among transportation modes. The transportation information on the Mission Rock site will likely include but not be limited to real-time transit information and a transportation tab with all nearby options (e.g. Muni, car share, scooter share, ride-sourcing apps) showing locations and availability. Chapter 3 provides

additional detail about how the other TDM measures will leverage the website for marketing and communications.

Mission Rock will create a site-wide website with a dynamic and engaging section dedicated to transportation information and services, with specific portals for each user type (or the state-of-the-practice equivalent to this measure, per changes in technology by the time of first occupancy).

Implementation Examples

NEMA (Market Street, San Francisco) has a "resident portal" where residents can submit work orders, track packages, pay rent, alert the valet, and communicate with management regarding car charging, car share, bike share, and bike repair.

❖ Signage and Wayfinding across Modes

Signage and wayfinding to indicate points of connection between different modes, as well as estimated travel times and directions by mode, can help increase people's understanding of travel options. Clear signage is also important for ensuring safety for all types of users, differentiating spaces for different users within shared public spaces. Signage will also indicate the nature and location of nearby bicycle routes. Mission Rock will coordinate with the City on the project's overall signage and wayfinding program to ensure the project conforms to City standards. Chapter 3 provides additional detail about how the other TDM measures will leverage signage and wayfinding for marketing and communications.

Mission Rock will design and install signage and wayfinding at key points throughout the development, including signage for safety along the shared streets.

Implementation Examples

Interactive signage and wayfinding has been instituted in a variety of cities, academic institutions, and transportation hubs.

❖ Improved Walking Conditions

As described in the Mission Rock Design Controls, the development will add over half a mile of complete streets, including new and improved sidewalks and pedestrian crossings. Complete streets are streets designed and operated to enable safe access for users of all ages, abilities, and transportation modes with the ultimate goal of fostering more livable communities. Today, many sidewalks in Mission Bay are narrow or missing in areas. The new streets within Mission Rock will greatly improve the overall walking conditions of the neighborhood and facilitate safer and more convenient pedestrian connections. A pedestrian-oriented urban design is essential for residents, employees, and visitors to fully take advantage of the other TDM measures, supporting access to all of the available transportation options and programs throughout the site and nearby. These improvements help shape the environment for the other TDM measures to succeed.

Mission Rock has integrated high-quality pedestrian design features (high connectivity, wide sidewalks, highly visible crossings, and others) into its design.

3 MARKETING AND COMMUNICATIONS

A strong communication measure is critical to the success of any TDM program, ensuring that residents, employees, and visitors receive information about relevant resources and incentives at appropriate times and through channels that are easily accessible. Incorporating consistent branding into all communications can help create a sense of place and establish a cohesive identity for the transportation program. Branding can be used to support marketing and communication efforts, particularly on signage and wayfinding, to emphasize that residents, employees, and visitors can travel seamlessly through the area.

The Plan anticipates that Mission Rock will likely have three main channels for transportation-related communications: Its site-wide transportation staff, a mobile-friendly web portal for site users, and physical signage and other wayfinding mechanisms on site. This section includes examples of communication tactics and channels to illustrate how specific channels can help reach target audiences. Given the diverse mix of ways different people process information, any good communications plan relies on a mix of measures and channels. The Communications Timeline section matches the mix of channels outlined in this section to the key audiences for the information: residents, employees, and visitors.

Communications technology and norms are changing rapidly, and as such, this portion of the Plan will necessarily be updated as the projects approaches first occupancy. As such, the details for each of these measures are presented as a set of recommendations. Regardless of how they are implemented, these measures remain part of the TDM Plan.

SITE-WIDE TRANSPORTATION STAFF

Mission Rock transportation staff would be responsible for maintaining information about TDM programs and acting as a point of contact to assist residents, employees, and visitors with transportation-related questions, concerns, or general assistance. The Mission Rock team envisions that a transportation coordinator would have the authority to implement TDM measures, oversee the management and marketing of all measures, and monitor success of the TDM program. Whether the coordinator would need support from additional staff and how large the team would be will be figured out as the communications measure is solidified closer to occupancy.

Transportation staff might also be responsible for compiling a print and/or electronic transportation handbook to be distributed to residents on move-in and employees on hiring. This handbook could include information on transportation programs, policies, and service options, in addition to the following information:

- Transportation staff contact information, including information for the in-building concierges (if relevant)

- Commute trip planning information, including links to the regional 511 Rideshare program
- Clipper card and vehicle (including car, bike, and scooter) share membership subsidies and parking policies
- Information on accessing other TDM program details and amenities, such as the in-building storage facilities
- Walking and biking routes within the area, estimated walk and bike times to key locations, including transit hubs, and a link to the San Francisco bike map
- Local transit options and schedules, including links to Muni, BART, and Caltrain schedules, route maps, and existing trip planner mobile applications

It is envisioned that this handbook would be distributed to all prospective residential tenants and all prospective employees who receive an offer to work within the development. It might also be included as a component of resident and employee welcome packets or employee orientation. The information provided in the handbook, as well as relevant website addresses, may also be posted in prominent locations for all residents and employees, such as apartment lobbies or lunchrooms. Print materials with information on various programs, maps, and amenities could also be provided to the in-building concierge staff for easy distribution when questions arise.

The transportation coordinator will also be responsible for supporting employers by providing information and guidance regarding tools and programs for flex work or telecommuting.

To make sure information stays useful to residents and employees over time, it is important that Mission Rock transportation staff keep all information and materials up to date and relevant.

MOBILE-FRIENDLY MISSION ROCK WEBSITE

Mobile-friendly websites are an easy way to create a dynamic and engaging repository for transportation information, point-to-point navigation tools, travel suggestions, user engagement campaigns, and other efforts to raise awareness of alternatives to drive-alone travel options and residents, employees, and visitors to use them. In addition to supporting the information already provided in the resident and employee handbook, this website could include the following:

- Real-time transit information
- Real-time parking pricing and availability information
- Notifications of upcoming transportation-related events, such as bike parties and farmers' markets, and alerts
- Integration with internet delivery services for ordering
- Registration for car share, bike share, and/or scooter share memberships
- Room reservations for the collaborative workspace
- On-site childcare services enrollment
- Specific pages or portals for residents, employees, and visitors so that each of these audiences has access to the appropriate and relevant travel information
- Functionality which allows for tracking travel behavior and enables gamification for incentives

Establishing specific portals for each audience can allow for the delivery of targeted, individualized TDM information for each of the audience groups. For example, the resident and employee portals could have features to receive notifications for coordinated delivery services,

should Mission Rock choose to develop a centralized delivery facility. Each of the portals could also provide specific information on costs and multimodal options available for traveling to and from Mission Rock, as well as information on nearby attractions and services and links to citywide or regional information. Figure 9 shows an example of a landing page for this type of website. Advantages of a webpage similar to that shown in the figure include prominent links to a trip planning service, alerts for riders, and individual operator websites for more information.

Figure 10 Sample Site-Wide Transportation Website, Mountain View Transportation Management Association (TMA)

SIGNAGE AND WAYFINDING

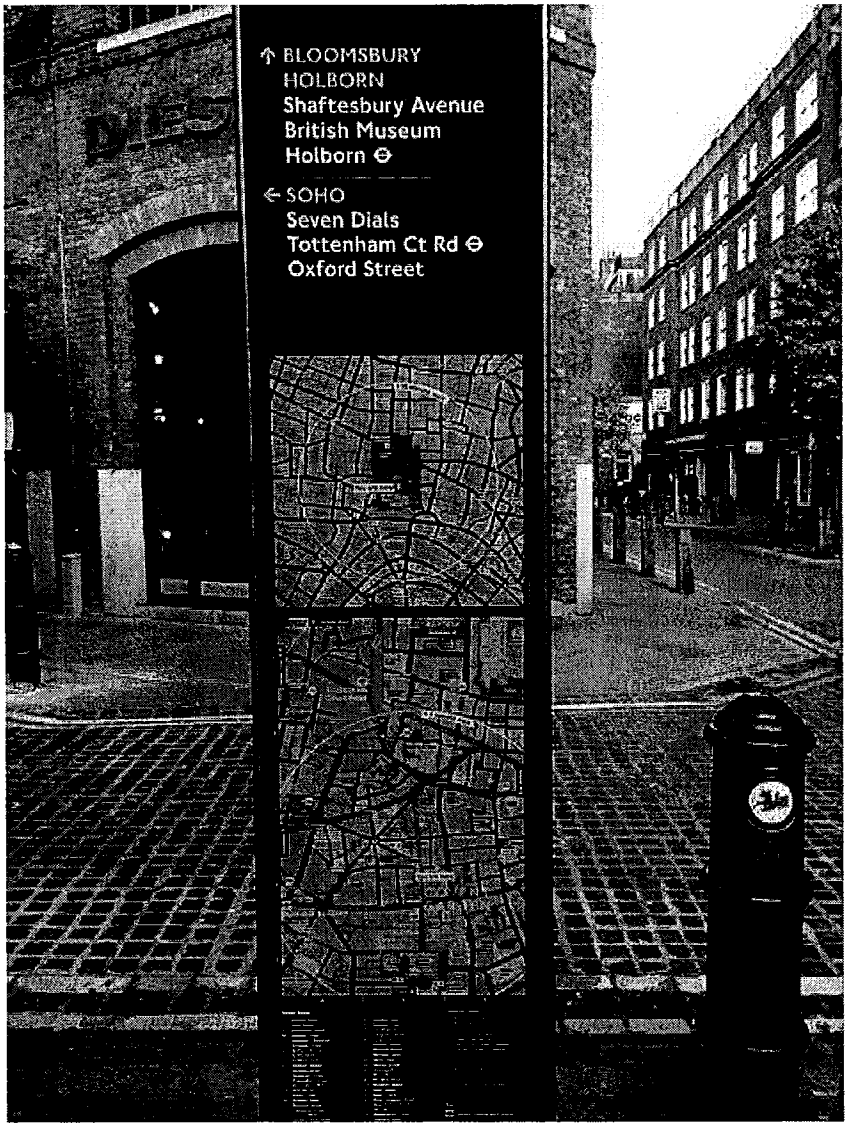
Clear, consistent, and predictable signage and wayfinding can help residents, employees, and visitors navigate the site easily. Signage can also bring awareness to important information such as parking prices and availability, bike parking locations, estimates of bike and pedestrian travel times, and other information on Mission Rock programs or services. Simply providing information on non-motorized travel prominently can increase the likelihood that people will select biking or walking as their mode of transportation.

The efficacy of signage and wayfinding is dependent of the design and placement of signs. Signage should be clear and provide relevant information at key decision points in people's journeys, in areas that are highly visible, and in clear lines of sight. For instance, when entering the site, cyclists should be able to clearly understand the route options along Terry Francois Boulevard, Exposition Street, and Bridgeview Street. This signage will be especially important for safety along the shared public ways, to ensure that users understand the encouraged forms of travel and

appropriate behavior on each mode. Temporary signage may be used in areas more highly trafficked by residents or employees, to provide information on specific events or programs, such as CSA pick up locations.

Figure 10 and Figure 11 are examples of wayfinding signage used in vibrant, mixed-use areas. The wayfinding signage in Figure 10 offers clear guidance for the nearby area at two different scales while providing clear directional guidance to nearby transportation hubs and popular destinations. Figure 11 offers examples of bike directional signage, as well as digital, dynamic parking availability signage.

Figure 11 Area Wayfinding Signage – London, UK



Source: Andrew Nash, Flickr Creative Commons

Figure 12 Bike Route and Parking Signage

Source: Nelson\Nygaard, signal-tech.com

Transportation Information Kiosks

Transportation information kiosks can provide centralized locations for relevant transportation information for trips within Mission Rock and to nearby services and attractions. These kiosks could be placed throughout the site, at strategic decision-making locations where residents, employees, and visitors might need the information. For instance, kiosks located at the primary entrances to Mission Rock such as the intersection of Terry Francois Boulevard and Mission Rock Street could include all information necessary to navigate to specific places throughout the site. Similarly, kiosks could be placed in and around primary points of congregation on the site, including China Basin Park and Mission Rock Square. The kiosks could include transit schedules and fare information, walking and cycling routes, real-time transit information, and Ford GoBike dock locations and bike availability.

Source: Kansas City example from transit.dot.gov

It is recommended that these kiosks be digital, interactive displays (as shown in the accompanying image) to allow information to be updated easily and regularly. These boards would be maintained and updated as needed by the transportation staff.

Real-time transit information signage, such as the technology provided by TransitScreen, would be a similar dynamic information-distribution mechanism aimed mostly at residents, employees, and their visitors, located in the site's residential and office building lobbies (see more information on this measure in Chapter 2). While the information kiosks can provide detailed information on transportation options to visitors and others new or unfamiliar with Mission Rock

and the surrounding area, real-time transit screen technology is designed to offer an opportunity to understand transportation options at a quick glance. This would be particularly useful for employees and residents, those who make recurring trips frequently and don't need detailed guidance.

COMMUNICATION TIMELINE

Each of the communication-based TDM measures are pertinent to residents, employees, and visitors at different times during their lifecycle at Mission Rock. As such, it is critical to think strategically about when to share what with each of these key segments.

The mobile-friendly Mission Rock website will be an important avenue for sharing information about programs, policies, and services. It is reasonable to assume that the website will act as a front-line communications vehicle to reach all of those who have or may be interested in having a connection with the site. Signage and wayfinding will be seen on a daily basis and is an important element for users of the development to efficiently navigate Mission Rock. The site-wide transportation staff will provide key information for residents and employees at the time of move-in or hire, and will provide as needed services over time. See Figure 12 through Figure 14 for more detail on the progression of anticipated touch points for transportation-related communication for residents, employees, and visitors of Mission Rock.

Figure 13 Residential Communications Touch Points

	Pre-Move In & Lease Signing Period →	Move-in Period →	Establishing Transportation Patterns →	Ongoing →	Life Change: New Job →	Life Change: Family
Website	Promote website and all web-based transportation tools through pages or portal aimed at prospective tenants	Receipt of access to special "residents-only" website pages/ portals	Visit website to plan frequent trips and learn about transportation options, sign up for any available subsidies or complimentary memberships, as applicable	Ongoing use of website for trip planning tools, information on events, and program memberships	Return to trip planning tools and information on website	Return of trip planning tools and information on website
Wayfinding & Signage	View wayfinding and signage when touring site	Gain deeper familiarity with the site and surroundings through signage and wayfinding	Use of dynamic wayfinding (kiosks and transit screens) to deepen understanding of nearby transportation options and develop time/schedule patterns	Ongoing use of wayfinding and signage	Renewed use of dynamic wayfinding to deepen understanding of new transportation options given new destination	Renewed use of dynamic wayfinding to deepen understanding of new transportation options given new destination; use of signage pointing to family transportation resources
Site-wide Transportation Staff	Discussion of transportation handbook, nearby transportation options, amenities or subsidies as applicable, promotion of trip-planning assistance	Distribution of transportation handbook, one-on-one assistance in planning commute or other trip options, or signing up for transportation programs/ memberships	One-on-one assistance in planning commute or other trip options	Available for questions as they arise	Additional one-on-one support to plan new routes, etc. as needed	Additional one-on-one support to plan new routes, understand family-friendly resources on site, as needed

Figure 14 Employee Communications Touch Points

	Employer Signs Lease at Mission Rock →	Employer Move-in Period →	Employee Move-In Period →	Ongoing: With Employer →	Ongoing: With Employees →	Ongoing: New Hires
Website	Promote website and all web-based transportation tools through pages or portal aimed at prospective tenants	Receipt of access to special "employer-only" website pages/ portals	Employees receive access to special "employees-only" website pages/portal Plan frequent trips and learn about transportation options, sign up for available subsidies or complimentary memberships, as applicable	Ongoing references of website for trip planning tools, information on events and program memberships	Ongoing use of trip planner on website and other website tools	Receipt of access to special "employees-only" website pages/portals Ongoing use of trip planner on website and other website tools
Wayfinding & Signage	View wayfinding and signage when touring site	Presentation regarding available wayfinding	Use of wayfinding and signage to learn about nearby transportation options	Ongoing use of wayfinding and signage	Ongoing use of wayfinding and signage	Presentation regarding available wayfinding
Site-wide Transportation Staff	Discussion of transportation handbook, nearby transportation options, amenities or subsidies as applicable, promotion of trip-planning assistance	Distribution of transportation handbook, one-on-one assistance in planning commute or other trip options, or signing up for transportation programs/ memberships	Distribution of transportation handbook One-on-one assistance in planning commute options is made available to new employees	Presentations to share new web or wayfinding functionality, employee-focused TDM programs, and ongoing support structures	Available for questions as they arise	Distribution of transportation handbook Additional one-on-one support is available to plan new routes, etc.

Figure 15 Visitor Communications Touch Points

	Planning Trip to Site →	(For Event Attendees) Purchase Tickets →	Arrive on Site →	Ongoing Time Spent on Site →	Planning to Leave Site
Website	Use of public-facing website, including embedded trip-planning tools and parking pricing and availability information	Opportunity to receive tailored point-to-point trip suggestions and information emphasizing parking pricing and limited parking availability at time of ticket purchase	Use mobile-friendly website to understand transportation options, parking pricing and availability information, and maps of site		Use mobile-friendly website to plan onward journey from site
Wayfinding & Signage			Use of dynamic parking pricing and availability signage; use of wayfinding and signage, including kiosks, to navigate to specific destination	Use of wayfinding and signage to navigate to additional destinations	Use of wayfinding and signage, including kiosks, to understand options for onward journey from site and navigate to nearby transit options, as applicable
Site-wide Transportation Staff	Coordinate with retailers and restaurants to post latest transportation information on their websites; maintain site website to ensure any updates to transportation information are readily available				

4 MONITORING AND COMPLIANCE WITH SF TDM ORDINANCE

A robust monitoring program that allows the site's transportation team to adjust offerings over time is key to the success of the Mission Rock TDM Plan. Monitoring will allow the Mission Rock team to better understand the effects of different measures on travel behavior and determine how programs are meeting the needs of residents, employees, and visitors.

The objectives of an annual monitoring program are:

1. To measure progress toward achieving, or retaining, compliance with the TDM's goal of reducing estimated aggregate daily one-way vehicle trips by 20%[6]; and
2. To identify the most and least effective TDM measures, so that the former can be strengthened and the later can be replaced or significantly improved.

This chapter describes the tools the transportation team will use to effectively monitor the program and ensure that the program complies with City of San Francisco monitoring requirements. It starts with a look at how the TDM Plan compares to the San Francisco TDM Ordinance.

USING THE SAN FRANCISCO TDM ORDINANCE AS GUIDANCE

San Francisco adopted a citywide TDM Ordinance that created a TDM Program for new development in 2017. The goal of the Program is to reduce driving trips associated with new development. The Ordinance calls for development projects negotiated through Development Agreements, such as Mission Rock, to comply with the spirit of the Program, allowing that there may be unique opportunities because of project scale and mixes of use to meet the goals of the Program. Mission Rock's TDM Plan aims to reduce anticipated driving trips by 20% compared with what is estimated without TDM.

At the heart of the Ordinance is a menu of potential TDM measures, with points or credits assigned to different measures based on their documented effectiveness. Developers are required to implement measures that get them to a point total established based on the number of net new parking spaces planned as part of a given project. For example, residential and office projects with 20 or fewer parking spaces (including zero) need to implement measures with point values adding up to 13 points; each additional 10 spaces require projects to generate an additional point through additional TDM efforts. Retail projects with four or fewer spaces (including zero) need to

[6] This goal is a 20% reduction compared to the aggregate daily one-way vehicle trips identified in Mission Rock's travel demand memo prepared by Adavant Consulting, dated June 30, 2015.

implement measures worth a total of nine points, and each additional two spaces will require another point.

Figure 16 estimates how the Mission Rock TDM Plan rates against the City's TDM Menu of Options and the range of associated point values. As the table shows, the measures included in this Plan are expected to garner 21 points for the residential component of the project, 20 points for the office component, and 12 points for the retail/restaurant component.

Figure 16 Comparing Mission Rock TDM Measures to Ordinance Measures, with Estimated Point Values

Program	Ordinance Category	Estimated Point Values by Use		
		Res	Office	Retail
Real-time transit information and marketing screens	INFO-2	1	1	1
One-time transit subsidies				
Bike share memberships	ACTIVE-4			
Space for on-site bike share				
Bicycle valet beyond code requirements	ACTIVE-7			1
Bike community programming with periodic giveaways				
Bicycle resource center, including vending machine with parts and tools and fix-it station	ACTIVE-5a	2	2	
Secure bike parking in buildings and along desire lines beyond code requirements	ACTIVE-2	2	2	2
Showers and clothes lockers for employees	ACTIVE-3		1	
On-site shared scooters	CSHARE-1	Covered	Covered	Covered
Electric scooter share memberships				
On-site car share parking spaces beyond code requirements	CSHARE-1	2	2	2
Car share memberships				
Market-based off-street parking pricing				
Unbundled parking	PKG-1	2	3	3

Program	Ordinance Category	Estimated Point Values by Use		
		Res	Office	Retail
Reduced parking supply				
Real-time information on parking pricing and availability				
In-building concierge services	DELIVERY-1	1	1	
Delivery coordination for online personal services	DELIVERY-1	Covered	Covered	
Partnerships with CSAs				
Cold, dry storage space for grocery and package delivery	DELIVERY-1	Covered		
Family supportive amenities	FAM-1	1		
Convenient loading zones				
Childcare services and facilities	FAM-2	2	2	
Collaborative work space with business services				
Convenient elevator design for bicycles, strollers, wheelchairs, etc.				
On-site affordable housing	LU-2	2		
Site-wide transportation staff	INFO-3	4	4	1
Mobile-friendly Mission Rock transportation website				
Intuitive signage and wayfinding for trip planning across all modes	INFO-1	1	1	1
Improved walking conditions to, from, and within Mission Rock	ACTIVE-1	1	1	1
		21	20	12

There are several measures recommended in this Plan that do not clearly align with any of those specified in documents related to the Ordinance. As noted earlier, many of these measures play important roles in supporting programs that might more directly affect travel behavior. Others may deserve recognition in the City's framework. Regardless, the specifics of Mission Rock's TDM monitoring will be worked out through discussions with the City.

TDM PLAN MONITORING AND REPORTING

With the 20% trip reduction goal in mind, Mission Rock will monitor vehicle trips to and from the site for all buildings that have received a Certificate of Occupancy, and compare these vehicle trips to the aggregate daily one-way vehicle trips anticipated for the those buildings based on the trip generation rates specified in the EIR supporting documents.

Monitoring will include the following elements:

- **Trip counts and intercept surveys.** This will consist of site-wide counts of persons and vehicles arriving and leaving the project site on a non-ballgame or major event day. Counts will take place over at least two days between 6 a.m. and 8 p.m.
- **Travel demand information.** The trip count and intercept survey data will provide the key inputs to calculating travel demand for the site in line with the San Francisco Planning Department's transportation impact analysis guidelines.
- **Documentation of Plan implementation.** Mission Rock transportation staff will document the implementation of the TDM Plan's elements.

Timeframe for Monitoring

Per commitments made under the EIR, Mission Rock transportation staff will monitor and adjust the TDM Plan accordingly until 1) the Development Agreement expires, or 2) the site meets the reduction goal for up to eight consecutive reporting periods, whichever comes first. This monitoring will begin 18 months after the completion and commencement of operation of the proposed parking garage. After that point, the site transportation staff will submit annual monitoring reports until five consecutive reporting periods show that the reduction goal has been reached. After this point, staff will submit monitoring reports every three years.

If the TDM Plan's measures are not achieving the reduction goal after three consecutive reporting periods, Mission Rock will work with the Planning Department to adjust the program as necessary, which may include refining or removing existing measures, or adding new measures. If Mission Rock has adjusted the TDM program and has not met the reduction goal for up to eight consecutive reporting periods, the project may pay an additional emissions offset fee to address any shortfall in meeting the TDM Plan reduction target. At that point, monitoring and reporting requirements will be lifted.

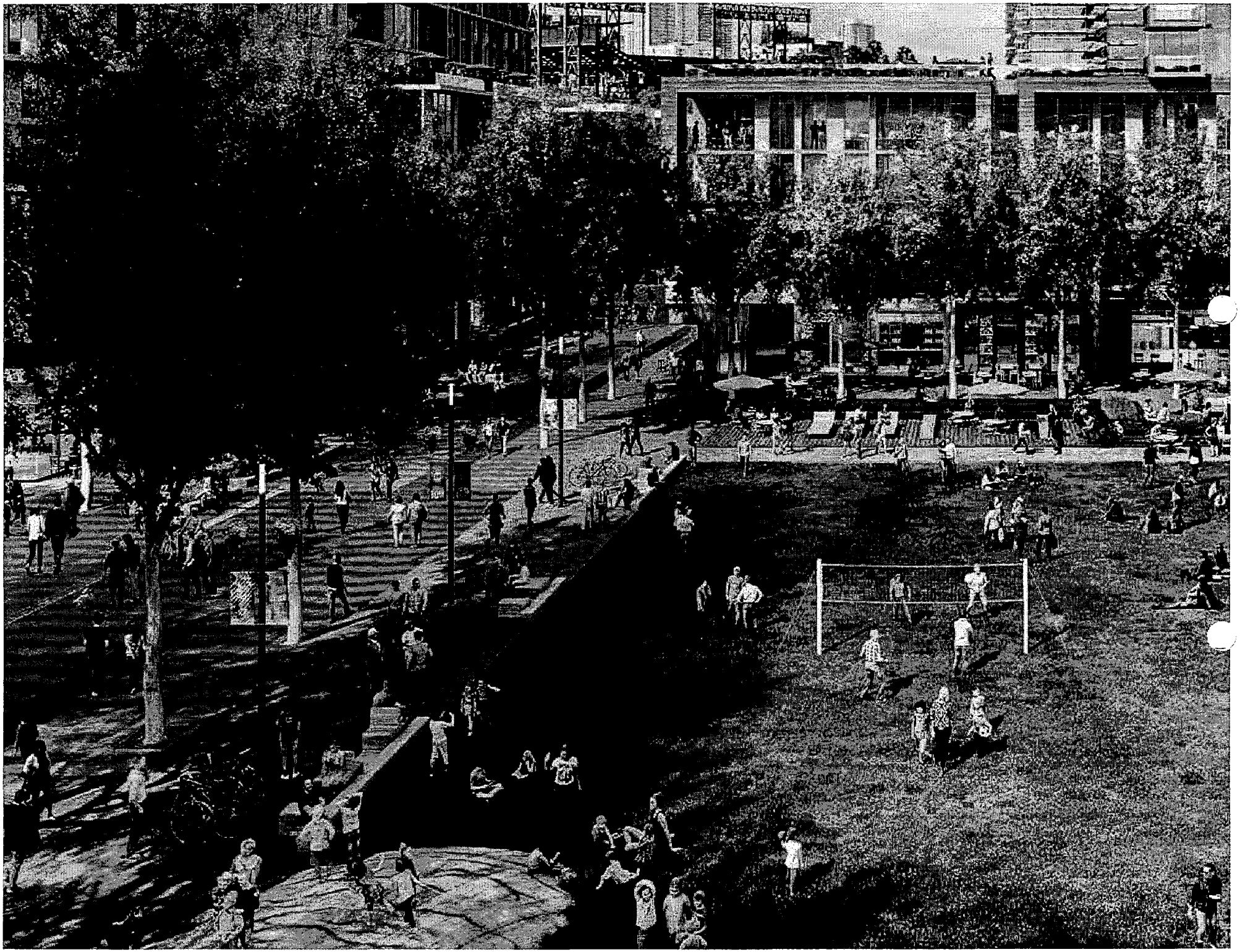
DDA EXHIBIT B8

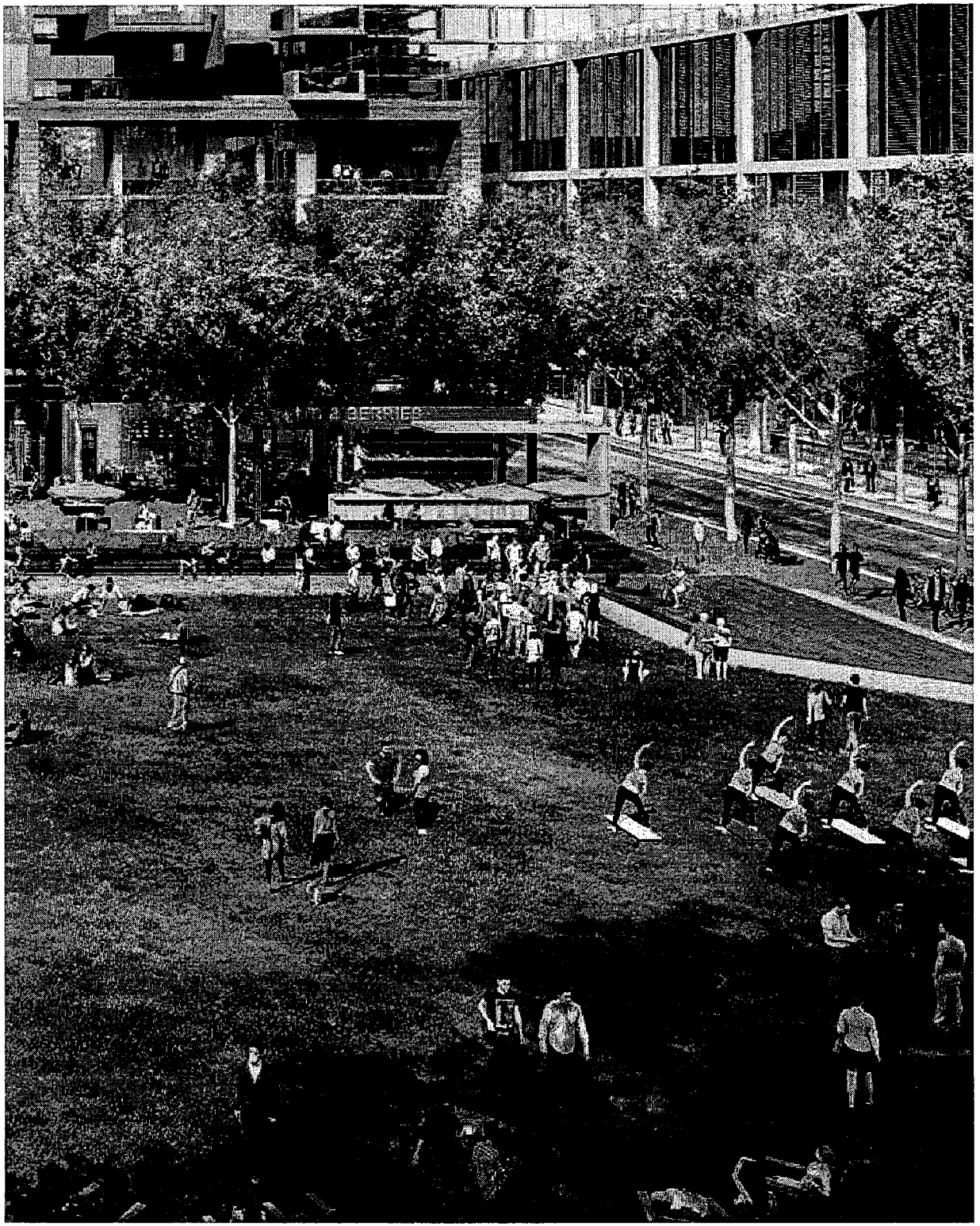
"Sustainability Strategy"

MISSION ROCK

DDA Exhibit B8
Lodged with Board of Supervisors 2/1/18

SUSTAINABILITY STRATEGY





MISSION ROCK
SUSTAINABILITY STRATEGY

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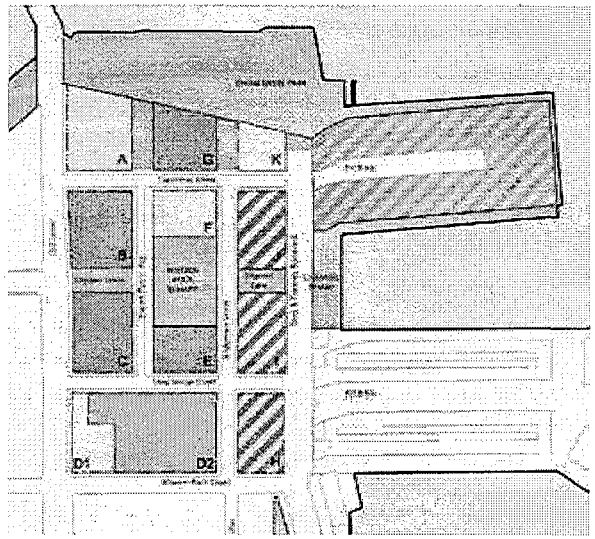
EXECUTIVE SUMMARY

Mission Rock is one of the most prominent sites and a key gateway development in the Mission Bay neighborhood of San Francisco. It will be developed as a leading example of sustainable design, construction, community, and operations.

The project's ambitious sustainability vision includes a development in which 100% of building operational energy use comes from renewable sources. The project will also target zero water waste, where 100% of non-potable water demands will be met with non-potable sources; a healthy site with high outdoor air quality, active design, and occupant access to daylight and views; and construction materials that will be selected for low environmental impact.



MISSION ROCK PERFORMANCE GOALS
Resilient and Adaptive: Design to be resistant to San Francisco sea level rise projections for the year 2100
Energy: Target 100% operational energy use from renewable sources
Zero water waste: Target 100% of non-potable water to be met with non-potable sources
Transportation: Target 20% reduction in single occupancy vehicle trips
Healthy site: High quality outdoor environment, active design, daylight and views
Low Impact Materials: Encourage manufacturer transparency and select low impact materials through material optimization

SITE-WIDE SYSTEMS

The new infrastructure anticipated as part of the horizontal development will include an elevated site to mitigate future sea level rise, a central energy plant (CEP) with bay source cooling, and a central water treatment plant. These horizontal development features are essential to the district's ability to achieve its ambitious sustainability goals. They also provide a significant benefit to vertical developers by providing an easy connection to carbon-free cooling and a non-potable water source to meet all of the site's non-potable demands.

The Mission Rock Development is participating in the San Francisco Eco-District program. Eco-Districts are neighborhood scale public-private partnerships that strengthen the economy and reduce environmental impacts while creating a stronger sense of place and community. The Mission Rock development is looking to maximize this potential to deliver a sustainable, low-carbon neighborhood.

Mission Rock's Sustainability Strategy provides a comprehensive strategy to achieve Mission Rock's goal of becoming a model for sustainable development in the city. Multiple sustainable site strategies have been evaluated in order to inform the targets and strategies included in the Sustainability Strategy.

It is a critical objective to define strategies that are ambitious but achievable, so that the performance goals remain relevant throughout the project's longer-term delivery time frame (10-15 years) and the overall project lifespan (75-100 years). While due consideration

is given to current code requirements, the impact of future codes can only be evaluated to the point that the information is known.

The specifics of this Sustainability Strategy have been developed in consultation with the SFGiants, the project design team, the Port Planning Department, and Planning Division.

Sustainable development is influenced and defined by a wide array of environmental, economic, and social factors. The key performance areas at Mission Rock are identified as those that will maximize the environmental performance and benefits to the community. The Mission Rock development has the following key performance areas:

- Adaptability & Resilience
- Water
- Energy
- Transport
- Health and Wellness
- Waste Reduction Management
- Sustainable Materials
- Habitat and Ecosystem Function
- Community Identity

These correspond to the focus areas for San Francisco Eco-Districts, of which Mission Rock is a Type-1 Eco-District. Type 1 Eco-districts are 'blank slate' developments, where little or no existing development exists. As a new-build development on an existing parking lot without utility infrastructure connections,

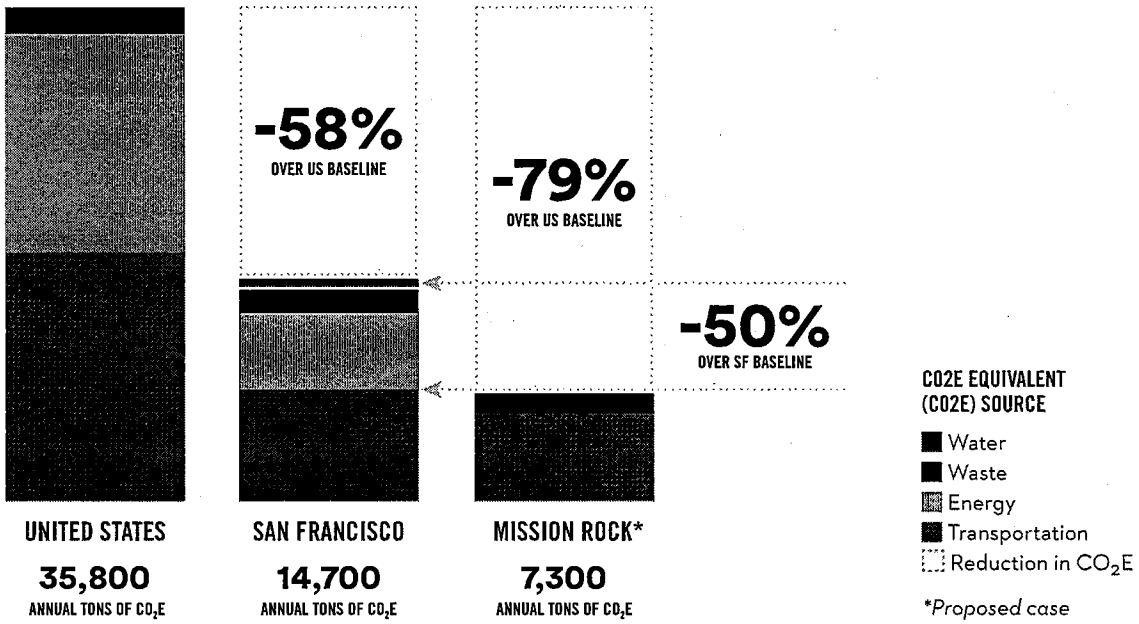


FIGURE 0.1: Site-Wide Greenhouse Gas Emissions

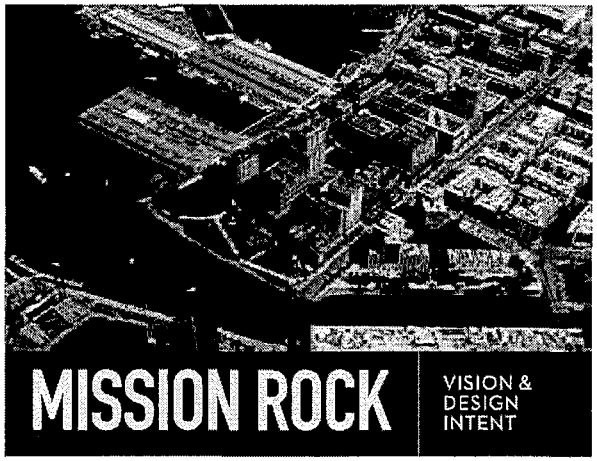
the development is considered to be one of the first Type 1 Eco-districts in San Francisco. The potential environmental performance of a Type 1 Eco-district can be influenced by the delivery of new infrastructure in the ground (horizontal development), new buildings (vertical development), community engagement, and management and participation strategies.

In addition, the greenhouse gas (GHG) impacts of proposed measures for energy, water, transport and waste at Mission Rock have been evaluated The GHG assessment indicates that transport strategies are the overriding driver for GHG emissions on the site. Energy used in the buildings has the second largest influence on total GHG emissions, while water is relatively minor in terms of GHG emissions impacts. Mission Rock intends to minimize its future GHG emissions through an innovative Transportation Demand Management strategy (TDM) and off-site renewables for the operational GHG emissions for the buildings on site.

Other key performance areas, which may not directly impact GHG emissions, should be considered in terms of regional and local impacts, economic costs, and social benefits, both now and into the future.

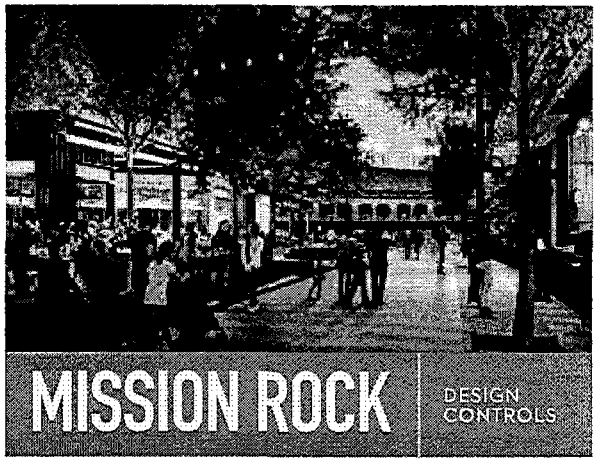
MISSION ROCK DESIGN DOCUMENTS

The Sustainability Strategy comprises one section of the Mission Rock Design Documents and has been developed in conjunction with the Vision & Design Intent, Design Controls (DCDG), Transportation Plan and the Infrastructure Masterplan. These design documents are part of a larger set of Transaction Documents which make up the Lease Disposition Development Agreement (LDDA). All of these documents contain requirements and recommendations for the project



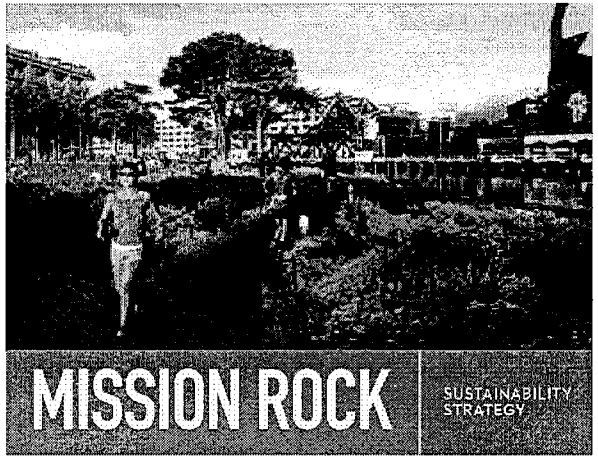
MISSION ROCK VISION & DESIGN INTENT

This document contains the big picture thinking and aspirations that will guide the process for the design and implementation of Mission Rock.



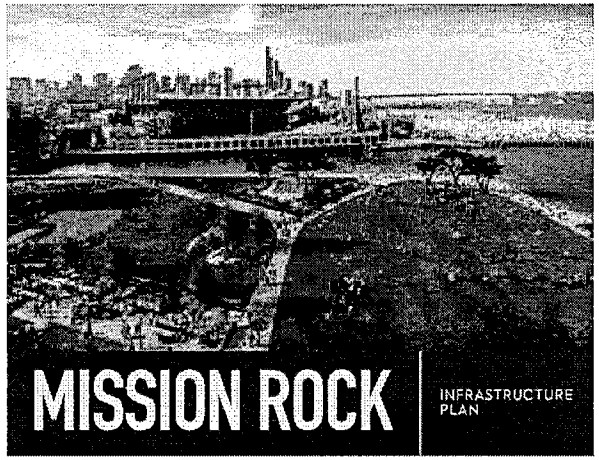
MISSION ROCK DESIGN CONTROLS (DC)

This document guides the development of the open spaces, streets, and buildings at Mission Rock. The DC ensures that the site will be developed in a way that is consistent with the vision as defined in the Mission Rock Vision and Design Intent document.



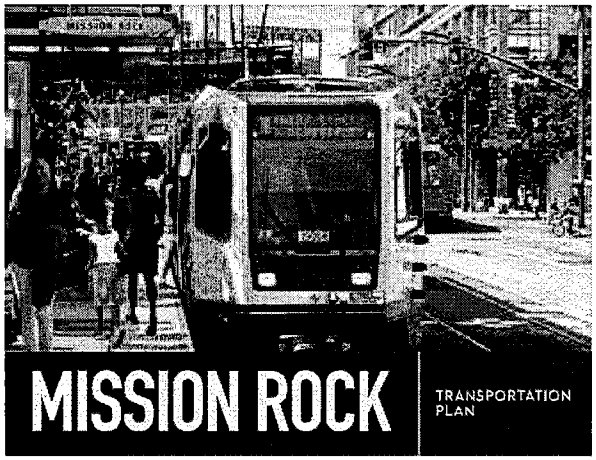
MISSION ROCK SUSTAINABILITY STRATEGY

This document identifies the high level sustainability goals for Mission Rock, details the requirements for the horizontal and vertical development and summarizes the anticipated reduction in greenhouse gas (GHG) emissions resulting from the district's approach to sustainable design.



MISSION ROCK INFRASTRUCTURE PLAN

The design of the landscape, buildings, and sustainability strategies will be closely coordinated with the infrastructure planning at Mission Rock. This plan regulates the complex coordination of streets, utilities, and services.



MISSION ROCK TRANSPORTATION PLAN

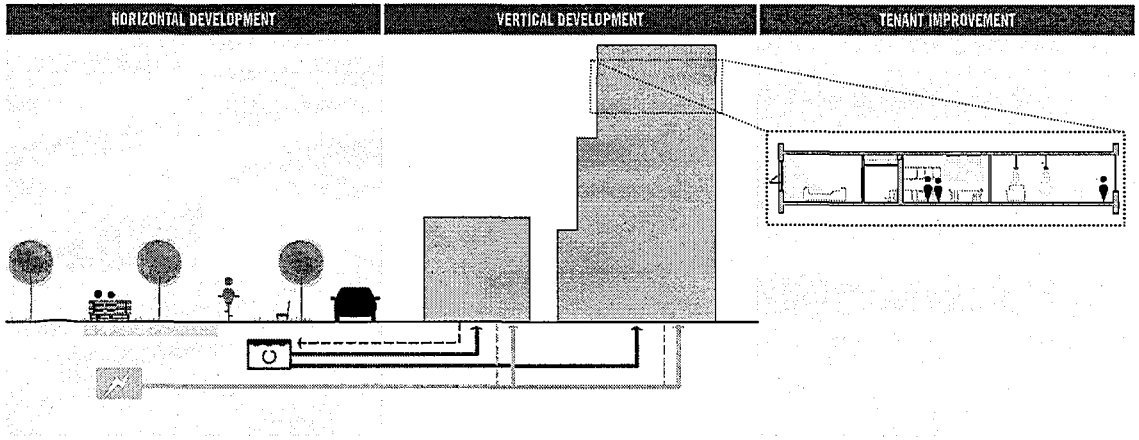
In addition to coordinating the daily circulation of people, bicycles, and vehicles to and around the site, the Transportation Plan describes how access to the site functions during peak event times.

DOCUMENT OVERVIEW

The content in the Sustainability Strategy focuses primarily on the horizontal and vertical development of Mission Rock. Requirements for tenant spaces are limited to water fixture efficiency requirements to ensure that the designed conditions for water reuse align with the assumptions made during the masterplanning phase. However, there are a number of recommendations pertaining to the tenants which should be reviewed and targeted by all project teams.

The diagram to the right shows the different areas of the Mission Rock development addressed by the Sustainability Strategy.

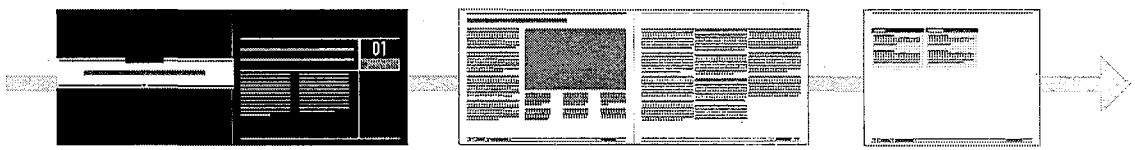
Each section of the Sustainability Strategy follows the same basic structure. The sections starts with an executive summary to provide a high level overview of the goals relevant to that topic. This is followed by a description of the horizontal development and how it supports or enables the district or individual buildings to achieve the targets related to that topic. Certain sections have background information which describe the aspects of each topic that are relevant to the Mission Rock site. Most sections have a series of Requirements & Recommendations.



Horizontal Infrastructure
Central Energy and Water Treatment
Open Space
Transportation Demand Management
Site Materials Selection
Outdoor Environmental Quality

Connection to Centralized Infrastructure
Building Performance
Structural Materials Selection

Water Fixture Performance
Lighting & Equipment Recommendations
Material Selection Recommendations



EXECUTIVE SUMMARY

HORIZONTAL INFRASTRUCTURE BENEFIT & TOPIC BACKGROUND INFORMATION

REQUIREMENTS & RECOMMENDATIONS

THE VARIETY STORE

ADAPTIVE DISTRICT

Site Elevation Meets 2100 projection for sea level rise

*

01

ADAPTABILITY & RESILIENCE

The overall vision for Mission Rock is to create a resilient and adaptive district that is protected against coastal sea level rise and supports passive survivability and vibrance in a future climate which is hotter, drier, and less predictable.

For the city of San Francisco, changes to climate conditions are expected to manifest in:

- Continuing coastal sea level rise
- Increasing temperatures with a greater number of days over 80°F
- Decreased precipitation rates and continuing regional drought

"Adaptability" is the capacity to withstand changing environmental conditions over the lifespan of the building or system. Mission Rock's approach to adaptability is to find strategies that also provide environmental benefits in terms of reduced resource consumption.

"Resilience" refers to the ability to withstand and recover quickly from an extreme event. In San Francisco, resilience often refers to its ability to protect occupant lives and return to partial or full function after an earthquake.

The enabling work completed as part of Mission Rock's horizontal development addresses the fact that the site is located in a sea rise vulnerability zone and includes a number of adaptive measures as described on the following page.

HORIZONTAL DEVELOPMENT: ADAPTIVE STRATEGIES

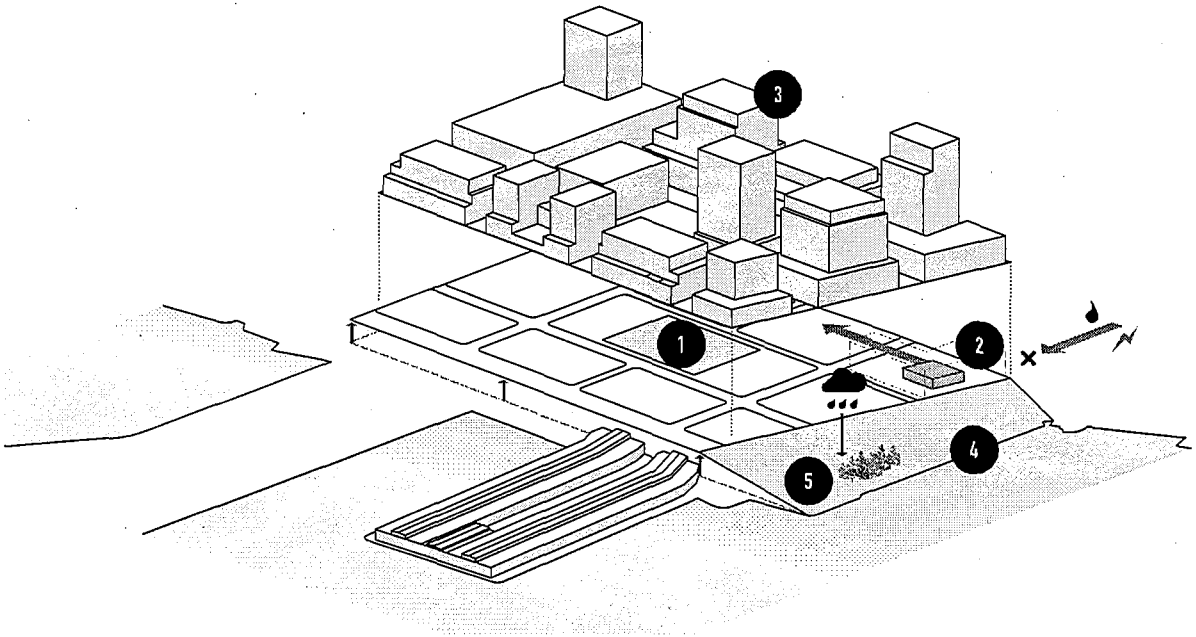
The measures taken by the horizontal development provide vertical developers with an adaptive site condition and alleviate the need for each vertical developer to invest in adaptive measures building by building. The benefits provided to the vertical developer by the horizontal development are described below and highlighted in the diagram to the right.

To protect the Mission Rock development against sea level rise and storm surges, the development blocks will be elevated to 104ft above the Mission Bay Datum (MBD). This elevation accommodates the 2100 sea level rise (SLR) projection of 66 inches above 2000 mean higher high water (MHHW) and the 100-year storm surge. China Basin Park acts as a buffer during storm events, protecting buildings and critical infrastructure. Saline-tolerant native or climate-appropriate plant species shall be included in the stormwater gardens to increase vegetation resilience in the case of a Bay flood event.

Mission Rock will require all vertical developers to connect to Mission Rock's anticipated central thermal energy plant and water treatment plant. These two on-site resources can provide heating, cooling, and recycled water sources, even during failures of local supplies.

In addition, the site pilings provided as part of the horizontal infrastructure reduce liquefaction potential in the event of an earthquake.

All buildings on site will benefit from these strategies to increase resiliency and adaptability. Vertical developers can further increase the district's adaptive ability by designing their buildings with high performance envelopes, and focusing on passive heating and cooling strategies to support passive survivability in the event of a power failure and loss of mechanical conditioning.



1 Development blocks will be elevated to 104ft MBD to accomodate the upper level 2100 SLR projections and the 100-year storm surge.

2 The anticipated central energy and water treatment plants may maintain function during failure of city supplies, and increase resilience in a major event and long term adaptability to drought

3 Recommended building design strategies can increase passive survivability and interior comfort in the event of power failure and comfort for long term climate change

4 China Basin Park provides a buffer on the North side for rising sea level and storm surges between the bay and the buildings and critical site infrastructure

5 Large stormwater treatment area contains saline tolerant planting and can help mitigate storm surges

ADAPTIVE SITE BACKGROUND INFORMATION

SEA LEVEL RISE & FLOOD PROOFING

Increasing sea levels and the greater likelihood of storm surges have influenced site-wide planning decisions for Mission Rock. The district will take the following measures to future proof against rising sea levels:

Development blocks will be elevated to 104 ft MBD to protect against the maximum 2100 Sea Level Rise projection and 100-year storm surge.

China Basin Park is located along the seawall while the commercial and residential buildings on site will be set back from the bay edge. This strategy provides a buffer zone between the Bay and the site's critical infrastructure of roads and buildings.

The largest storm water treatment area for the site will be located along the seawall in China Basin Park. Locating this site amenity here can help protect against storm surges. The DCDG specifies that planting in this treatment area must be salient tolerant and native or climate-appropriate in order to survive a potential storm surge event.

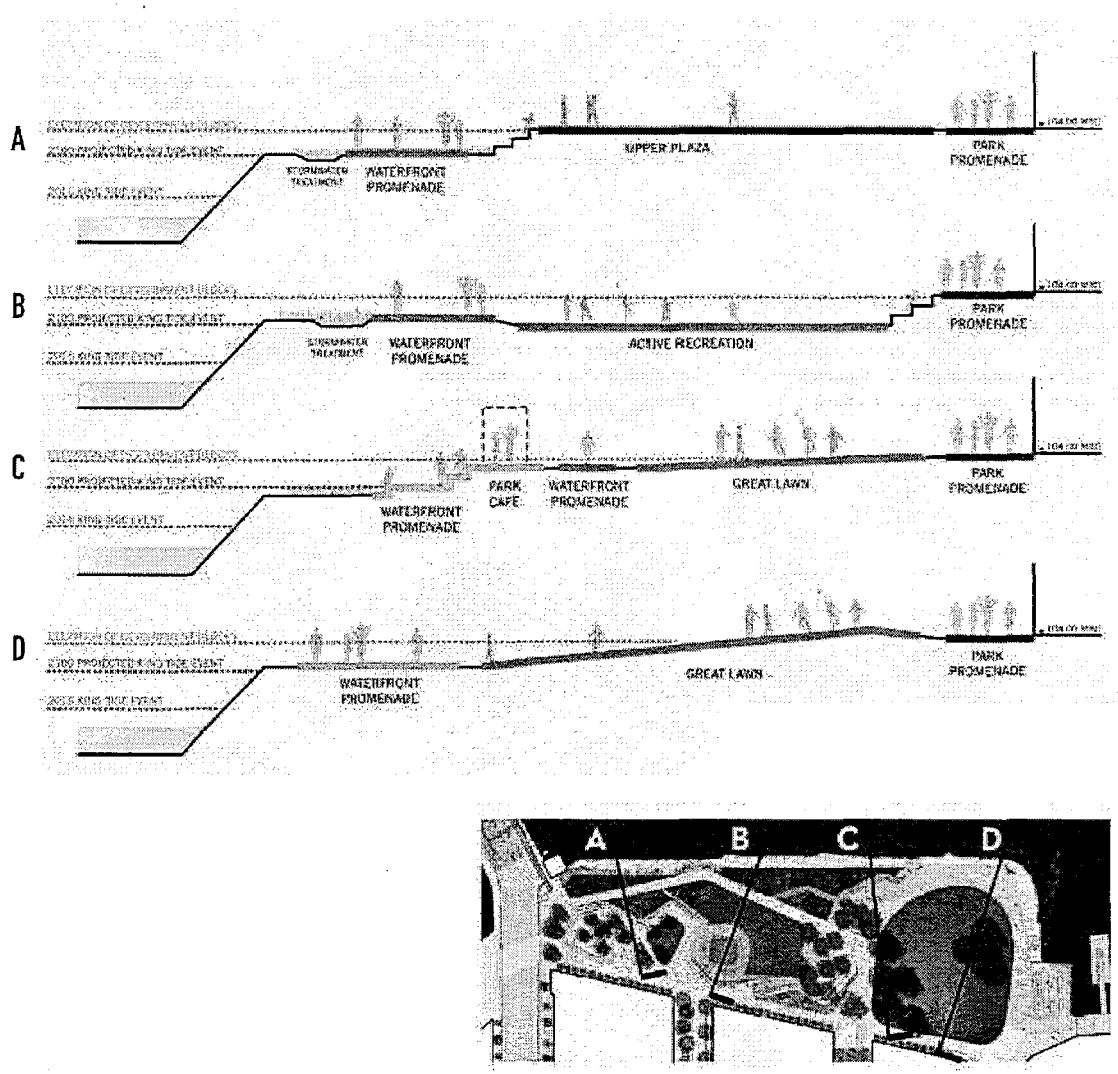
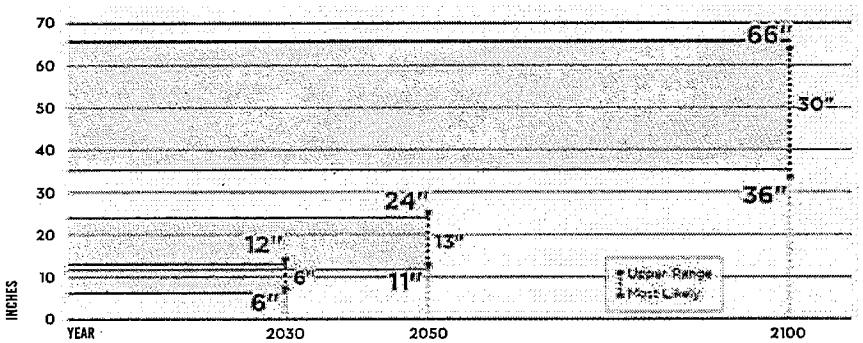


FIGURE 1.1: Programmatic Relationships and Grade Changes

SEA LEVEL RISE PROJECTIONS FOR SAN FRANCISCO RELATIVE TO THE YEAR 2000

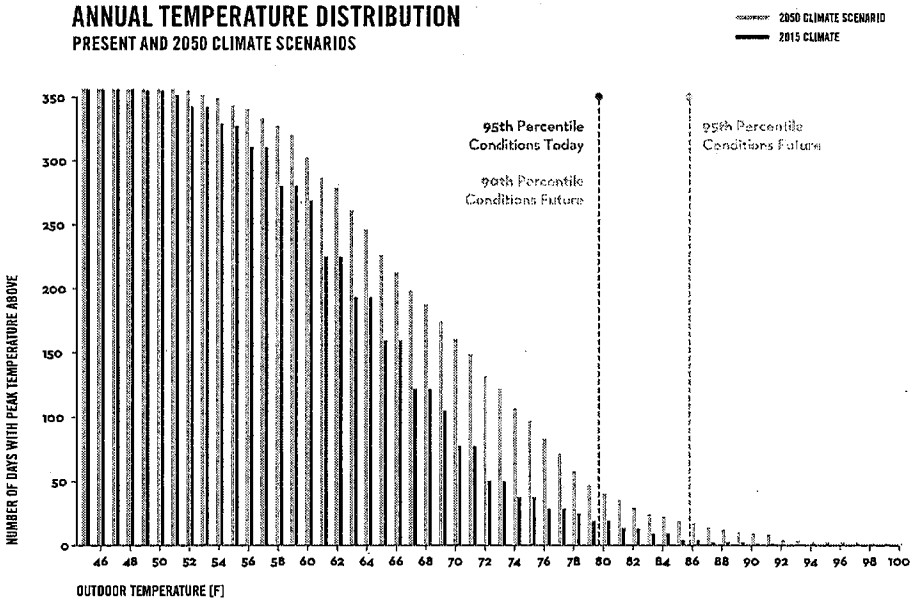


Lower range projections are excluded as they are not recommended for planning purposes.
SOURCE: SAN FRANCISCO SEA LEVEL RISE ACTION PLAN, NRC (2012)

NOTE: These SLR projections do not include extreme tides or coastal storms, which could add up to 41 inches of temporary flooding on top of rising sea levels, for a total of up to 107 inches above today's average high tide.

ANNUAL TEMPERATURE DISTRIBUTION

PRESENT AND 2050 CLIMATE SCENARIOS



PASSIVE SURVIVABILITY IN A FUTURE CLIMATE

Future climate models predict a gradual increase in local annual temperatures over the coming years. These regional temperature escalations are exacerbated by local heat island conditions.

The resulting increase in building cooling demands may contribute to an overburdened energy grid and increase the likelihood of blackouts and brownouts. For this reason and for assurance during disaster events, it is important that buildings on the Mission Rock site can maintain an acceptable indoor environment without heating, cooling or electricity.

REGIONAL DROUGHT AND WATER CONSERVATION

With the regional drought, there is increasing water uncertainty around California's water resources. The Mission Rock site includes over 8 acres of open space, much of which incorporates vegetated space for recreation, provision of native habitat, and gardens. Trees lining the streets provide shade and contribute to a human scale pedestrian environment throughout the site. All vegetation on the Mission Rock site will be irrigated with recycled water from the central graywater treatment facility. The Public Realm guidelines also include recommendations for drought tolerant and low water species. This approach reduces the site's water consumption and ensures that the site's vegetation will remain vibrant even in worsening drought conditions. Additionally, the minimization of on-site cooling towers through use of bay source cooling and graywater reuse for flushing reduces overall site water demand. More information can be found in the following water section.

REQUIREMENTS

SEA LEVEL RISE PROTECTION

All building finished floors to be elevated above 104 ft (MBD) or 15.3 ft (NAVD88). Parking garages and building frontages along the perimeter of the site adjacent to existing grades are exempt from this requirement.

STORM SURGE PROTECTION

Saline-tolerant native or climate appropriate plant species shall be included in the design and maintenance and management strategy of the stormwater gardens to increase resilience of treatment gardens in the case of inundation in a Bay flood event.

PASSIVE SURVIVABILITY

Pursue a central energy plant (CEP) and a centralized graywater treatment plant to increase likely-hood that heating, cooling and non-potable water could be provided during times when City supplies become unavailable. [subject to confirmation of feasibility]

RECOMMENDATIONS

PASSIVE SURVIVABILITY

Vertical Development

- Target 40% window-to-wall ratio (WWR), with a maximum WWR of 60%
- Highly insulated envelope including high performance glazing that abate temperature swings within buildings
- Optimize shading to maximize usable daylight access and minimize solar gains
- Operable windows for natural ventilation
- For residential buildings, provide access to common area drinking water that can be supplied without power

ZERO WATER WASTE

Meet 100% Of Non-Potable Water Demand With Non-Potable Sources

*

02

WATER

The Mission Rock district has established a goal of Zero Water Waste, meaning that 100% of non-potable water demands would be met with recycled water. This goal can be achieved through a combination of a water-efficient central energy plant, water efficient fixtures and landscape, and a centralized graywater treatment system.

At full build out, this combination of strategies is estimated to save roughly 15.5 million gallons of potable water per year over a typical San Francisco development.

The Mission Rock site was a salt marsh and lagoon in the 1880s before it was developed. Given its history, it is only appropriate that the district's most significant water conservation measure comes from maintaining a direct connection to the Bay. The largest water savings come from the elimination of cooling towers through anticipated bay source cooling at the central energy plant or other low energy cooling options. This strategy alone reduces the site's water demand by more than 6 million gallons per year.

The following page describes how the centralized energy and water systems anticipated as part of the horizontal development will contribute to site-wide water conservation; enable vertical developers to meet San Francisco's water reuse ordinance; and assist developers in meeting the SF Green Building Code.

HORIZONTAL DEVELOPMENT: WATER CONSERVATION

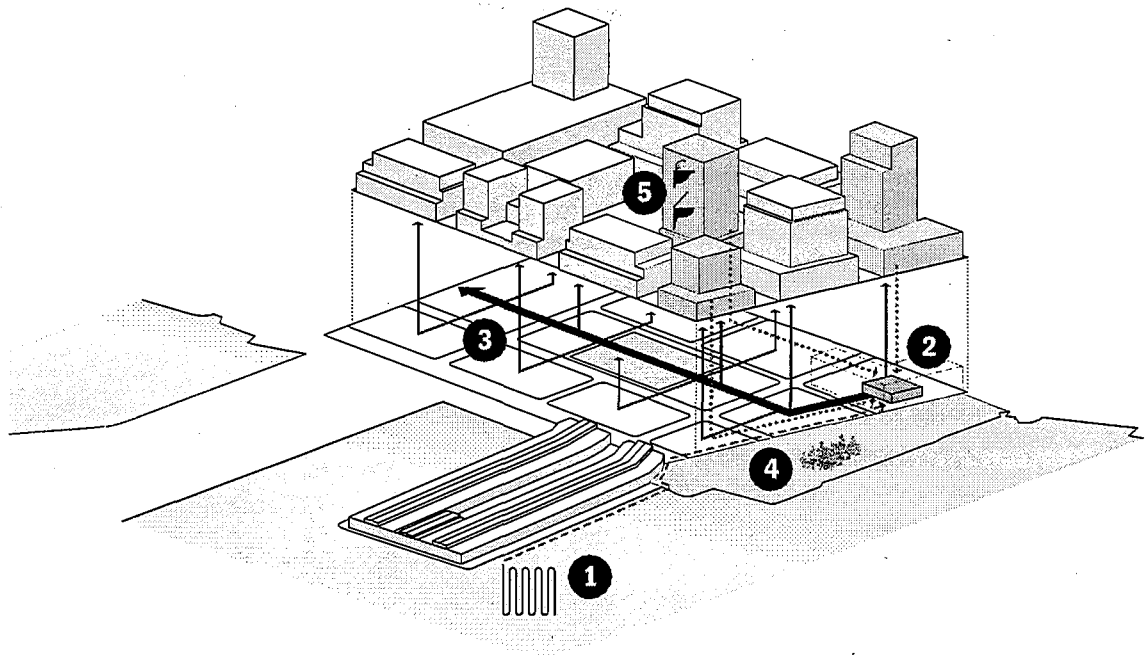
It is anticipated that the horizontal development at Mission Rock will include two critical elements that are key to achieving Zero Water Waste on site: the anticipated bay source cooling connection at the central energy plant and the central graywater treatment system.

All vertical developers are required, by local code, to provide plumbing for recycled water - or "purple pipe" - within their buildings, and to connect to the site-wide purple pipe system. Vertical developers will also be required, by code, to comply with San Francisco's Onsite Water Reuse for Commercial, Multi-family, and Mixed Use Development Ordinance (more commonly known as the Non-potable Water Ordinance), and the water efficiency requirements related to the SF Green Building Code.

Mission Rock's horizontal infrastructure will leverage the diversity of program types within the development to provide recycled water for 100% of the site and buildings' flushing and irrigation demands at each phase of development. Instead of collecting graywater from all buildings, the Sustainability Strategy mandates graywater collection for only buildings A (Phase I), K (Phase I), and F (Phase III). This approach can provide all of the buildings on site with a source of recycled water while minimizing plumbing for graywater collection.

This district approach will eliminate the need for separate graywater treatment systems throughout the site and, in doing so, reduce the spatial needs and maintenance requirements associated with a series of distributed treatment systems. In addition, it provides a path for all vertical developers to comply with SF's Non-potable Water Ordinance.

Each vertical developer will support the site's water conservation approach by installing efficient domestic fixtures and water conserving equipment.



1. The anticipated bay source cooling connection will reduce site-wide water demand by more than 6 million gallons/year

2. Buildings A, K, and F collect graywater and send it to a graywater treatment plant

3. Anticipated central graywater treatment provides recycled water to meet 100% of flushing and irrigation demands of the entire site. Recycled water is distributed to buildings using "purple pipe"

4. Drought tolerant vegetation and efficient irrigation will minimize irrigation demand

5. Efficient fixtures and equipment will reduce domestic and process water demand

WATER BACKGROUND INFORMATION

NON-POTABLE WATER DEMANDS

The anticipated non-potable water demand for each building has been calculated to determine the total recycled water demand on site. The water required for cooling towers would have been one of the largest water demand on the Mission Rock site, but the project is considering cooling strategies that eliminate cooling towers and the associated water demand. This demand would have amounted to more than 6 million gallons per year, as shown by the dashed bars in Figure 2.1.

The projects is considering using centralized bay source cooling, geothermal energy wells, or wastewater heat recovery cooling to reducing cooling tower water demand. In the bay source cooling strategy, water would be drawn from the bay and pumped through the central plant to cool the chillers and then discharged back to the bay without negatively affecting the bay ecosystem. For the geothermal case, several wells would be installed on site. Heat exchangers would transfer heat from the closed loop well system to the district energy system. For the wasterwater energy capture system, it may be possible to use the main trunk sewer line that passes the site as a heat sink for the cooling and heating system. Any of these strategies would effectively reduce water consumption in the central plant cooling towers.

Residential buildings produce far more graywater than they consume, and can export water to the commercial buildings that cannot meet their own demand. Treatment can occur at the individual building level, but a centralized system is more efficient and minimizes required treatment capacity, storage, and infrastructure while delivering the required reclaimed water. Figure 2.3 shows the net supply of graywater and non potable demand for each building.

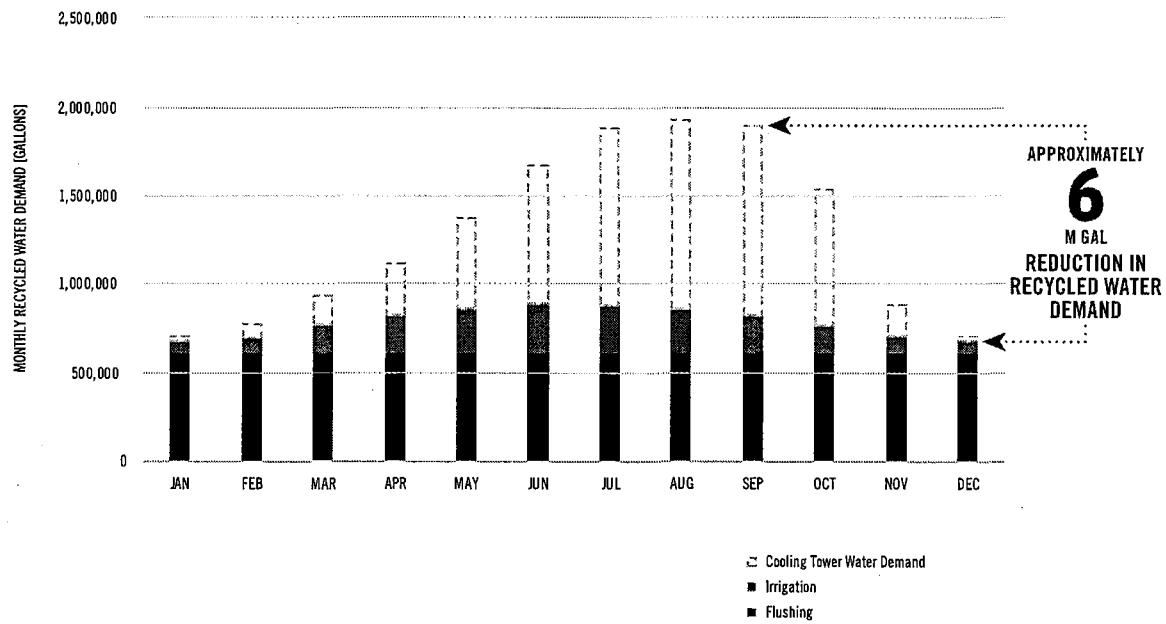


FIGURE 2.1 Monthly Reclaimed Water Demand

INFRASTRUCTURE

Treatment

A centralized water treatment system is intended to provide the buildings on the Mission Rock site with recycled water.

Collection

It is anticipated that graywater would be collected from buildings A and K in Phase I, and from building F in Phase III. The graywater supplied by these residential buildings alone is sufficient to meet the non-potable demand of the project due to the large volume of graywater produced by domestic uses, especially showers.

Distribution

The recycled, or "purple pipe," water distribution will be installed in the street and the project team is working to ensure that they can be charged with the recycled water produced on site. Mission Rock will require each building onsite to connect to this piping network, as shown in the Infrastructure Plan.

San Francisco Recycled Water Ordinance

San Francisco has ambitious regulations in place that limit water consumption and mandate water reuse. The anticipated recycled water system on the Mission Rock site exceeds the current version of San Francisco's Non-potable Water Ordinance, and is expected to meet future revisions. The development will reuse water in all buildings, where current code only require reuse in buildings larger than 250,000 square feet.

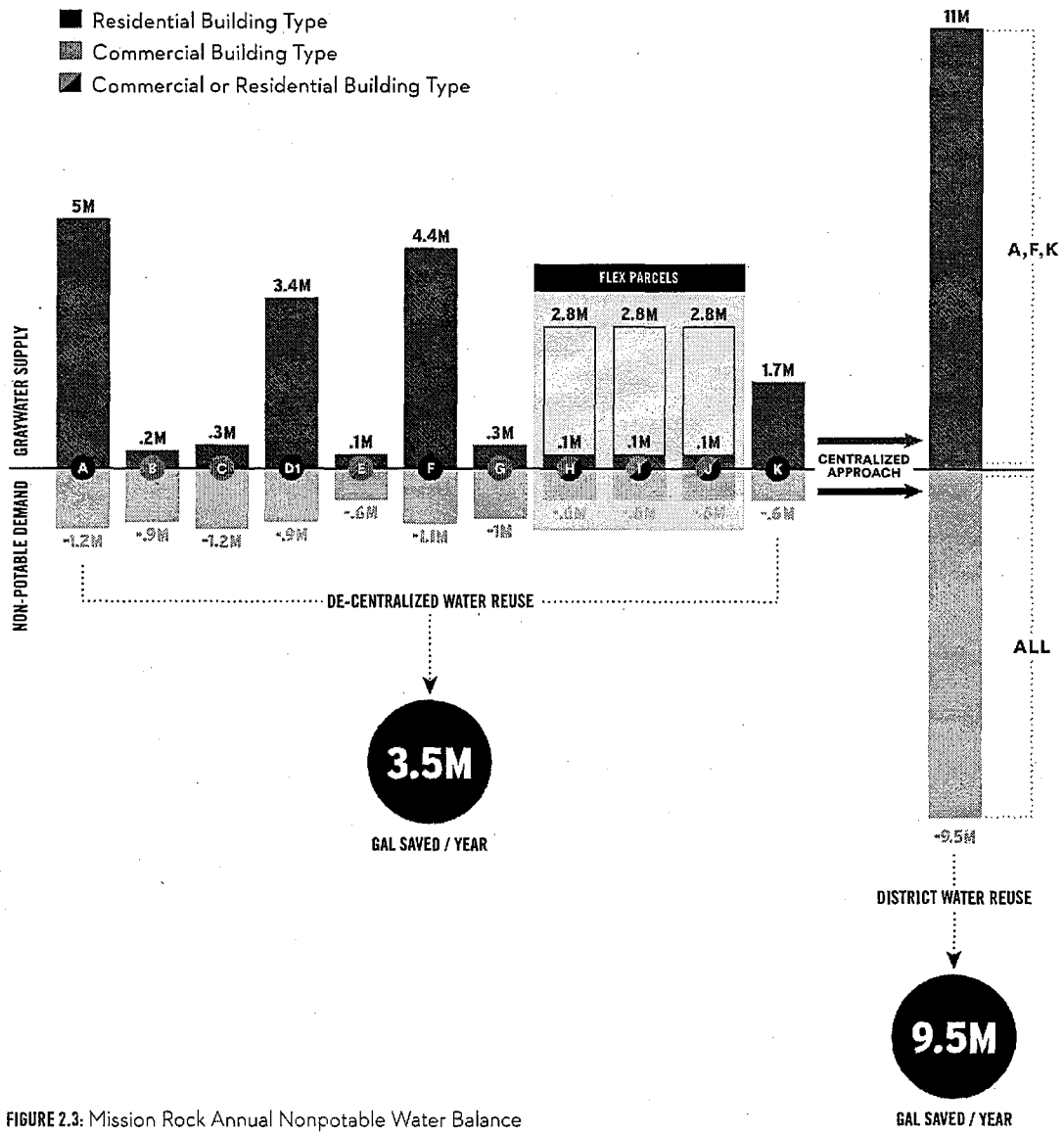


FIGURE 2.3: Mission Rock Annual Nonpotable Water Balance

OTHER DEMANDS & SUPPLIES

If the project uses on-site cooling towers to provide site-wide cooling the mechanical water demand is estimated to be more than 6 million of gallons of water per year. A centralized graywater treatment system will not be sufficient to meet this demand, and other sources of non-potable water would need to be considered in order to achieve the project's goal of zero water waste. These sources could include blackwater, rainwater, or other process water sources. If blackwater treatment is included, sewer mining will have to be coordinated with the SFPUC as necessary.

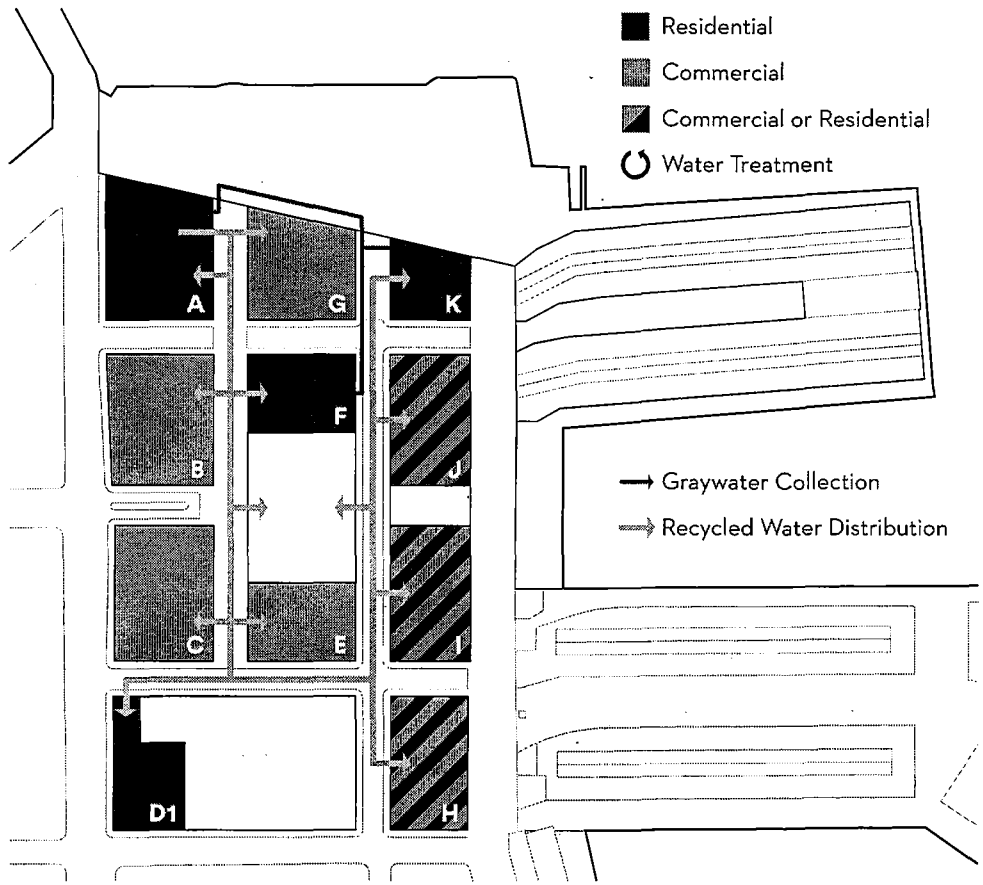


FIGURE 2.4: Graywater Collection and Reclaimed Water Distribution Infrastructure

REQUIREMENTS

WATER EFFICIENCY STANDARDS

Vertical developer must install or implement a tenant lease agreement that requires tenant to install domestic water efficient fixtures that meet or exceed the following performance requirements. All eligible fixtures must be WaterSense or ENERGY STAR labeled.

Commercial

- water closet: 1.1 gpf, WaterSense certified
- urinal: 0.125 gpf, WaterSense certified
- shower: 1.5 gpm, WaterSense certified
- lavatory: 0.5 gpm with sensors, WaterSense certified

Residential

- water closet: 1.1 gpf, WaterSense certified
- shower: 1.5 gpm, WaterSense certified
- lavatory: 1.5 gpm, WaterSense certified
- kitchen sink: 1.5 gpm, WaterSense certified
- clothes washer: 3.7 gal/cycle/ft^3, ENERGY STAR certified
- standard size dishwasher: 3.5 gal/cycle, ENERGY STAR certified
- compact size dishwasher: 3.1 gal/cycle, ENERGY STAR certified

Retail & Restaurant

- commercial clothes washer: 4.5 gal/cycle/ft^3, ENERGY STAR certified
- commercial dishwasher: ENERGY STAR certified
- commercial ice maker: ENERGY STAR certified
- commercial pre-rinse spray valves: 1.6 gpm, WaterSense certified

CENTRAL WATER TREATMENT

Pursue a central water treatment plant that has sufficient capacity to treat, store, and distribute recycled water to all buildings and vegetated open space on site. [subject to confirmation of feasibility]

RECYCLED WATER DISTRIBUTION

All building, vegetated open space, and streetscapes must connect non-potable demands to the recycled water distribution system. This includes toilets, urinals, and irrigation at minimum.

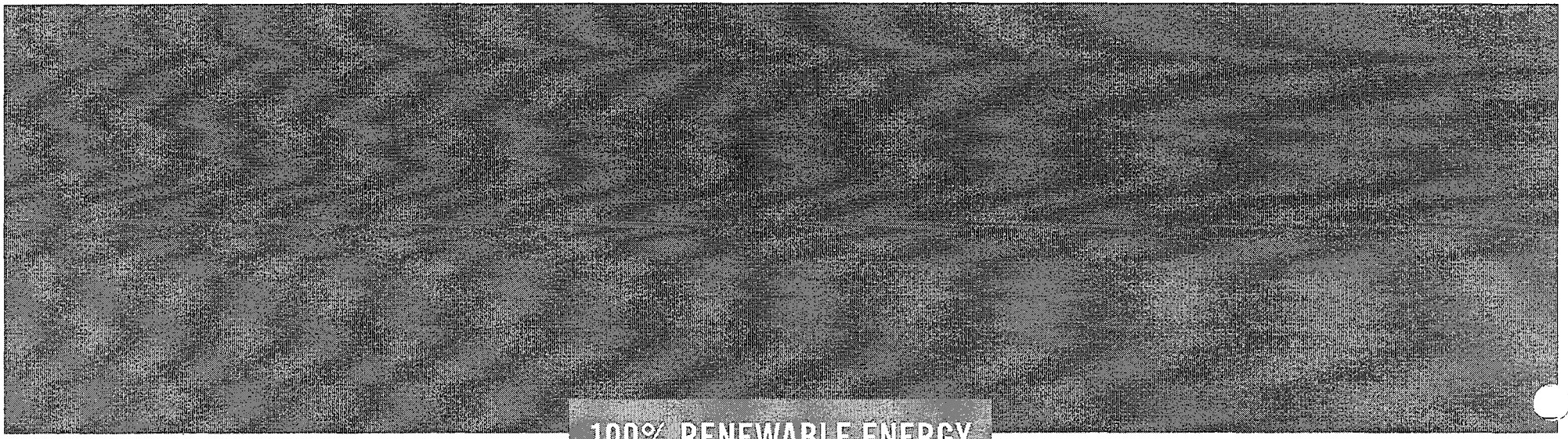
GRAYWATER COLLECTION

- Graywater collection piping should be provided in buildings A, K, and F, or alternative locations that are projected to collect graywater sufficient to meet all non-potable demands on the Mission Rock site. This quantity is currently projected to require collection from all showers, lavatory sinks, and washing machines at a minimum.
- Graywater collection lines shall be provided to facilitate graywater collection.
- Any pumps required to maintain pressurization of the site-wide graywater collection lines will be provided by the vertical developer on a building by building basis.

[Greywater collection will not be required if the site uses a centralized blackwater treatment system or another source of recycled water that is sufficient to meet the SFPUC's Non-potable Water Ordinance]

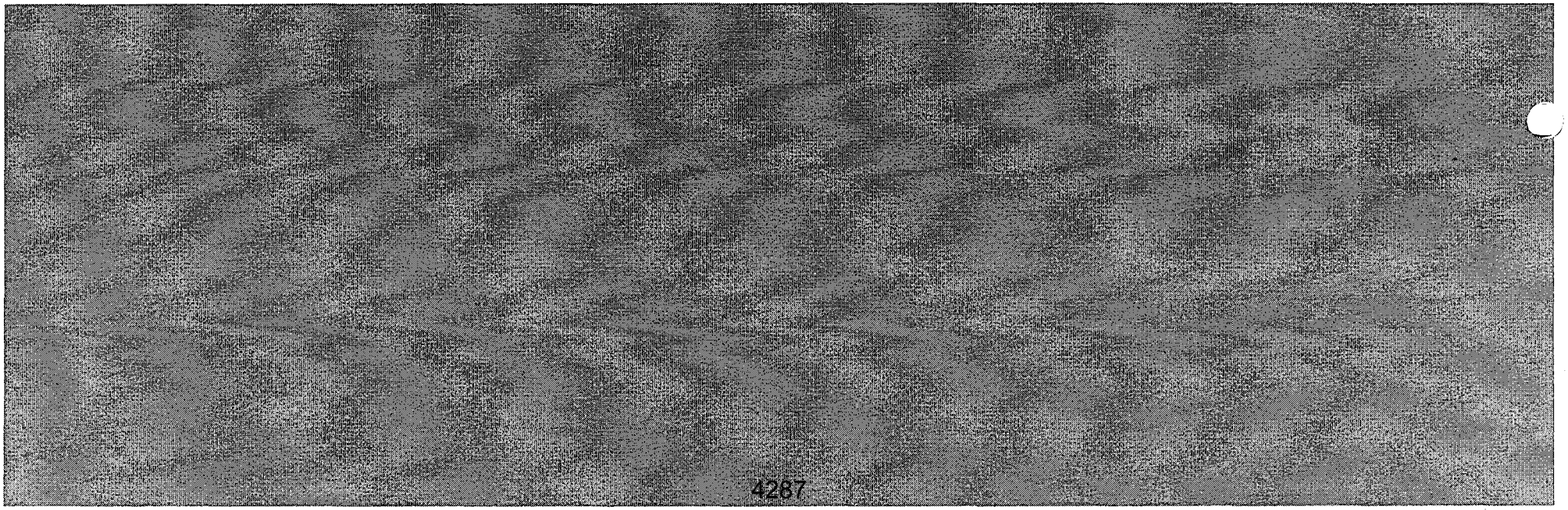
IRRIGATION AND VEGETATION

- All vegetation on site must use recycled water provided from the non-potable water treatment system to meet 100% of their irrigation demand.



100% RENEWABLE ENERGY

100% of Building Energy Demand Met with Renewable Energy Sources



03

ENERGY

Mission Rock has established the ambitious goal of meeting 100% of its building energy demands with renewable energy. This approach will eliminate or offset all of the project's operational greenhouse gas (GHG) emissions.

This vision will be made possible by investing in energy conservation plus on-site and off-site renewable energy generation projects. Mission Rock will require vertical developers to purchase off-site renewable energy equal to the amount of anticipated energy consumption from their buildings.

Mission Rock's energy approach positions the development as a leading example of how California's policy goals may be achieved in a new construction development in a dense urban location. The project's horizontal development includes consolidated critical energy infrastructure, and the Mission Rock district will establish investment structures to allow vertical developers to purchase off-site renewable energy infrastructure to overcome the spatial challenges associated with on-site renewable production.

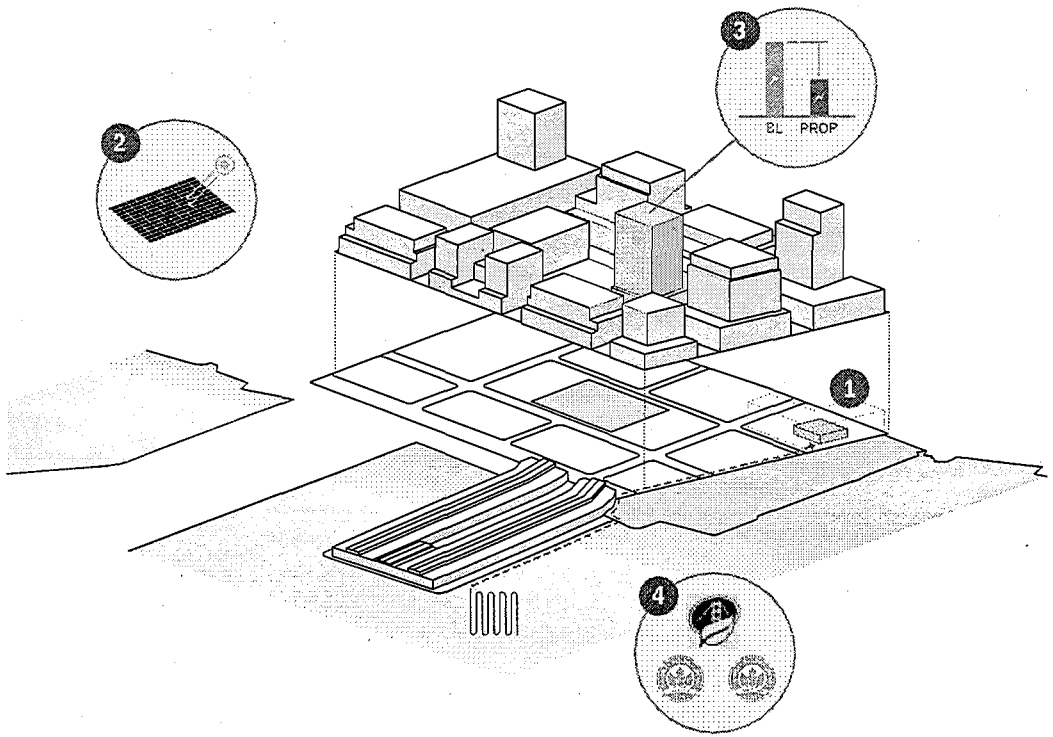
HORIZONTAL DEVELOPMENT: ENERGY RESOURCES

It is anticipated that the Mission Rock horizontal development will include a central energy plant that provides both heating and cooling energy to buildings on site.

The development is considering an array of low-energy central plant options for cooling and heating, including bay source cooling, geothermal energy wells, or wastewater heat recovery. A bay source cooling loop provides cooling by rejecting heat from central plant chillers to the bay water. By using the bay as a heat sink, cooling can be provided using very little energy. For the geothermal wells, heat exchangers would transfer heat from the district energy system to several wells drilled on site. A wastewater heat recovery system would exchange heat with the main trunk sewer line that passes near the site. With any of these strategies, the high volume of water consumed in conventional cooling towers will be eliminated. There may be backup cooling towers for peak capacity or times when the bay source cooling is taken offline for maintenance. Eliminating cooling towers also frees-up roof space that would have been dedicated to mechanical equipment for living roofs, urban agriculture, open space, and renewable energy.

Mission Rock will require all vertical developers to connect their buildings to the anticipated central energy plant. This connection provides vertical developers with an efficient source of cooling energy and frees up space within each of the buildings and on building rooftops that otherwise would have been required for local mechanical systems. In addition, the elimination of cooling towers will remove the largest water demand for each of the buildings saving annual water use and water utility cost.

The Mission Rock team will work with the central plant provider to determine options to purchase renewable power to offset central plant operations.



1. The anticipated central energy plant (CEP) provides heating and cooling to all buildings on site. It is anticipated that the CEP will use bay source cooling to minimize energy and water used to meet the site-wide cooling demand.

2. Vertical developers will purchase off site renewable energy infrastructure to meet their anticipated building energy demand.

3. Requirements for purchasing renewable energy based on building performance incentivize building efficiency.

4. All buildings will have to meet the following:
   - T24 State Requirements
   - SF Green Building Code

ENERGY BACKGROUND INFORMATION

To reach the site wide goal of 100% power provided by renewable energy, Mission Rock will require vertical developers to purchase off-site renewable energy infrastructure equal to the total energy consumed in the building. This approach incentivizes building developers to purchase energy efficiency measures at the building scale by creating a cost tradeoff between building energy efficiency and the cost of renewable energy.

Plant efficiencies, in combination with efficiency measures at the building scale, will assist each developer in exceeding the energy requirements from the state of California and the SF Green Building Code.

Finally, the purchase structure off-site renewable energy may allow each vertical developer to capitalize on the economy of scale gained from their purchase as part of a larger project. This economy of scale can decrease up front cost and streamline negotiations with local utilities and renewable energy providers.

CALIFORNIA'S 2030 NET ZERO GOAL

California has a goal of reaching net zero for all new construction by 2030, which will be enforced through Title 24, Part 6 Building Energy Efficiency Standards for Residential and Nonresidential Buildings. San Francisco also has a goal of a 50 percent renewable electricity supply by 2020.

Building efficiency is always the first step towards the 100% renewable energy goal, but renewable energy will always be required to make it all the way to zero. It is not possible for high-rise projects with limited roof area in dense urban environments to meet this requirement through efficiency and on-site renewable energy alone.

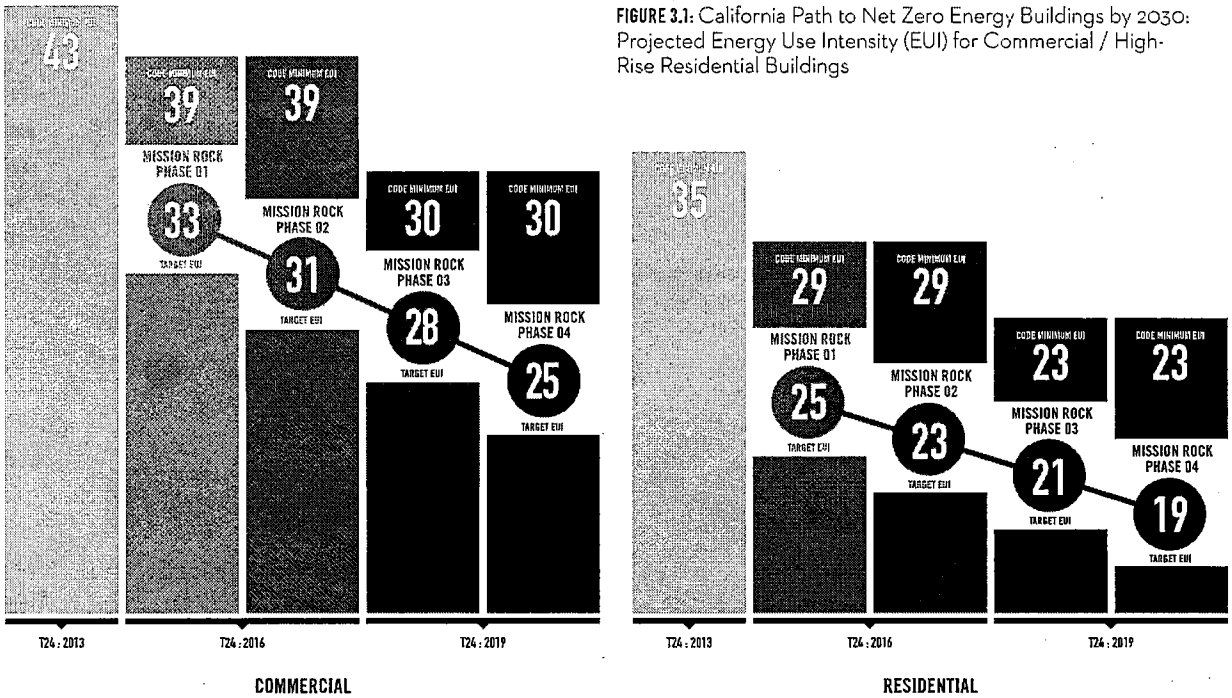


FIGURE 3.1: California Path to Net Zero Energy Buildings by 2030: Projected Energy Use Intensity (EUI) for Commercial / High-Rise Residential Buildings

The San Francisco Green Building Code currently requires that renewable energy be installed on buildings less that 10 stories, but this will be insufficient capacity to meet the 100% renewable energy target for the Mission Rock Development.

The chart in Figure 3.1 shows the decreasing building energy use intensity (EUI) that will be required to meet California's net zero goal. The minimum energy performance of buildings on site are set by the current version of Title 24 and the San Francisco Green Building Ordinance. Efficiency will be sufficient to meet the EUI target for some years to come, but, at some point, the remaining steps towards the net zero goal will have to be made through on-site or off-site renewable energy generation.

The Mission Rock development will be prototyping an approach through building efficiency and off-site renewable energy to meeting a goal of 100% renewable energy for building operations before it will be required in California.

The anticipated energy end use distribution for the building types on site is shown in Figure 3.2 (next page).

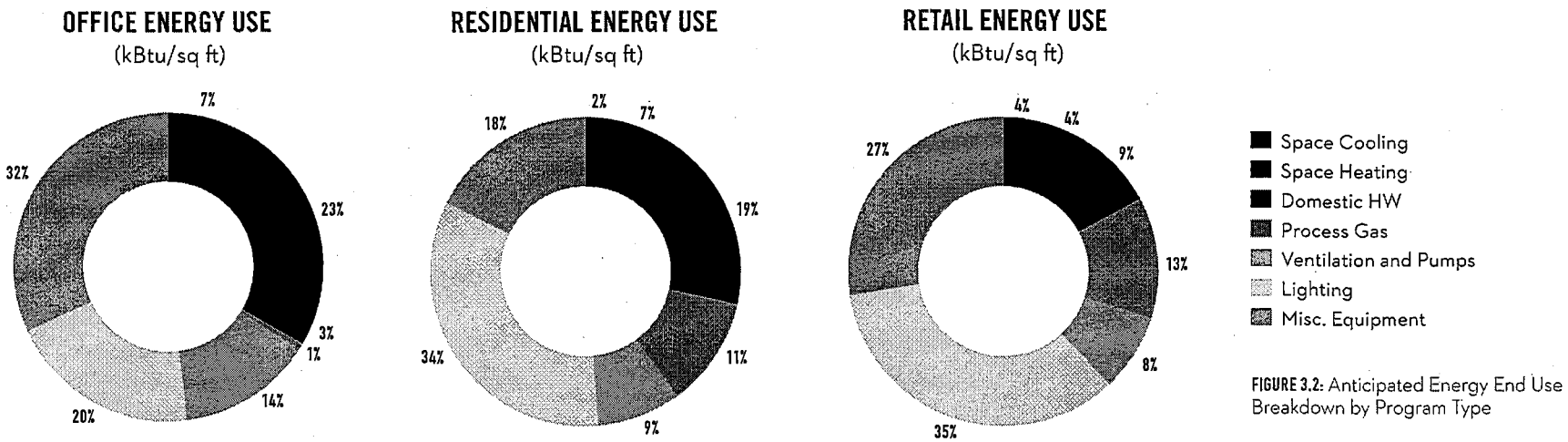


FIGURE 3.2: Anticipated Energy End Use Breakdown by Program Type

OFFICE BUILDING ENERGY SUMMARY

Office energy use is driven primarily by lighting and plug loads (computers, printers, etc.). The energy required for heating and cooling accounts for only a small portion of the annual energy use.

The design of the building envelope can have a significant impact on energy use, as daylight access reduces energy demand for electric lighting. The tenant has the largest ability to impact energy use and associated costs by reducing the electricity used within the building through efficient lighting, extensive lighting controls, and plug load management. Energy efficiency requirements in the tenant guidelines incorporated into the lease agreement can be used to document performance improvements.

RESIDENTIAL BUILDING ENERGY SUMMARY

Residential energy use is driven primarily by space heating, cooling, and domestic hot water consumption, which accounts for around a third of annual energy use. Efficiency improvements in the heating system will have the greatest energy savings.

Beyond the use of a central plant, the tenant and vertical developer have the greatest ability to reduce annual energy cost by minimizing the energy use of appliances such as refrigerators and dishwashers. In this climate, it is recommended that the developer consider eliminating mechanical cooling from all units. This is possible if the building skin includes external shading, high performance glazing to control heat gain, and enough operable windows for effective natural ventilation.

RETAIL & RESTAURANT BUILDING ENERGY SUMMARY

The retail program in the Mission Rock development is a relatively small amount of area when compared to the distribution of office and residential space.

Retail spaces will receive the most significant energy savings benefits through tenant installation of efficient lighting fixtures, as lighting accounts for over half of energy use. This results in energy savings from both decreased electricity for lighting and decreased cooling loads within the space.

Restaurants will receive the most significant energy benefit from installation of efficient, ENERGYSTAR equipment, as more than half of end-use energy comes from equipment and refrigeration.

OFF-SITE RENEWABLE ENERGY

The amount of renewable energy purchased by each developer is determined by the anticipated energy performance of the building and quantified as part of the energy modelling conducted for LEED certification.

As shown in Figure 3.3, the vertical developers will participate in an agreement with a renewable energy developer. The local electrical utility (SFPUC or PG&E) then delivers this energy to the building. The electrical utility which will serve the site is still under discussion. The off-site options will be similar with either utility.

The off-site renewable energy development opportunities, and the legal and metering structure that enables buildings to receive the benefit of the off-site renewable energy will be identified. The following utility and legal structures could be designed as the mechanism for building developers to purchase renewable energy projects:

- Green Tariff Shared Renewables Program (GTSRP): California is implementing a program where utilities will be responsible for billing, administration,

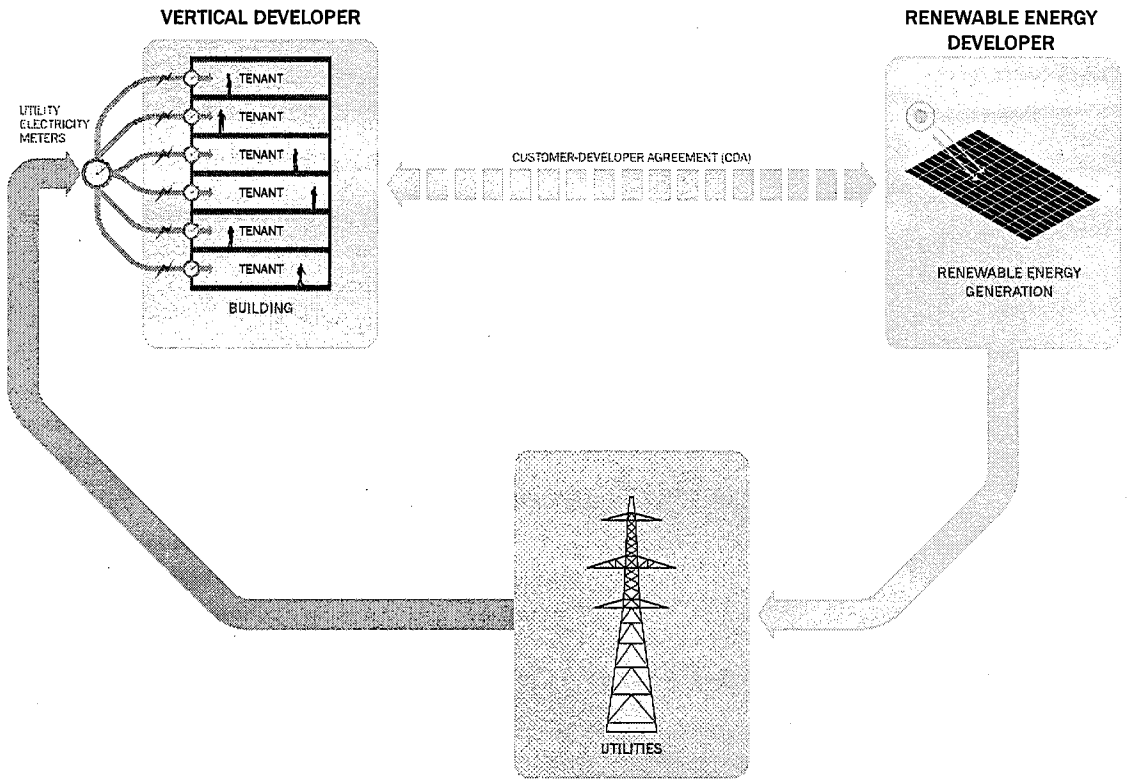


FIGURE 3.3: Off-site Renewable Energy Structure

metering and transmission, but meter owners contract directly with a solar developer to generate and provide renewable energy. The GTSRP program currently has a 2019 closing date and maximum generation cap, but the program cap may be expanded and the timeline extended once reviewed by the CPUC.

- Direct access: In a direct access program, large customers purchase generated energy directly and can negotiate energy purchases from the generation source of their choice. Aggregating all of the service points on the Mission Rock site may make this approach viable, but would have to be negotiated with the utility directly.
- Virtual Direct Access: The development can engage in a power purchase agreement with a renewable energy developer for ongoing power generation. This energy would then be sold back into the grid at wholesale prices on an ongoing basis. The revenue from these sales would then be used to offset the energy costs on site. This acts as a hedge against the increasing cost of power.

The renewable energy program selected will depend on the utility on site and the metering structures available at the time of development.

One of the most important concepts for the renewable energy is the idea of additionality, where the renewable energy purchase creates renewable energy generation that would not have existed and is not counted towards any other goal or standard. California's Renewables Portfolio Standard (RPS) requires that 33% of the energy in California is from renewable sources by 2020 and 50% by 2030, but the Mission Rock purchase would not contribute to this standard.

The SFPUC may be the electricity utility provider on the Mission Rock site. SPFUC power is generated entirely by Hetch Hetchy hydro power, meaning the power consumed on site would be 100% carbon free. However, the Hetch Hetchy power would not meet the additionality requirement for Mission Rock because the generation infrastructure is existing and the project would not be purchasing renewable generation whose benefit could be directly attributed to the projects utility meters.

Renewable energy certificates (RECs) represent the positive environmental attributes of renewable energy generation. These RECs can be unbundled from the actual energy and sold to someone other than the energy purchaser. The renewable energy that the Mission Rock project purchases will generate RECs for the energy produced, but instead of selling these RECs, the RECs will be retired to ensure that the environmental benefits of the renewable energy is attributable to the Mission Rock development.

While it may be considered more favorable to provide renewable energy sources on site, Mission Rock's dense urban location limits opportunities for on-site solar development. By purchasing off-site renewable energy

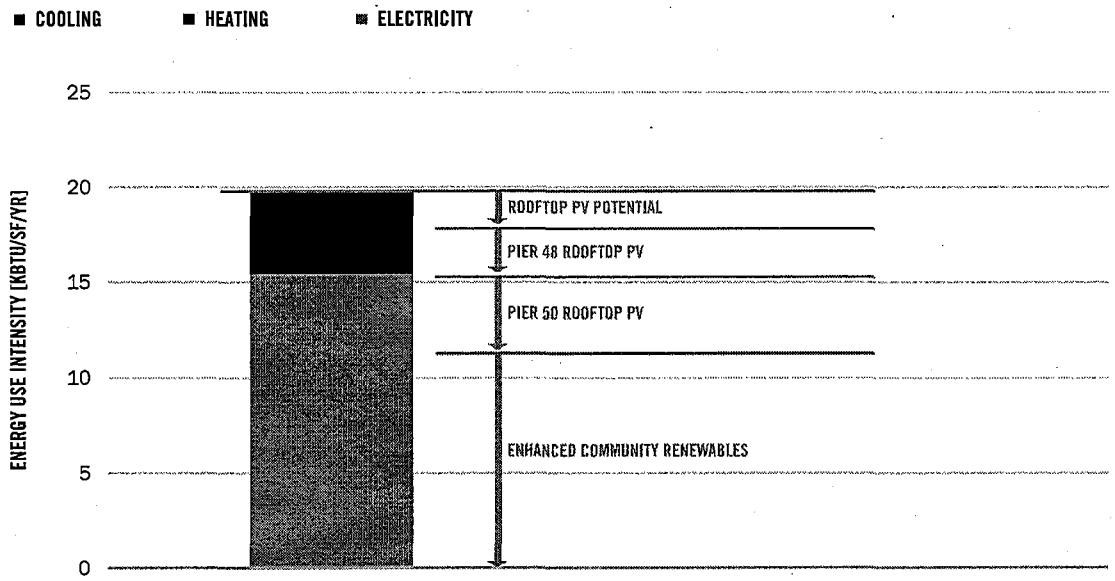


FIGURE 3.4: On-site and Off-site Renewable Potential

sources, the renewable generation for the Mission Rock project can be placed in the optimal location for increased renewable energy generation.

Figure 3.4 shows the potential for on-site renewable energy to meet the energy demand of a typical building on the Mission Rock Site. Renewable potential is broken down into rooftop PV and a proportional share of Pier 48 and adjacent Pier 50. Even with all of these sources, a typical building will be able to meet less than half its annual energy demand with on-site renewable sources.

REQUIREMENTS

CENTRAL ENERGY PLANT

Pursue one or more central utility plants on site that supply chilled water and heating hot water to all buildings on site. The plant shall utilize bay water for heat rejection to increase the efficiency of the energy system. [subject to confirmation of feasibility]

CENTRAL ENERGY PLANT CONNECTION

Connect buildings to central energy plant thermal utilities.

[subject to confirmation of feasibility of central plant]

OFF-SITE RENEWABLE ENERGY

Building developers shall model the anticipated energy demand. Developers will be required to submit the final energy documentation provided for LEED certification along with the GBCI review comments. The anticipated energy use will define the developer's purchase of off-site renewable energy generation.

The GBCI-reviewed LEED energy model shall determine the kWh that must be offset through off-site renewable energy. The developer shall purchase off-site renewable energy through a power purchase agreement.

ENERGY REPORTING

Report energy use for each building on an ongoing basis. At a minimum, energy reporting should be on an annual basis and include all energy types. All vertical developers must enter their modeled energy use in ENERGY STAR Portfolio Manager and use Portfolio Manager to track energy use on an ongoing basis.

RECOMMENDATIONS

RENEWABLE PURCHASE ADJUSTMENT

If measured energy use exceeds anticipated energy use, it is recommended that vertical developers update their renewable energy contribution every two years to match measured energy use.

RECOMMENDATIONS

COMMERCIAL DEVELOPMENT

Lighting Power Density
Target lighting power density (LPD) of less than 0.6 W/ft²

Plug Load Occupancy Sensors
Install plug load occupancy sensors for non-essential equipment in all spaces. Non-essential equipment includes, but is not limited to:

- desktop computers and lap tops
- monitors
- imaging equipment (copiers, fax machines)
- task lights
- television screens
- projectors
- vending machines

Advanced Lighting Controls
Provide occupant sensors throughout open office, corridors and rest rooms in addition to the locations required by Title 24. Provide daylight dimming and daylight sensors in all spaces with access to daylight. This shall include offices and meeting rooms in addition to the spaces required by Title 24.

Vertical Transportation Optimization
Optimize vertical transportation through:

- regenerative elevators
- destination control elevators
- occupancy sensors on escalators
- reduced elevator fan and lighting energy

RESIDENTIAL DEVELOPMENT

Equipment
Install only ENERGY STAR or equivalent equipment, appliances, lighting, and fixtures (refer to www.energystar.gov and www.aceee.org for latest list of energy-efficiency appliances), including, but not limited to, refrigerators and dishwashers

Domestic Hot Water Demand Reduction
Install showers (1.5gpm) and sinks (1.5gpm aerators) with WaterSense label.

Domestic Hot Water Heating
Employ electric heat pump water heaters for domestic hot water heating loads.

Plug Controls
Provide a "master switch" in all apartments located adjacent to the front door that controls all ambient lighting and switched outlets. Outlets connected to the master switch should be clearly identified.

Advanced Lighting controls
Install daylight dimming and sensors in all common areas with daylight access

Energy Dashboard
Provide each residence with a system which enables tenants to see and understand their energy use in real time, control temperature settings and master switch from a remote location, and create an auto schedule and away settings for temperature and master switch

Natural Ventilation

Eliminate mechanical cooling by providing external shading on glazing to block unwanted heat gain and install operable windows to enable natural ventilation.

RETAIL & RESTAURANT DEVELOPMENT

Lighting Power Density
Target lighting power density (LPD) of less than 1.8 W/ft²

Reduced Exhaust
Install variable flow exhaust hoods with heat recovery in restaurants

Efficient Equipment
Install only ENERGY STAR certified equipment

Hot Water Demand Reduction

- Use rest room flush and flow fixtures that are WaterSense labeled
- Install commercial dishwashers that are ENERGY STAR qualified
- Ensure pre-rinse spray valves have a max flow rate of 1.6 gallons per minute (gpm)

[redacted]

20% Reduction In Transportation-Related Carbon Emissions

*

[redacted]

04

TRANSPORTATION

Mission Rock is committed to shifting travel behavior towards more environmentally beneficial transportation modes.

The Mission Rock site is in a prime location for transportation alternatives to single occupancy vehicle trips. The site is close to high quality transit, is located in a developing mixed use area, and will include on-site services that will encourage the use of alternative modes of transportation.

Mission rock will implement a Transportation Demand Management (TDM) Program to increase the use of environmentally friendly transportation modes. The Mission Rock site design and the transportation demand management strategies selected for implementation encourage occupants, employees, and visitors to use alternative modes, with an emphasis on cycling, walking, and shared rides. The strategies implemented on site are estimated to reduce single occupancy vehicle trips by more than 20%.

The Mission Rock Transportation Demand Management Plan contains details of the transportation strategies that will be implemented on site and demonstrates Mission Rocks commitment to sustainability.

SITE CONNECTIVITY

The Mission Rock site is located near many transportation resources.

From a regional standpoint, the San Francisco Caltrain station is less than a 10 minute walk and BART stations are around a mile from the site. These transit services provide regular and rapid service to the greater Bay Area region.

Multiple Muni bus and light rail lines have existing stops within a quarter mile of the site providing transit access to the rest of San Francisco.

The San Francisco Bay Trail, which is planned to circumnavigate the San Francisco Bay, passes through the site. Existing bicycle lanes serve the site.

Site Design

The Mission Rock program mix, street design, and site connectivity further encourage occupants to select alternative modes of transportation including transit services, walking, cycling, and ride sharing.

The pedestrian- and bicycle-friendly street and sidewalk design plays an important role in encouraging the use of non-motorized transportation modes. The site design includes a well connected grid of internal streets, wide sidewalks, pedestrian-safety oriented street design, and designated bike lanes that connect to external infrastructure.

These site features establish a strong foundation for the additional transportation demand management strategies to effectively reduce single occupancy vehicle trips.

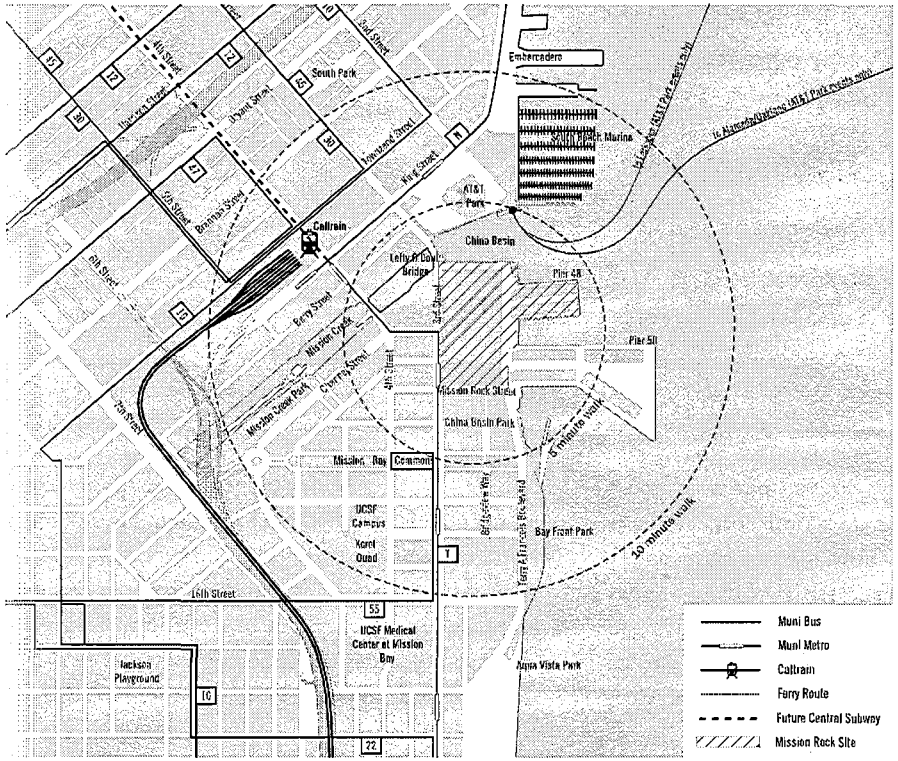


TABLE 4.1: Transit Context

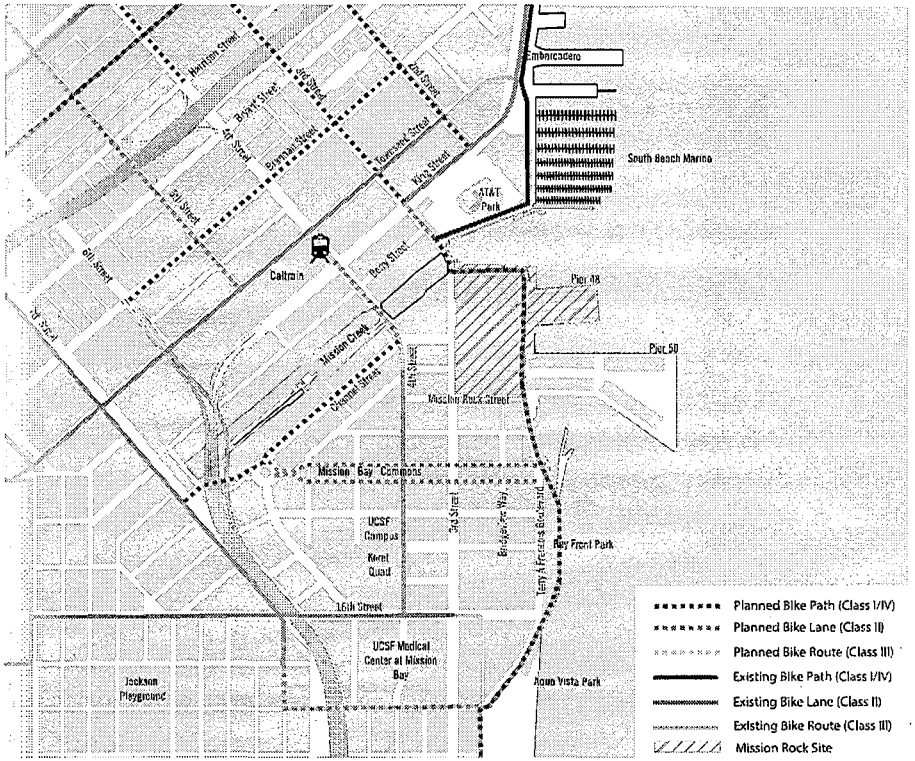


TABLE 4.2: Bike Context

TDM STRATEGIES

The Mission Rock Transportation Plan combines both infrastructure and operational strategies to reduce single occupancy vehicle use. A high level summary of the strategies being considered for the site are summarized in Table 4.3. The effects of these strategies are interactive and supportive of each other and most effective in combination.

In some cases these strategies shift auto trips to other modes of transportation while, in other cases, they eliminate the need for trips altogether. Both cases reduce the overall use of single occupancy vehicles. These strategies are designed to effect a permanent change in transportation decisions by occupants, employees, and visitors.

The effectiveness of the TDM strategies will be assessed regularly by tracking through occupancy surveys, program utilization studies, and parking occupancy. The results of these studies can be used to refine and the TDM program to increase the effectiveness and better serve occupants.

Further details on each of these strategies can be found in the Mission Rock Transportation Plan.

TRANSIT
Real-time transit information
Pre-loaded Clipper Cards

BICYCLE
Bike share memberships
On-site bike share stations
Bike event programming
Bicycle resource center
Bicycle parking
Showers and clothes lockers
Bike valet

PERSONALIZED MOTORIZED TRANSPORT
Electric scooter share memberships
On-site shared scooters
On-site car share parking spaces
Car share memberships

PARKING
Market-based parking pricing
Real-time parking pricing and availability information
Unbundled parking
Low parking ratio

BUILDING SCALE STRATEGIES
In-building concierge services
Coordinated delivery services
CSA delivery partnerships
Storage space for grocery and package delivery
Childcare services and facilities
Collaborative work space

SITE SCALE STRATEGIES
Mobile-friendly Mission Rock website
Signage and wayfinding across modes
Site-wide transportation staff
Coordination with local Transportation Management Association

TABLE 4.3: Transportation demand management strategies proposed for Mission Rock

75% Construction Waste Diversion
Maximize Occupant Source Separation and Resource Recovery

*

05

RESOURCE CONSERVATION

San Francisco has committed to achieving zero waste to landfill by 2020. The primary means of achieving this goal are source control (i.e. limiting plastic bags/ Styrofoam) and user education (to properly divert waste), which are all required through mandatory city ordinances.

The city of San Francisco currently diverts 80% of its waste from landfill, one of the highest waste diversion rates in the country. However, over half the material which goes into San Francisco's landfill bins can be recycled or composted. If all materials were sent to the proper bin San Francisco could increase their diversion rate to 90%.

Mission Rock will primarily contribute to waste reduction efforts through construction waste management and user education to increase proper separation of waste and increase in San Francisco's overall diversion rate.

REFUSE BACKGROUND INFORMATION

CONSTRUCTION WASTE

The Mission Rock district will establish site-wide construction waste diversion requirements and recommendations to ensure that the material going to landfills during demolition and construction is minimized.

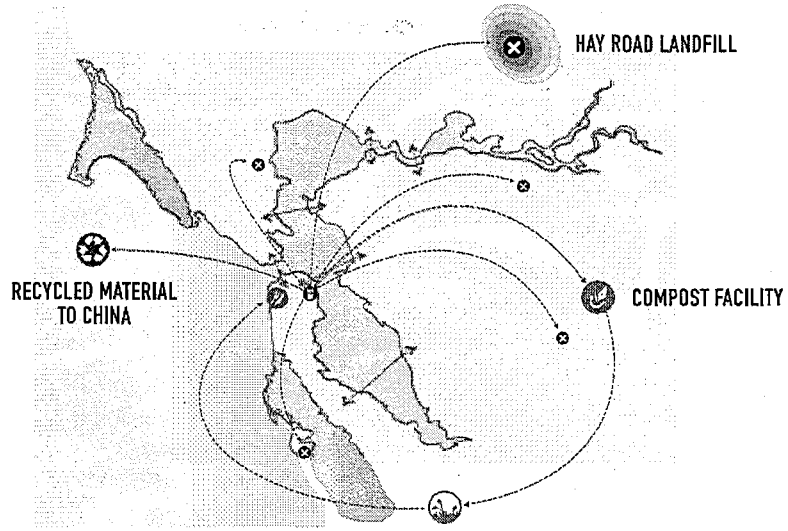
OPERATIONAL WASTE

Operational refuse sent to landfill will be reduced in the Mission Rock development primarily through enhanced user education. This will augment the policies and programs the City of San Francisco already has in place.

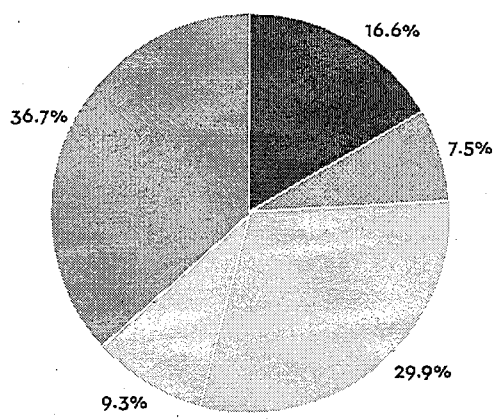
The pie charts to the right show the typical breakdown of divertible refuse streams. The largest refuse streams in a typical residential building are Other (comprising furniture, goods and electronics) and Compostable Food. The largest refuse stream in a typical commercial building also comes from compostable food. Providing residents with education about San Francisco's composting program and easy access to composting facilities will be critical to minimizing divertible refuse sent to landfill.

Refuse collected in San Francisco is sent to the Hay Road Landfill in Vacaville. Several smaller landfills receive municipal solid waste from the city, but Hay Road receives roughly 90% of non-recovered materials. The diagram to the right shows the destinations which were used to generate the GHG emissions associated with Mission Rock refuse removal.

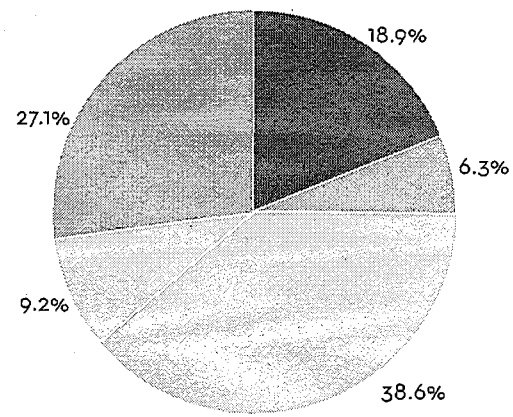
Nearly all of the compost collected by Recology is processed by Blossom Valley Organics North located in Modesto, and then sold to local farms and city gardens. As of 2006, San Francisco composted roughly 47% of the organic material generated in the city.



RESIDENTIAL DIVERTIBLE REFUSE



COMMERCIAL DIVERTIBLE REFUSE



Recyclable Paper
Other Recyclable
Compostable Food
Other Compostables
Other (Non Recyclable / Non Compostable)

REQUIREMENTS

CONSTRUCTION WASTE MANAGEMENT

All construction and demolition projects will be required to achieve a minimum 75% waste diversion rate as defined by the LEED v4 Reference Guide

INFRASTRUCTURE AND REFUSE RECEPTACLES

- Vertical developers will be required to provide adequate and easily accessible space in all buildings for the three primary refuse streams collected in San Francisco: landfill, recycle, and compost.
- If waste chutes are provided, one for each refuse stream will be required.
- All three refuse receptacle types to be provided at any refuse collection point both inside the buildings and throughout the Mission Rock site.
- Work with the SFE Zero Waste Team to design refuse collection on site
- Refuse chutes and receptacles to include pest prevention features

RECOMMENDATIONS

CONSTRUCTION WASTE MANAGEMENT

All construction and demolition projects should target a 95% waste diversion rate as defined by the LEED v4 Reference Guide

INFRASTRUCTURE AND REFUSE RECEPTACLES

Provide adequate refuse collection areas. Allocate sufficient space on site for on-site sorting of refuse stream to meet the Recycling and Composting Ordinance. Coordinate facility design to maximize source separation with the SF Environment Zero Waste Team.

USER EDUCATION PROGRAMS

Increased training and occupant/resident education to improve diversion rate.

SOURCE CONTROL PROGRAMS

Limit purchasing to materials that can be recycled or composed ensures that refuse can be diverted.

Provide Site With High Outdoor Air Quality, Active Design Opportunities, And Daylight & Views

06

HEALTH & WELLNESS

The Mission Rock development will be committed to delivering a project that protects occupant health, promotes occupant wellness, and prevents environmental harm.

The development will focus on a few key areas of the vertical and horizontal development that result in the most significant benefits with regard to health and wellness. The key topic areas addressed by the Sustainability Strategy are active design, outdoor environmental quality, daylight and views. Active design principles integrated into the street fabric and open space encourage occupants and the public to bike, walk, run, and actively engage with the site. The district will provide 8 acres of public parks and open space, as well as public waterfront access. The open space network will become a starting point for the Blue Greenway, a waterfront trail that will connect to Hunters Point Shipyard. These amenities will establish the site as an active destination for the surrounding neighborhoods. The open spaces and vegetated areas will provide occupants with a connection to nature, improving personal and community health. Details on the green spaces can be found in chapter 03: Habitat and Ecosystem Function.

The Mission Rock development will be built in phases and, as a result, will be an active construction site throughout its early years of development. The Sustainability Strategy focuses on maintaining a high level of outdoor environmental quality both during construction and after project completion.

This section does not directly address tenant fit-out because of the challenges in communicating and enforcing tenant requirements at this level. Many health and wellness controls and improvements for tenant spaces are covered by CALGreen and LEEDv4, which are anticipated to apply to the Mission Rock development.

ACTIVE DESIGN

Active design encourages stair climbing, walking, bicycling, transit use, active recreation, and healthy eating. A growing body of research suggests that evidence-based architectural and urban design strategies can increase occupants' regular physical activity and healthy food choices. Designing the Mission Rock site from a blank slate provides a series of unique opportunities to address physical activity across the entire site and connections to the rest of the city.

The Mission Rock district includes eight new acres of parks and open spaces which include walking and bike trails, as well as programmed open spaces such as Little Giants Field and other sports areas. In addition, the development is adjacent to many existing surrounding recreational opportunities, including parks, playgrounds, boating, and, sports fields.

Site-wide active design strategies are recorded in the DCDG, and include integration with the Blue Greenway that runs along the waterfront, a baseball diamond, multi-use open-space, and water access for recreation. The street design for Mission Rock also encourages many transportation modes and emphasizes walking and cycling. The cycling paths on site connect to the larger citywide cycling network. A bikeshare station will be located on site as part of the existing program.

Vertical developers also play a role in encouraging active use of the site. Designing staircases as a prominently visible, unlocked, and well daylit amenity encourages occupants to use stairs instead of elevators for vertical circulation.

OUTDOOR ENVIRONMENTAL QUALITY

The Mission Rock development will remain an active construction site after the first commercial, retail and residential occupants move onto the site. The Sustainability Strategy focuses on maintaining a high level of environmental quality during construction. Reducing pollution from construction activity minimizes environmental impacts and improves construction side-effects for both workers and local inhabitants.

Construction pollutants originate from a variety of activities: machines and equipment, building materials, site conditions, and human behavior. All project teams will be expected to develop and implement a construction activity pollution prevention plan (CAPP) that addresses emissions from construction activities, including light pollution, equipment emissions, dust and odor control, and noise control. Pollution should be defined broadly to address a variety of construction-related issues, from airborne particulates to noise control.

For construction lighting, OSHA sets standards to ensure safe working conditions for construction workers. Temporary lighting installed on timers or manual scheduling will reduce light pollution on site. Construction managers and contractors will select energy efficient equipment for temporary lighting, site lighting, and heating, with turn-off power to non-critical equipment and lighting during non-construction hours.

Tier 4 or higher engines and limited truck and equipment idling minimizes emissions on site. Water spraying for dust control, covering powder materials, and capturing dust before it leaves the site will reduce the airborne particulates from site work before they leave the site.

DAYLIGHT AND VIEWS

Access to daylight regulates circadian rhythms and production of serotonin and melatonin, which modulate sleep patterns, energy and psychological moods. Providing views of nature has been associated with reductions in stress through physiological changes in cortisol levels, blood pressure, and heart rates.

For the Mission Rock site, individual buildings will take advantage of the extensive open space on site by maximizing daylight and views out while minimizing the risk of glare for occupants within the buildings. Careful coordination between the daylight and electric lighting strategies will ensure that users maintain a connection to the outdoors through daylit spaces. While improving occupant satisfaction, daylight also reduces electric lighting use during daylight hours, contributing to energy savings in the buildings.

REQUIREMENTS

Provide a construction activity pollution prevention plan (CAPP) that addresses the following issues:

CONSTRUCTION LIGHT POLLUTION

Lighting shall be controlled by timers or scheduled manual switching to turn off the lighting when it is not required.

TEMPORARY LIGHTING EFFICIENCY

LED lighting shall be used for any temporary lighting during and after construction.

CONSTRUCTION EQUIPMENT EMISSIONS

Have a policy in place that limits vehicle and equipment idle time to no more than 5 minutes in any hour long period. All construction equipment on site shall have Tier 4 or higher engines.

DUST AND ODOR CONTROL

Spray down site work, equipment, and vehicles with water for dust control. Cover powdered materials and provide walk-off mats. Recycled water shall be used for all dust control unless it is legally unfeasible to do so.

DUST CONTROL WITH NON-POTABLE WATER

If feasible, the contractor should use on-site recycled water from the Mission Rock graywater treatment facility before using other sources non-potable water.

GENERATOR CONTROLS

Any temporary generators used on site shall have a Tier 4 or higher rating.

RECOMMENDATIONS

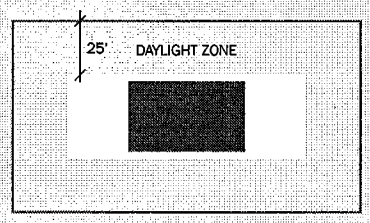
ACCESS TO DAYLIGHT & GLARE CONTROL

Create usable, glare free daylight by designing the building such that at least 50% of the area of the daylight zone achieves a spatial daylight autonomy of 50% (sDA(300/50%))*. Design the building such that the daylight zone (25ft from the perimeter) has an annual sunlight exposure (ASE(1000/250))* of less than 10%.

*As defined in illumination engineering society (IES) LM-83-12

ACCESS TO VIEWS

Provide access to exterior views for 80% of the floor area within the daylight zone.



CONSTRUCTION LIGHT POLLUTION

In addition to timers, consider other lighting controls such as daylight and vacancy sensors. Construction light fixtures shall provide cut-off shielding to prevent uplighting.

SMOKING PROHIBITION

Prohibit smoking or restrict to designated areas on site to reduce impact on other occupants.

ACTIVE CIRCULATION

Provide staircases that allow occupants to easily travel between floors of the building. To ensure basic function, the stairs should remain unlocked and accessible to occupants. The stairs should incorporate features that make them more desirable to use, including daylight, high visibility from the building entrance, lighting equivalent to the rest of the building, and adequate signage.

NATURAL VENTILATION

Provide operable windows in regularly occupied areas to enable natural ventilation when climate conditions allow. Consider eliminating mechanical cooling where possible.

NOISE CONTROL

Identify sensitive areas adjacent to the site and establish construction work schedules to minimize disturbances. Organize construction sites to reduce movement alarms and vehicle traffic.

Encourage Manufacturer Transparency And Selection Of Low Impact Materials

*

07

SUSTAINABILITY MATERIALS

As a large development with a progressive sustainability agenda, Mission Rock has the ability to advance efforts in product transparency, and will leverage its position within the building industry to push manufacturers towards full life-cycle and chemical ingredient assessments of their products.

The contemporary definition of "sustainable building products" exceeds conventional notations of recycled content and regional sourcing to encompass the environmental and health impacts of building materials. A critical advancement in today's building industry, furthered by LEED version 4, is the call for manufacturers to publicly disclose information on the chemical content and manufacturing process of their products.

Similar to other sections, the sustainable material requirements for Mission Rock focus on the areas within horizontal and vertical developer control which will have the most significant environmental impact. This means an emphasis on transparency for the largest material packages for horizontal development and core and shell vertical developers: concrete, steel, and insulation. Recommendations have also been included for tenant-selected materials such as interior finishes. The table to the left provides a summary of the certification bodies referenced in the Requirements and Recommendations of this section.

MANUFACTURING PROCESS TRANSPARENCY

Building materials can heavily impact natural resources and the Mission Rock district must consider the full life-cycle of the materials included in its construction. Materials used for the horizontal and vertical core and shell development will account for the majority of the global warming potential associated with on-site materials and, for that reason, Mission Rock's material requirements in the Sustainability Strategy focus on minimizing this impact.

Steel and concrete will contribute to the majority of the global warming potential for the materials used in the horizontal development of site, roads and infrastructure. For vertical development steel and concrete account for over 1/3 of the global warming potential associated with a typical commercial building. An illustration of this breakdown can be seen in the diagram below.

ENVIRONMENTAL PRODUCT DECLARATIONS (EPDS)

Multi-attribute product reports evaluate the full life-cycle environmental, health, and social impacts of a product, from extraction of raw materials and manufacturing processes, to the use disposal methods. They are becoming increasing popular in the sustainable building industry.

An Environmental Product Declaration (EPD) is an intensive product certification based on a full life-cycle assessment of products surveying the global warming potential, ozone depletion and creation, water pollution, and greenhouse gas emissions. EPDs should not be used to compare different categories of products (i.e. steel vs concrete), but may be used to compare different manufacturers or suppliers of the same product (i.e. two different concrete manufacturers).

Mission Rock will prioritize large package products from manufacturers with publicly available EPDs and consider the global warming potential as a criteria alongside quality and cost when selecting a manufacturer. While products with EPDs may be limited, best practices in material selection policies should, at the very least, be followed by contractors on the Mission Rock site to minimized the development's environmental footprint:

- Select building products with high recycled or reuse content, biobased or rapidly renewable materials, FSC certified wood
- Prioritize products extracted, manufactured, and purchased within 100 miles of the site.
- Select products that are durable, easy to maintain, adaptable in use, and are recyclable or retrieved by the vendor after use.

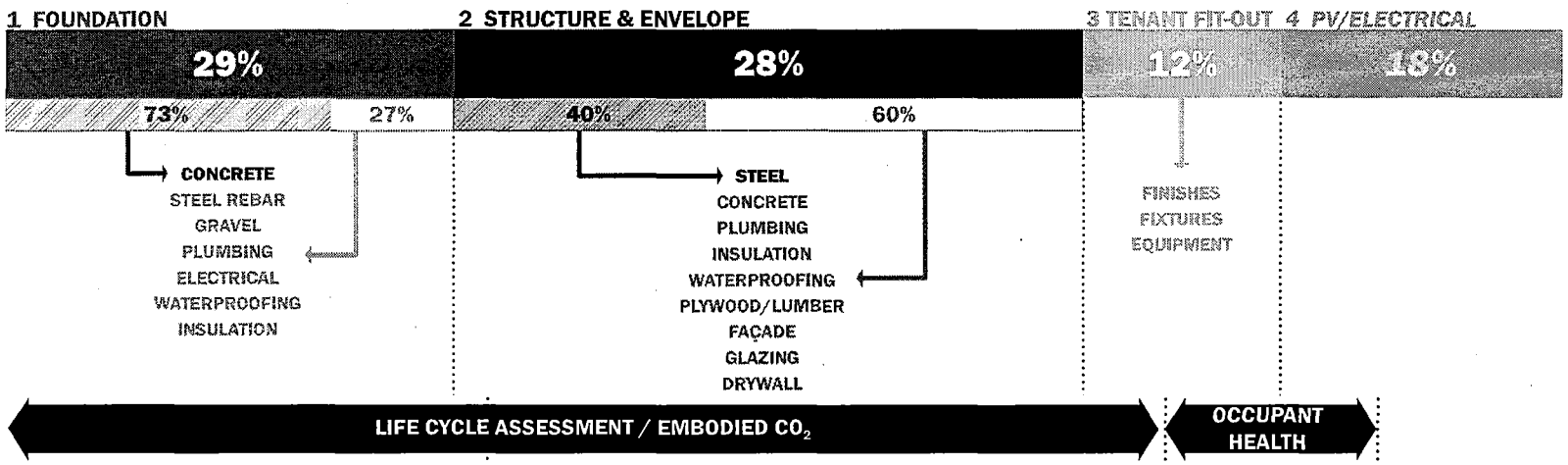


FIGURE 7.1 Lifecycle Global Warming Potential by Building System in a typical U.S. Commercial Building

MATERIAL INGREDIENTS

Only 15% of the 60,000 chemicals in use today have publicly available human health impact data and 65% of chemicals have no publicly available information. Hazardous chemicals can be categorized into various categories depending on the behavior of the compounds: persistent bioaccumulative toxins (PBTs) and volatile organic compounds (VOCs). The prevalence of these hazardous chemicals span across all categories of building products, from structural components to finishes and furnishings, harming both the environment and human health. To curb the manufacturing of products with toxins, leading organizations like the EPA and the Living Building Challenge have published "Red Lists" of hazardous chemicals.

The materials recommendations of the Sustainability Strategy include strategies to encourage increased manufacturer transparency with regard to product ingredients and provide a guideline for vertical developers and tenants to consider when selecting materials and finishes.

REQUIREMENTS

GLOBAL WARMING POTENTIAL: STEEL

- Request EPDs from steel manufacturers

GLOBAL WARMING POTENTIAL: CONCRETE

- Require EPDs from all concrete manufacturers
- Review concrete EPDs and consider lower global warming potential as a criteria in selecting a concrete provider

SUSTAINABLE MATERIAL CERTIFICATION BODIES

- Require contractors to provide subcontractors with list of certification bodies for materials as seen in Figure 7.2: Sustainable Material Certification Bodies

RECOMMENDATIONS

GLOBAL WARMING POTENTIAL

- Require EPDs from all steel manufacturers and consider lower global warming potential as a criteria in selecting a steel provider.
- Complete a Life Cycle Assessment (LCA) for concrete use and confirm at least a 10% reduction in global warming potential.
- Prioritize products with third-party verified Environmental Product Declarations (structural packages) and/or Cradle-to-cradle certifications (interior finishes and furnishings)
- Specify high recycled content and local (within 100 miles of the site) materials, rapidly renewable products, and FSC certified wood

MATERIAL INGREDIENTS

- Request product Health Product Declarations (HPDs) and Prioritize products that disclose material ingredients and hazardous chemicals through Health Product Declarations.
- Prioritize finish products or furnishings with third-party certifications such as Greenguard, Floorscore, Greenlabel, Greenseal, and BIFMA Level Standard.
- Select products that minimize or replace PVCs, CPVCs, and neoprenes. Alternatives include copper, cast iron, HDPE, and ABS.
- Eliminate use of mercury, lead, cadmium and other heavy metals where possible

Certification Bodies	
EPD	ENVIRONMENTAL PRODUCT DECLARATION An intensive product certification based on a full life-cycle assessment of products surveying the global warming potential, ozone depletion and creation, water pollution, and greenhouse gas emissions.
	CRADLE TO CRADLE CERTIFICATION An tiered product certification assessing five categories: material health, material reutilization, renewable energy and carbon management, water stewardship, and social fairness. This certification process is offered by MBDC, a global sustainability consulting and product certification firm.
	ECOLOGO A multi-attribute, life-cycle based environmental certification body for products, services and packaging that assesses materials, energy, manufacturing, health and environment, product performance, use, and innovation.
SMART certified	SMaRT Comprehensive sustainable standards established for materials and products, including social impact. These comprehensive standards have been established by the Institute for Market Transformation to Sustainability.
level	BIFMA LEVEL CERTIFICATION A third-party certification program for furniture that evaluates the following criteria: energy & atmosphere, human & ecosystem health, and social responsibility for all certified products.
	HEALTH PRODUCT DECLARATION A product transparency reporting tool issued by the HPD Collaborative that identifies the associated health effects of product material ingredients.
	GREENSCREEN A multilevel certification body that assesses hazardous chemicals within products. GreenScreen publishes the GreenScreen List Translator
GREENGUARD	GREENGUARD A performance-based standard to define products and processes with low chemical and particle emissions to achieve high indoor environmental quality indoors.
FLOOR SCORE	FLOORSCORE A certifying body for hard-surface flooring and adhesives that meet strict indoor air quality requirements set forth by SCAQMD Rule 1113.
	GREEN LABEL / GREEN LABEL PLUS A certifying body for carpet emissions levels of TVOC, formaldehyde and other substances known to contribute to Sick Building Syndrome
	GREEN SEAL A certifying body that evaluates the total environmental impact and health effects of a product, with periodic audits of manufacturing facilities.
Declare.	DECLARE A certifying body associated with the Living Building Challenge that reports the chemical ingredients of the product. DECLARE RED LIST has not red list chemicals.

FIGURE 7.2: Sustainable Material Certification Bodies

Provide Ecosystem Services Which Enhance The Outdoor Environment And Benefit Those On Site And Beyond

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08

HABITAT & ECOSYSTEM FUNCTION

The open space design for the Mission Rock district contributes a number of essential ecosystem services to residents and visitors on the site. These include the provision of comfortable microclimates, access to nature and recreation, coastal protection, stormwater mitigation, and promotion of biodiversity.

These services are fundamental to the concept of a sustainable EcoDistrict as they benefit not only those directly on site, but also humans and species on neighboring sites. This is especially critical in a dense, urban environment such as downtown San Francisco.

The guidelines and recommendations for Mission Rock's open spaces have been captured in the Mission Rock Development Controls and Design Guidelines. This section of the Sustainability Strategy highlights the sustainability benefit that is provided by these guidelines.

The Mission Rock development will support and further biophilic design for both the site and buildings. Biophilia is defined as humans' inherent affinity for nature and research increasingly shows that regular access to nature improves health, happiness and performance. Biophilic design principles include a broad variety of physical elements and spatial characteristics found in nature that can be applied in the built environment to elicit positive physiological, psychological and emotional outcomes for humans as well as other species. The strategies implemented on the Mission Rock site align with the City of San Francisco's 0-50-100-Roots framework aimed at protecting urban green spaces and improving San Francisco's urban forest and gardens. Other features of the Mission Rock site are described below.

COMFORTABLE MICROCLIMATES

Mission Rock's vegetated landscape offers a wide array of benefits from lowering heat island effects to creating comfortable areas of respite.

Introducing vegetation throughout the site reduces the heat island effect by shading pervious surfaces, limiting localized discomfort due to overheated concrete. The shading provided by trees creates variable microclimates. In addition, carefully located trees will act as windbreaks and provide sheltered gathering spaces in the open spaces and parks. The building heights, locations, and massing will be optimized to minimize overshadowing the central square and China Basin Park, and allow as much sunlight as possible to reach the open space while reducing exposure to high winds from the Bay.

COASTAL PROTECTION

While all new building sites and infrastructure will be above the predicted 2100 sea level rise, the resilient waterfront park accommodates sea level rise through elevation change. The grade change in the parks and streets around the perimeter of the site acts as a buffer for storm surges and sea level rise. The plantings in the lower areas of the open space areas will be salt tolerant to protect them from potential intermittent seawater inundation.

ACCESS TO NATURE AND RECREATION

As a regional waterfront park, China Basin Park will be a model for sustainable ecological systems and management over time. Its active programming and location on the Bay will make it a learning environment where visitors can engage with the plants and animals that thrive in the local habitat.

The stormwater gardens integrated with the streets bring understory planting and habitat directly to the different program types and site visitors distributed throughout the entire project.

STORMWATER TREATMENT

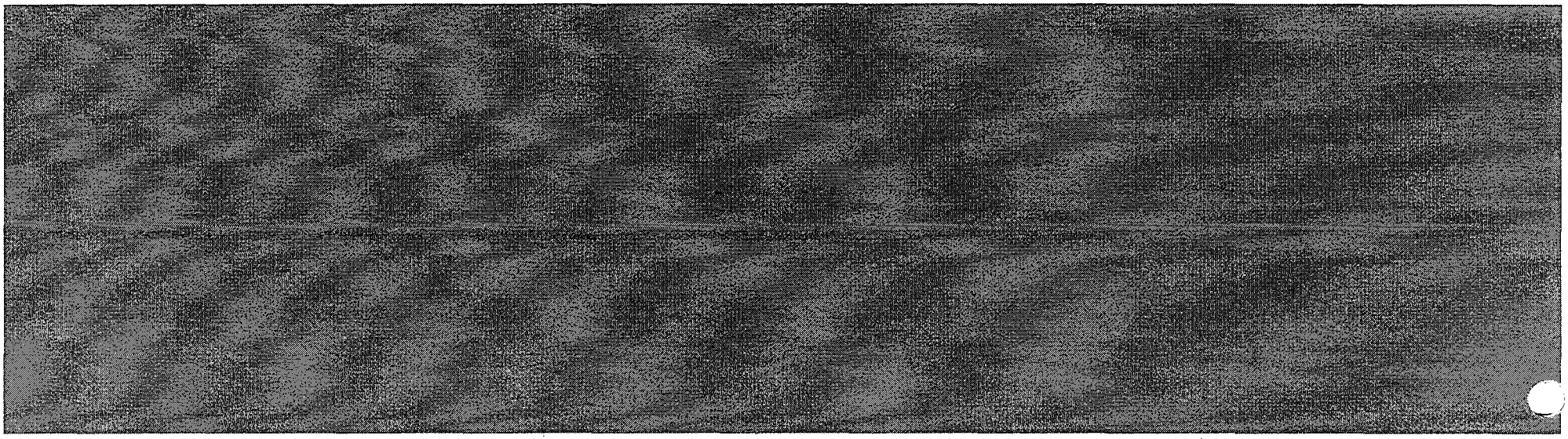
Mission Rock's landscapes and building systems will work together to detain and filter water to minimize impact on city infrastructure and improve water quality. The stormwater management infrastructure is integrated with the streetscape design and open space and serve as an amenity to site occupants and species. The stormwater gardens areas on site will accommodate treatment for all impervious surfaces within the development.

BIODIVERSITY

The low-maintenance native and regionally appropriate plantings on site will require minimal irrigation. Native or climate appropriate grasses, shrubs, and ground cover will provide as much species diversity as feasible in Mission Rock's planting areas. The rain gardens and bioswales will not only retain and filter rainwater, but provide comfortable and visually appealing outdoor environments for humans and wildlife. The green roofs, which reduce the heat island effect, promote biodiversity by providing both food and habitat for local bird species.

The landscape design and plant selection controls invasive species by limiting the opportunities for undesirable species to establish themselves. Landscaping is Bay-Friendly Rated to minimize opportunities for weed establishment and optimize other environmental benefits.

The San Francisco Plant Finder is a resource published by the City for finding plants adapted to microclimates throughout the city. The can be used to find appropriate and water saving plants for the Mission Rock site.



Create a Unique Identity and Sense of Place for the Mission Rock Development

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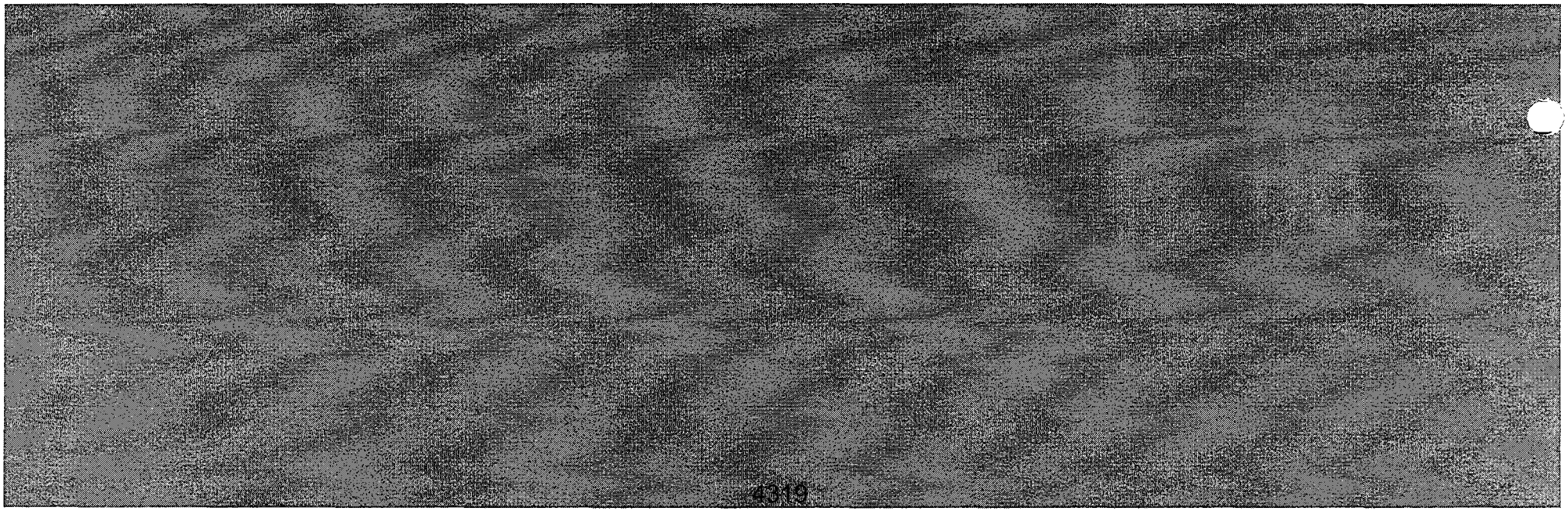

09

COMMUNITY IDENTITY

The diverse mix of uses, careful street design, new parks and open space, will create a distinct identity for the Mission Rock development.

Mission Rock has a unique identity within the larger San Francisco context based on the ample open space, human scale oriented streetscapes, and mix of unique uses. A coherent identity contributes to a successful Type One Ecodistrict.

The neighborhood will have a complete set of uses where the commercial and residential areas directly support the businesses, and the services available on site will make Mission Rock a desirable and distinctive place to live and work.

The unique features that contribute to the identity of the Mission Rock development are described in more detail in the Vision and Design Intent and Development Controls and Design Guidelines documents.

EQUITABLE DEVELOPMENT

Mission Rock will be an inclusive and diverse neighborhood with a mix of residential unit sizes, commercial uses, and retail services. The commercial space in the project will allow more businesses to locate in the city, increasing employment. At completion, the site will include around 1,500 residential units. To ensure the residential units will be available to a broad range of people, 40% of the units have been reserved for low and middle income residents.

The working waterfront adjacent to Pier 48 is reserved for production spaces that are struggling to find space along the waterfront in San Francisco. The waterfront zone will mix these production uses with pedestrian access to showcase the waterfront economy.

The retail spaces along the pedestrian streets and square are designed to enable and encourage local business to operate at the Mission Rock site by providing smaller, more affordable spaces. A diverse retail and service mix is critical to a vibrant and successful street culture.

OPEN SPACE

Open space is distributed throughout the site to serve both occupants of the Mission Rock site and visitors from the rest of the city. Mission Rock Square, located in the middle of the site, will be surrounded by active uses to ensure it acts as the focal point of the neighborhood, a community amenity and gathering space. The native and climate appropriate vegetation contributes to creating a sense of place for occupants and visitors.

China Basin Park, located along the north of the site and across McCovey cove, is a large waterfront park capable of accommodating many types and scales of gatherings and uses. The park will connect visitors and residents with the bay and shoreline.

The Mission Rock site fits into the Bay Trail System, linking the waterfront north of the ballpark with the cycling network below Mission Rock Street.

ACTIVE STREETS

The streets in the Mission Rock development are designed as a tight grid of walkable streets to serve as the setting for a vibrant and lively public life.

Sidewalks are generously sized to encourage businesses to spill beyond the building footprint and the diverse mix of retail storefronts, restaurants, and cafes ensure that the square and streets will have visitors throughout the day. The streets will include more smaller public Street Rooms defined by fixed and moveable furniture and plantings in order to foster social interaction. Vehicle access will be limited to prioritize pedestrians and cyclists, further cementing the development's identity as a community oriented project.

The high density retail, with regular access points, permeable storefronts, and transparency guarantee there will be regular "eyes on the street" which ensure the safety of residents and visitors. By creating an active and well-used site, residents are more likely meet and interact, creating resilient social networks.

WORKING WATERFRONT

The Mission Rock development includes a working waterfront along Terry Francois Boulevard for small scale industrial and production-related businesses. These uses are tied to the historic use of the site as a shipping terminal and industrial production site.

The historic Pier 48 will be preserved and upgraded to provide a new home for the expanded Anchor Brewing. Locating all of these production uses together creates the opportunity to share facilities such as loading facilities and truck access.

[redacted]

Target 50% reduction in GHG emissions over a typical San Francisco development

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[redacted]

10

GHG EMISSION ASSESSMENT

Most of the global climate change over the past 50 years is due to increases in greenhouse gas (GHG) emissions from sources originating from human activity, according to the Intergovernmental Panel on Climate Change (IPCC).

This global average warming causes changes to physical and biological systems that are detrimental to our environment and economic stability. Mission Rock intends to minimize its future GHG emissions through an innovative Transportation Demand Management strategy (TDM) and the purchase of on and off site renewable energy to offset operational GHG emissions for all of the buildings.

The expected greenhouse gas emissions (carbon dioxide equivalents or CO2e) have been assessed for Energy, Water, Transport and Waste for the proposed development at Mission Rock, based on the performance measures that are required by this Sustainability Strategy. These four key performance areas are quantifiable and can be translated to an equivalent impact on greenhouse gas (GHG) emissions.

METHODOLOGY

A methodology for accounting and reporting GHG emissions associated with the Mission Rock development was selected to estimate an equivalent GHG code compliant baseline based on the proposed masterplan and compare potential GHG emission reduction strategies to the GHG baseline in order to track projected GHG emission performance.

This GHG calculation is based on an independent and internationally vetted GHG accounting and reporting protocol, to ensure accuracy and transparency. Atelier Ten evaluated different GHG accounting and reporting protocols and the ICLEI U.S. Community Protocol was determined to be the most appropriate standard to assess the Mission Rock development because it provides guidance on quantifying GHG emissions across a community-wide scope. More information about the accounting methodology can be found in the appendix of this report.

NATIONAL AND LOCAL COMPARISONS

For this assessment, Mission Rock has been compared to a code-compliant equivalent development in San Francisco and also the US national average for greenhouse gas emissions. San Francisco, as a city, has significantly less greenhouse gas emissions per year than the national average. This is predominantly due to state regulations and the renewable component of the local energy supply.

TRANSPORTATION

San Francisco is predominantly a commuter city, so emissions associated with transportation in the City are only marginally different compared to a national case. On average, approximately 86% of national commuters use private vehicles to get to work, while 78% of Bay Area commuters use private vehicles (including carpoolers). The key impact is finding viable alternatives to the use of private vehicles, and by converting private vehicles to lower carbon fuel supply. The Mission Rock development is aiming to be better than a standard San Francisco development and strategies included in the transportation plan are expected to result in at least a 20% reduction in annual carbon emissions associate with transportation.

ENERGY

Due to progressive building codes in California (Title 24, including Part 6,11, and CALGreen) and San Francisco (SF Green Building Code) and local climate conditions, the energy use intensity of new buildings in San Francisco is significantly lower than the national average. In addition, electricity supplied to San Francisco is more than three times cleaner than the average energy supply in the US (due to contributions from renewable and hydroelectric power). This means that carbon emissions associated with energy use in San Francisco are already less than a quarter of the national average. The Mission Rock development looks to improve upon the city's leading emissions performance by requiring all energy used on site to come from 100% renewable sources, eliminating annual carbon emissions associated with operational energy use.

WASTE

Municipal solid waste diversion in San Francisco is about twice the national average, significantly decreasing the GHG emissions associated with landfill waste disposal. As there is still room for improvement in waste diversion, Mission Rock is targeting a further 10% reduction in annual carbon emissions associated with waste by increasing diversion, compared to the current San Francisco diversion rate of 80%

WATER

Water contributes a relatively small percentage of the total GHG emissions both nationwide and in San Francisco. Carbon emissions result from conveyance and treatment. Water conservation is a critical local priority in San Francisco driven by resource scarcity, rather than carbon emissions. However, the exemplar strategies for water conservation and reuse proposed at Mission Rock are expected to result in up to 38% reduction in annual carbon emissions associated with water.

CONCLUSION

For Mission Rock as a whole, the above performance factors combined contribute to an estimated 79% reduction in GHG emissions compared to the US national average. The Mission Rock development will result in an estimated 50% reduction in GHG emissions compared to a San Francisco code compliant development. These carbon emissions reductions may be further improved by the inclusion of the recommended measures detailed in this Sustainability Strategy.

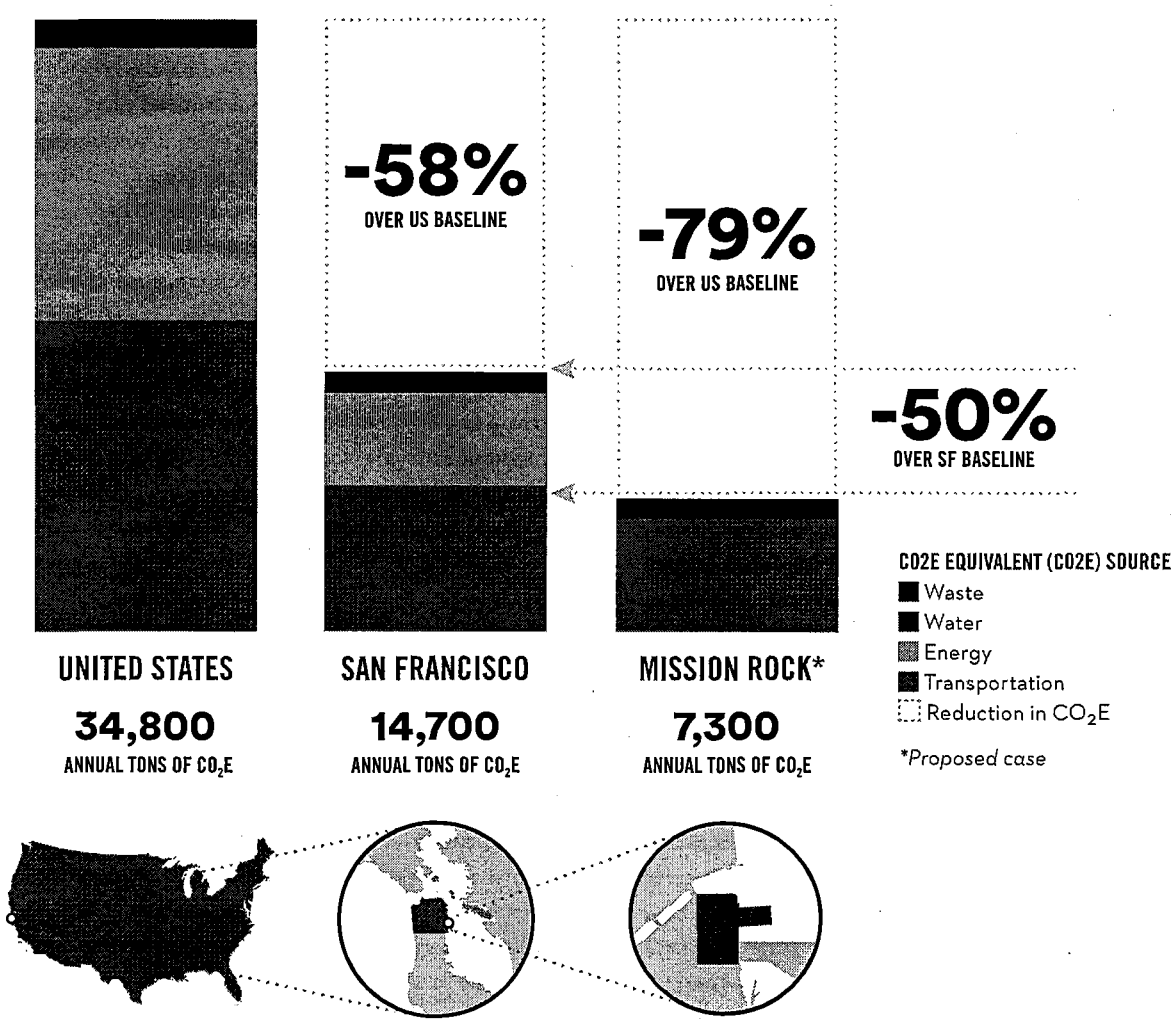


FIGURE 10.1: Site-Wide Carbon Footprint

ENERGY & CARBON

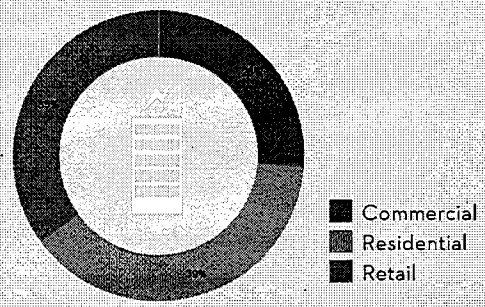
The Mission Rock district has a goal of eliminating all GHG emissions from building operations by requiring that 100% of the site's operational energy demand be met by renewable sources.

Mission Rock requires the central energy plant (CEP) and all buildings on the Mission Rock site to offset their predicted energy use by purchasing on-site or off-site renewable energy infrastructure.

Bay source cooling at the Mission Rock CEP will minimize the energy demand for cooling across the entire site. Mission Rock's requirements for renewable energy investment is based on predicted energy use and will incentivize vertical developers to purchase energy efficiency measures. The Sustainability Strategy also outlines recommendations for tenants to further minimize energy use.

The graph below shows how operations for each building type contribute to carbon emissions before the purchase of renewable energy.

ENERGY CARBON EMISSIONS DISTRIBUTION BY BUILDING TYPE



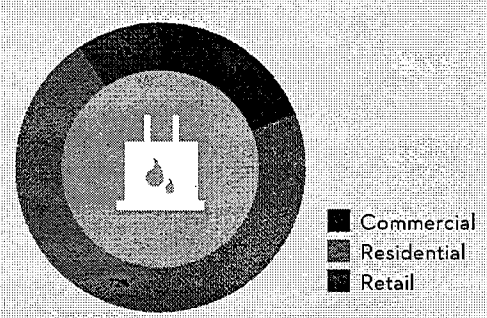
WATER & CARBON

The greenhouse gas (GHG) emissions associated with water primarily originate from the following water processes:

- Supply and conveyance
- Treatment to potable standards
- Municipal distribution
- End-use pumping
- Wastewater collection
- Conventional aerobic treatment

GHG emissions associated with water can be decreased by more than 38% through the use of bay source cooling, centralized graywater reuse, efficient fixtures and water efficient landscape design.

WATER CARBON EMISSIONS DISTRIBUTION BY BUILDING TYPE



TRANSPORTATION & CARBON

The dominant mode of transportation in the area of San Francisco that contains the Mission Rock development is personal automobile. The design of the Mission Rock site is intended to encourage pedestrian use and alternative transportation through smaller city block, MUNI extensions, bicycle lanes, and an enhanced pedestrian realm.

A comprehensive transportation management plan further reduces vehicle miles traveled (VMT) for the site. The combination of the following strategies results in a reduction in carbon emission of 20% or more through reductions in automobile use:

- ease of access to public transit
- on-site bicycle amenities and a safe biking environment
- personal motorized transport
- parking management
- on-site amenities
- site-wide transportation services

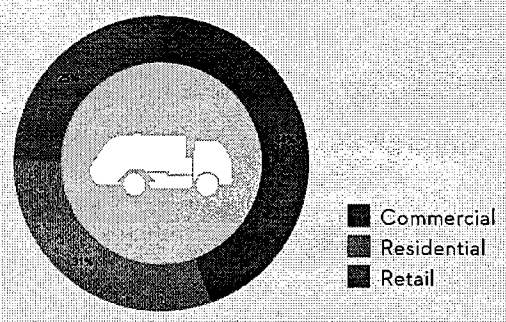
WASTE & CARBON

San Francisco has a goal of zero waste by 2020. Currently San Francisco diverts 80% of its waste from landfill.

However, over half of the material which goes into San Francisco's landfill bins can be recycled or composted. If all materials were sent to the proper bin San Francisco's waste diversion rate could increase to an overall landfill diversion rate of 90%.

Moving from an 80% diversion rate to a 90% diversion rate requires exemplary occupant participation in on-site waste separation. Mission Rock seeks to improve the on-site diversion rate through outreach, education and increased consumer responsibility. Specific measures to achieve this additional 10% reduction are outlined in the Waste section of the Sustainability Strategy.

WASTE CARBON EMISSIONS DISTRIBUTION BY BUILDING TYPE



A

APPENDIX

A1 ECODISTRICT EQUIVALENCY
A2 GLOSSARY
A3 CODES & STANDARDS
A4 GREEN HOUSE GAS ACCOUNTING METHODOLOGY
A5 ASSUMPTIONS & RESOURCES

A1: MISSION ROCK ECO-DISTRICT EQUIVALENCY (TYPE 1: THE BLANK SLATE)

PROSPEROUS DISTRICT

COMMUNITY IDENTITY

COMMUNITY IDENTITY OBJECTIVES	MISSION ROCK APPROACH
To foster resilient communities through social cohesion and partnerships	▸ Outdoor amenity spaces encourage community cohesion ▸ Urban "living room" in the form of central park will proved a shared place for people ▸ "Working waterfront" manufacturing hub
To ensure safe neighborhoods	▸ Activated building streetfronts and pedestrian friendly design encourages neighborhood presence ▸ Adequate site light improves resident security
To incentivize historic preservation	▸ The pier 48 building will be preserved and used by the Anchor Brewing Company

EQUITABLE DEVELOPMENT

EQUITABLE DEVELOPMENT OBJECTIVES	MISSION ROCK APPROACH
To ensure that neighborhood investments provide direct community benefit	▸ Development program mix ensures vibrant community ▸ Small business model for retail ▸ Anchor Brewing to share equipment resources
To provide quality local job opportunities	▸ Employers will be in the newly available commercial real estate ▸ The development will include a mix of both residential and commercial buildings ▸ Construction activities will generate new building industry jobs ▸ Small business manufacturing hub
To promote businesses and investments that protect and enhance the natural environment and grow the green economy	▸ Tenants and residents will be encouraged to live in an environmentally sound manner through incentives and education offered by the Sustainability Management Association

A1: MISSION ROCK ECO-DISTRICT EQUIVALENCY (TYPE 1: THE BLANK SLATE)

EFFICIENT DISTRICT

ENERGY

ENERGY OBJECTIVES	MISSION ROCK APPROACH
To achieve GHG-free, renewable and resilient energy system	▸ 100% renewable energy ▸ Central energy plant with bay sources cooling
To capture all cost effective energy efficiency	▸ Building developers incentivized to invest in energy efficiency before off-site renewable energy
To increase renewable energy generation and procurement	▸ Renewable energy potential (PV and solar thermal) evaluated as part of strategy and recommended for vertical development ▸ Requirement for central energy plant and vertical developer to purchase off-site renewable energy.

WATER

WATER OBJECTIVES	MISSION ROCK APPROACH
To reduce potable water use and increase non-potable water use	▸ Centralized graywater reuse to meet 100% of non-potable demands including flushing and irrigation
To increase water efficiency	▸ Eliminate more than 40 million gallons/yr of water demand through bay source cooling ▸ Efficient fixtures required ▸ Efficient landscape irrigation design with non-potable water
To reduce stormwater runoff	▸ Bioswales will be integrated into the street design ▸ Stormwater treatment wetland will be included on site. Stormwater managed by landscape and supplemented by individual buildings where required. ▸ Green roofs are a potential feature of individual building block design response.

MATERIALS MGMT

MATERIALS OBJECTIVES	MISSION ROCK APPROACH
To achieve zero waste	▸ Mission Rock programs support City of San Francisco programs and zero waste goal through Sustainability Management Association education programs and incentives.
To encourage Adaptive Reuse when possible	▸ Anchor Brewing to occupy the existing pier 48 building

A1: MISSION ROCK ECO-DISTRICT EQUIVALENCY (TYPE 1: THE BLANK SLATE)

BIOPHILIC DISTRICT

HABITAT + ECOSYSTEM FUNCTION

HABITAT + ECOSYSTEM FUNCTION OBJECTIVES	MISSION ROCK APPROACH
To preserve, restore and manage existing open space for habitat and biodiversity	▸ Vegetated open space on site will be increased
To increase open space and the urban forest to enhance ecosystem services	▸ Urban trees will be added to the streetscape and parks ▸ Masterplan includes vegetation and bioswales integrated into street design
To create habitat connectivity citywide	▸ Parks will extend the Mission Bay park system currently exiting along Mission Creek ▸ Waterfront park will expand vegetated accessible waterfront areas in San Francisco

A1: MISSION ROCK ECO-DISTRICT EQUIVALENCY (TYPE 1: THE BLANK SLATE)

CONNECTED DISTRICT

ACCESS + MOBILITY

ACCESS + MOBILITY OBJECTIVES	MISSION ROCK APPROACH
To provide clean, affordable, and reliable transportation options	▸ Adjacent light rail service ▸ Bike and car share programs on site
To reduce vehicle miles traveled and achieve a reduction in single-vehicle occupancy trips	▸ Near regional transit, including Caltrain station and future T-Train extension to BART ▸ Services and retail adjacent to commercial and residential areas to decrease vehicle trips
To ensure streets are accessible, walkable, and safe for pedestrians and non-auto modes of transportation	▸ Pedestrian bulb-outs at pedestrian crossings to increase safety ▸ Pedestrian only street ▸ Separated bicycle routes through site

HEALTH + WELL BEING

HEALTH + WELL BEING	MISSION ROCK APPROACH
To provide access to safe and functional local recreation, parks, and natural areas	▸ Site will include waterfront park, central square and large urban park ▸ Requirements for active building design and visible staircases
To provide access to local, healthy and affordable foods	▸ Farmers market available in central square ▸ Small business retail
To reduce exposure to indoor and outdoor environmental hazards	▸ Construction equipment pollution prevention requirements ▸ Material transparency in material selection ▸ Local natural air filtration will be provided by vegetation on site ▸ Building will employ materials with limited VOC content

A2: GLOSSARY & TERMINOLOGY

WORD / PHRASE	DEFINITION / INFORMATION
CALIFORNIA AB 32	Set into law California State's GHG emissions reductions goals of returning to 1990 levels by 2020, and 80% below 1990 levels by 2050, through the development of discreet early action plans in the following areas: 1) transportation, fuels, and infrastructure, 2) energy generation, transmission and efficiency, 3) waste, 4) water, 5)agriculture, and 6) natural and working lands.
CARBON DIOXIDE	A naturally occurring gas, and also a by-product of burning fossil fuels and biomass, as well as land-use changes and other industrial processes. It is the principal human caused greenhouse gas that affects the Earth's radiative balance. It is the reference gas against which other greenhouse gases are measured and therefore has a Global Warming Potential of 1.
CEP	Central Energy Plant
CO_{2E}	Carbon Dioxide Equivalents: A metric measure used to compare the emissions from various greenhouse gases based upon their global warming potential (GWP). The carbon dioxide equivalent for a gas is derived by multiplying the tons of the gas by the associated GWP.
EMISSION FACTOR	A representative value that relates the quantity of a pollutant released to the atmosphere with an activity associated with the release of that pollutant

WORD / PHRASE	DEFINITION / INFORMATION
FUGITIVE EMISSION	Emissions of gasses or vapors from pressurized equipment due to leaks and other unintended or irregular releases of gases, mostly from industrial activities
GLOBAL WARMING POTENTIAL (GWP)	A relative measure of how much heat a greenhouse gas traps in the atmosphere as compared to the amount of heat trapped by a similar mass of carbon dioxide. Expressed as a factor of carbon dioxide.
GHG	Greenhouse Gas. Any gas that absorbs infrared radiation in the atmosphere. Greenhouse gases include, carbon dioxide, methane, nitrous oxide, ozone, chlorofluorocarbons, hydrochlorofluorocarbons, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride.
GREENHOUSE GAS PROTOCOL	The most widely used international accounting tool for government and business. Developed by the World Resource Institute (WRI) and World Business Council for Sustainable Development (WBCSD)

A3: CODES & STANDARDS

CALIFORNIA CODE
California Code of Regulations, Title 24, Green Building Standards
Part 6 - California Energy Code
Part 11 - California Green Building Standards Code (also referred to as CALGreen)
AB 32: California Global Warming Solutions Act of 2006, Reduce GHG emissions to 1990 levels by 2020

ENTITLEMENTS
Environmental Impact (EIR)
Soil Management Plan (SMP)

STORMWATER & WATER REUSE
San Francisco Stormwater Requirements and Design Guidelines
San Francisco (City and County): Recycled Water Ordinance
San Francisco (City and County): Non-Potable Ordinance
San Francisco Housing Code Chapter 12A Residential Water Conservation Ordinance

GREEN BUILDING CODE
LEED Gold for Buildings or Green Point Rating
San Francisco Building Code, Chapter 13D, Commercial Lighting Efficiency
San Francisco Better Roofs Policy
RESCAPE BAY FRIENDLY LANDSCAPING GUIDELINES

WASTE
San Francisco Environment Code, Chapter 9, Climate Action Plan Solid Waste
San Francisco Mandatory Recycling and Composting Ordinance
San Francisco Building Code, Chapter 13, Section 1302B, Recovery of Construction and Demolition Debris, Construction and Demolition Ordinance
San Francisco Housing Code Chapter 12A Residential Water Conservation Ordinance

TRANSPORTATION
San Francisco Planning Department, Transportation Demand Management Ordinance (Pending, currently scheduled for adoption at the Planning Commission on July 7, 2017.)

A4

GHG ACCOUNTING METHODOLOGY

Most of the global average warming over the past 50 years is extremely likely due to increases in greenhouse gas (GHG) emissions from sources originating from human activity according to the Intergovernmental Panel on Climate Change (IPCC).

This global average warming causes changes to physical and biological systems that are detrimental to our environment and economic stability. In response to these findings, many jurisdictions have developed GHG emission reduction goals. For example, California passed the 2006 Assembly Bill 32: Global Warming Solutions Act (AB 32) and San Francisco developed the 2004 Climate Action Plan for San Francisco. In alliance with these GHG emission reduction goals, Mission Rock intends to minimize its future GHG emissions through reduction strategies.

To determine the most effective GHG emission reduction strategies for the Mission Rock development, Atelier ten developed a tool that evaluates GHG emissions from energy, waste, water, and transportation sources. The purpose of the tool is to 1) define a methodology for accounting and reporting GHG emissions associated with the Mission Rock development, 2) estimate an equivalent CO_2 (CO_2e) baseline based on the proposed masterplan, and 3) compare potential GHG emission reduction strategies to the CO_2e baseline. This tool will be used during development of the Sustainability Strategy to make informed design decisions, track projected GHG emission performance, and demonstrate potential GHG emission reductions on the Mission Rock site.

METHODOLOGY

Atelier Ten have defined a methodology for accounting and reporting GHG emissions specifically associated with the Mission Rock development. This provides an equivalent CO_2 (CO_2e) baseline, which is the concentration of CO_2 that would cause the same effect as a different greenhouse gas. The applied methodology is based on an independent and internationally vetted GHG accounting and reporting protocol to ensure accuracy and transparency. Atelier Ten evaluated ten different GHG accounting and reporting protocols. From this evaluation, Atelier Ten determined that the ICLEI U.S. Community Protocol (Community Protocol) was the best protocol to use to assess the Mission Rock development because it provides guidance on quantifying GHG emissions on a community-wide scope. Unlike the other protocols that assess individual organizations or single projects, the Community Protocol accounts for GHG emissions associated with the sources and activities of an entire community.

To develop the methodology, Atelier Ten adapted the Community Protocol to fit the scope of the Mission Rock development. Atelier Ten did not include the other sectors (agricultural livestock, materials, and consumption-based activities) in the methodology because these sectors are outside the scope of the Mission Rock development or have significant industry-based data gaps. Therefore, the methodology estimates the GHG emissions from the built environment (energy), water, waste, and transportation.

BOUNDARY

Each sector has a different boundary around the Mission Rock site for which associated GHG emissions are included in the CO_2e baseline. For example, the boundary of the built environment is limited to the residential and commercial buildings within the Mission Rock site boundary. The water boundary includes surface water and groundwater supply sources outside of the site boundary. The waste boundary includes landfills and recycling centers within 50 miles of the Mission Rock site. The transportation boundary includes San Francisco, San Mateo, Santa Clara, Alameda, Contra Costa, Solano, Napa, Sonoma, and Marin counties.

EXCLUSIONS

The results from the assessment presented here exclude carbon emissions associated with the proposed Anchor Brewery development (although a preliminary assessment has been completed). The brewery will naturally increase annual carbon emissions across all four performance areas (adding additional uses generally increases greenhouse gas emissions). However, the brewery also has the unique potential to reduce to not only carbon emissions associated with its own operations but also opportunities to reduce carbon emissions across the Mission Rock site. These opportunities have not yet been fully explored by the project team. Once further developed, these proposals are expected to be included in a future update of the Sustainability Strategy.

COMPARISON ASSUMPTIONS & NOTES

- The energy baseline is linked to ASHRAE 90.1 code compliant EUIs for the San Francisco climate.
- It is expected that all development at Mission Rock will need to follow LEED version 4 (effective 2015) requirements. As LEED certification is a San Francisco requirement for new development, this sets a code-compliant base case of at least 5% energy improvement over ASHRAE 90.1-2010.
- The emission factors for electricity and gas were provided by Pacific Gas & Electric, as also used by the project team in the assessment of the central plant. Alternative emissions factors may be supplemented when more is known of the proposed energy supply to the development.
- The water baseline is based on national average performance by using the LEED baseline assumptions for water use.
- GHG Emissions associated with water are a result of conveyance and treatment.
- The baseline estimated waste GHG emissions estimate is based on current diversion rates and disposal methods in San Francisco. The proposed case includes the expected additional achieved diversion.
- The transportation baseline has been established by the Transport Demand Management Plan and data supplied by Adavant Consulting. This is based on the current transportation mode breakdown for the Mission Rock location. The proposed case shows the expected decrease in vehicle miles traveled based on strategies implemented in the TDM plan and the Sustainability Strategy, which are expected to increase use of alternate modes of travel within and to/from the Mission Rock neighborhood.

- Carbon emissions may change as a result of defining carbon emission factors associated with the proposed central plant, depending on the design of the plant and energy sources.
- Carbon results could also easily change as a result of purchasing lower carbon electricity.
- Grid emissions factors are amended on an annual basis to represent the changing energy supply sources across the US.

ENERGY

The built environment includes the residential and commercial buildings as well as the supporting infrastructure in the Mission Rock development. GHG emissions from the buildings, occupant activities, and operational processes are included in the CO_2e baseline. The CO_2e baseline includes GHG emissions associated with the following energy end-uses:

Electricity:

- Hvac
- Lighting
- Plug loads/miscellaneous

Gas:

- Domestic water heating
- Hydronic/space heating
- Kitchen
- Central utility plant (CUP)

GHG emissions associated with the built environment and related energy use were calculated by applying a variety of EUI factors for energy end-uses to aggregated anticipated land use distribution and multiplying by energy use emission factors.

The EUI for the national baseline was estimated using the ENERGY STAR Portfolio Manager U.S. National Median Reference and Energy Information Administration Residential Energy Consumption Survey. Emissions factors for the U.S. baseline were based on the national averages provided by the Environmental Protection Agency's Emissions & Generation Resource Integrated Database (eGRID).

The anticipate EUI for the San Francisco Baseline was calculated based on a Title 24, 2016 code compliant building for the respective program types.

Electricity emission factors from Pacific Gas and Electric (PG&E) annual emissions data was used to calculate the GHG emissions associated with the San Francisco baseline built environment. However, this emission factor can vary each year based upon available energy sources (coal, nuclear, hydro, wind, and solar).

Natural gas emission factors are also provided by PG&E. The natural gas emission factor does not vary annually because it accounts only for the combustion of the gas, not the extraction and delivery of the gas.

Tables 1 and 2 show a summary of the CO_2e baseline assumptions for the built environment/energy sector.

WATER

Water consumption by Mission Rock's residents and businesses will have a relatively small GHG implications because the source of water, distances and topography associated with conveyance, and treatment processes are favorable. Wastewater treatment also creates process, stationary, and fugitive GHG emissions. The CO_2e estimate includes GHG emissions associated with the following water processes:

Supply and conveyance

Treatment to potable standards

Municipal distribution

End-use pumping

Wastewater collection

Conventional aerobic treatment

These processes emit the majority of GHGs associated with water use by Mission Rock's residents and businesses. However, fugitive GHG emissions from wastewater generation and treatment process are included.

Emissions associated with water consumption and wastewater treatment were calculated by applying a variety of energy use intensity factors to selective processes within each system, and multiplying these values by a representative population and per capita water use figure. These values were drawn from the Community Protocol, Appendix F. Table 3 in the Appendix details the assumptions made in characterizing water and wastewater emission profiles.

TRANSPORTATION

Transportation is one of the largest potential sources of GHG emissions in the Mission Rock development. Combustion of fuel in vehicle engines produces various GHG emissions. Electric vehicles also produce indirect emissions from electricity generation. GHG emissions associated with the movement of people and goods by public transportation and vehicles are estimated in the CO_2e baseline.

Vehicles: Emissions associated with transportation are based on the number of vehicles, vehicle type, distance travelled, and emission factors per vehicle type. On-road vehicle statistics are based upon San Francisco averages interpolated for a site weighted percentage, by applying a population diversity factor. This data comes from the EMFAC database software developed by the California Department of Transportation and California Air Resources Board.

EMFAC database provides aggregated vehicle statistics specific to each county in California including vehicle type miles travelled (vmt), vehicle type distribution/population/age/fuel, vehicle type emissions/vehicle/miles, and number of trips. This data is used to determine the estimated number of miles travelled, ignitions, and minutes idling for each vehicle type and class. Emission factors for ignitions, running, and idling are then multiplied by their respective vehicle type miles, ignitions, and idling time to calculate the associated GHG emissions. These were aggregated to create a typical vehicle for San Francisco.

For the Mission Rock site, the number of vehicle miles traveled (VMT) that can be attributed to the site were calculated for a baseline case without any strategies to reduce car reliance. The VMT multiplied by the emissions per mile determined the total GHG emissions due to transportation. Once the transportation strategies had been identified for the site, the estimated reduction in VMT was calculated with the corresponding reduction in GHG emissions.

WASTE

GHG emissions result from the management and natural decay of solid waste. Management of solid waste results in emissions from the combustion of fossil and/or biological fuel in equipment used to transport and process the waste and from the combustion of the solid waste in incinerators and waste-to-energy technologies. The CO_2e baseline includes emissions from the solid waste generated by the residents and businesses in Mission Rock (regardless of where it is disposed of) and emission from the solid waste disposed of inside the Mission Rock boundary.

San Francisco has aggressive waste disposal policies and high diversion rates (80% commercial / 50% residential), which results in relatively low solid waste levels. GHG emissions associated with the collection, transportation, and landfill disposal are included in the CO_2 baseline. Inputs include a per capita waste generation value, collection and transportation emissions factors, efficiency factors to account for various processes involved in the degradation of solid waste, and a mixed stream factor.

Atelier Ten assumed solid waste was sent to the Altamont Landfill, which is within 50 miles of the Mission Rock site. Reliable data on waste stream characterization (ie % paper, % biodegradable, % fabrics, etc.) of the Mission Rock waste stream is not available; therefore, Atelier Ten assumed a representative mixed solid waste stream, with a single emission factor.

Table 5 in the Appendix lists the assumptions made in calculating CO_2e emissions associated with waste generation and disposal for Mission Rock.

EMISSION FACTOR ASSUMPTIONS		
TERM	VALUE	REFERENCE SOURCE
U.S. Electricity emission factor	1,136 lbs. CO_2e/ MWh	EPA Emissions & Generation Resource Integrated Database (eGRID)
SF Electricity emission factor	431 lbs. CO_2e/ MWh	Pacific gas and Electric (PG&E)
Gas Emission Factor	11.7 lbs. CO_2e/ therm	Pacific gas and Electric (PG&E)

TABLE 1: Energy Emission Factor Assumptions

EUI ASSUMPTIONS		
TERM	VALUE	REFERENCE SOURCE
U.S. Commercial EUI	46.2	Peer Projects, ASHRAE 90.1-2007 Baseline
U.S. Residential EUI	27.5	Peer Projects, ASHRAE 90.1-2007 Baseline
U.S. Retail EUI	81.8	Peer Projects, ASHRAE 90.1-2007 Baseline
SF Commercial EUI	33.0	Peer Projects, T24 Code Complaint
SF Residential EUI	25.1	Peer Projects, T24 Code Complaint
SF Retail EUI	72.7	Peer Projects, T24 Code Complaint

TABLE 2: Energy Use Intensity Assumptions

WATER EMISSIONS ASSUMPTIONS		
TERM	VALUE	REFERENCE SOURCE
U.S. water supply source (self/ground/surface)	14/28.4/57.6 %	Community Protocol, Appendix F
U.S. Groundwater Extraction Energy Intensity	540 kWh/MG	Community Protocol, Appendix F
U.S. Water Conveyance, Treatment, and Distribution EI	110/210/540 kWh/MG	Community Protocol, Appendix F
U.S. Wastewater collection and aerobic treatment EI	280/2300 kWh/MG	Community Protocol, Appendix F
CA Water Supply/Conveyance, Treatment, and Distribution EI	150/100/1200 kWh/MG	Community Protocol, Appendix F
CA Wastewater collection and aerobic treatment EI	2500 kWh/MG	Community Protocol, Appendix F
CA grey water pump, grey water treatment EI	19.03 9 kWh/MG	Atelier Ten Energy Analysis

TABLE 3: Water Use Emission Assumptions

TRANSPORTATION EMISSIONS ASSUMPTIONS		
TERM	VALUE	REFERENCE SOURCE
Commercial Regional VMT	19.1 Daily VMT/capita	Mission Rock Transportation Impact Study
Residential Regional VMT	17.2 Daily VMT/capita	Mission Rock Transportation Impact Study
Retail Regional VMT	14.9 Daily VMT/capita	Mission Rock Transportation Impact Study
Commercial Site VMT	12.1 Daily VMT/capita	Mission Rock Transportation Impact Study
Residential Site VMT	3.5 Daily VMT/capita	Mission Rock Transportation Impact Study
Retail Site VMT	10.4 Daily VMT/capita	Mission Rock Transportation Impact Study
Emissions per Mile Traveled	434 g CO_2e/mile	Calculated Value from EMFCA 2014

TABLE 4: Transportation Emission Assumptions

WASTE ASSUMPTIONS		
TERM	VALUE	REFERENCE SOURCE
Residential per Capita Waste Generation	5.4 lbs/day/person	US EPA, San Francisco value
Commercial Per Employee Waste Generation	1,515 lbs/employee/year	2006 Alameda Waste Characterizatin Study
Commercial Per Employee Waste Generation	2,881 lbs/employee/year	2006 Alameda Waste Characterizatin Study
SF Waste Diversion Rate	51%	Calculated from San Francisco department of public works, municipal refuse collection rates comparative analysis, 2012
US Waste Diversion Rate	35%	EPA, Advancing Sustainable Materials Management: 2013 Fact Sheet
Waste material mass fraction	100% mixed solid waste	
Municipal solid waste emission factor	0.06 mt CH_4 per wet short ton	Community Protocol, Appendix E, Table SW5 (epa data source)
Landfill process emissions factor	0.011 mt CO_2 per wet short ton	Community Protocol, Appendix E (US EPA Municipal Solid Waste publication 2008)
LFG collection Efficiency (on-site landfill gas collection equipment)	0.75	Community Protocol, Appendix E (US EPA Municipal Solid Waste publication 2008)
Collection emissions factor (assumes CNG fueled municipal collection fleet)	0.014 mt CO_2 per wet short ton	Community Protocol, Appendix E , SW6 (US EPA Municipal Solid Waste publication 2008)
Transportation process emissions factor (assumes CNG fueled municipal collection fleet)	0.0001 mt CO_2e per wet short ton/mile	Community Protocol, Appendix E , SW6 (US EPA Municipal Solid Waste publication 2008)
Distance travelled to city landfill	50 miles	

TABLE 4: Waste Emission Assumptions

A5: WATER

The Mission Rock development identified zero water waste, where no potable water is used for non-potable demands, as the primary water goal. This goal minimizes the impact of the development on water systems by aggressively reducing the overall water demand and producing on-site recycled water to meet the site's non-potable demand.

Recycled water distribution piping serving each building is required by the city and is assumed in all of the cases.

Rainwater was excluded from the calculations because the seasonal availability means that it would not be possible to meet the zero water waste goal throughout the summer without huge storage capacity.

REUSE OPTIONS CONSIDERED

Various reuse options were evaluated, including decentralized graywater treatment and reuse, centralized graywater or blackwater treatment and distribution using a variety of buildings as potential sources, and an option to team with adjacent developers to engage a third party recycled water provider. On-site centralized graywater treatment with collection from a limited number of residential buildings was determined to be the most cost effective strategy to meet the zero water waste goal.

The site water demands for irrigation and flushing were calculated to determine the anticipated demand for water. The availability of non-potable water was determined for each option and compared against the non-potable demand to determine if the zero water waste goal could be met.

A detailed description of each of the primary water reuse options that was considered is included below and in Figure A5.1.

CODE MINIMUM DECENTRALIZED TREATMENT

The current version of San Francisco's Mandatory Use of Alternate Water Supplies In New Construction Ordinance No. 109-15 as amended in May 2015 requires water reuse in new buildings larger than 250,000 ft . Currently this only applies to five buildings in the Mission Rock development: A, B, C, F, and G. Future versions of the ordinance may extend this requirement to all buildings.

To minimally meet the code, graywater reuse systems would be required within five buildings, but the remaining buildings on site wouldn't have recycled water, so the option falls short of the zero water waste goal.

1. Code Minimum Centralized Treatment

A centralized graywater treatment system that only collects graywater from the buildings that are required by code to have reuse systems places no additional burden on other buildings in the development. Graywater collection piping would be required in five buildings and the street.

This case, summarized as Option 1 in Figure A5.1 uses a centralized treatment that distributes recycled water to all buildings on site and provides sufficient water to meet the zero water waste goal, however collecting water from office buildings is inefficient because they do not produce much graywater and due to spatial

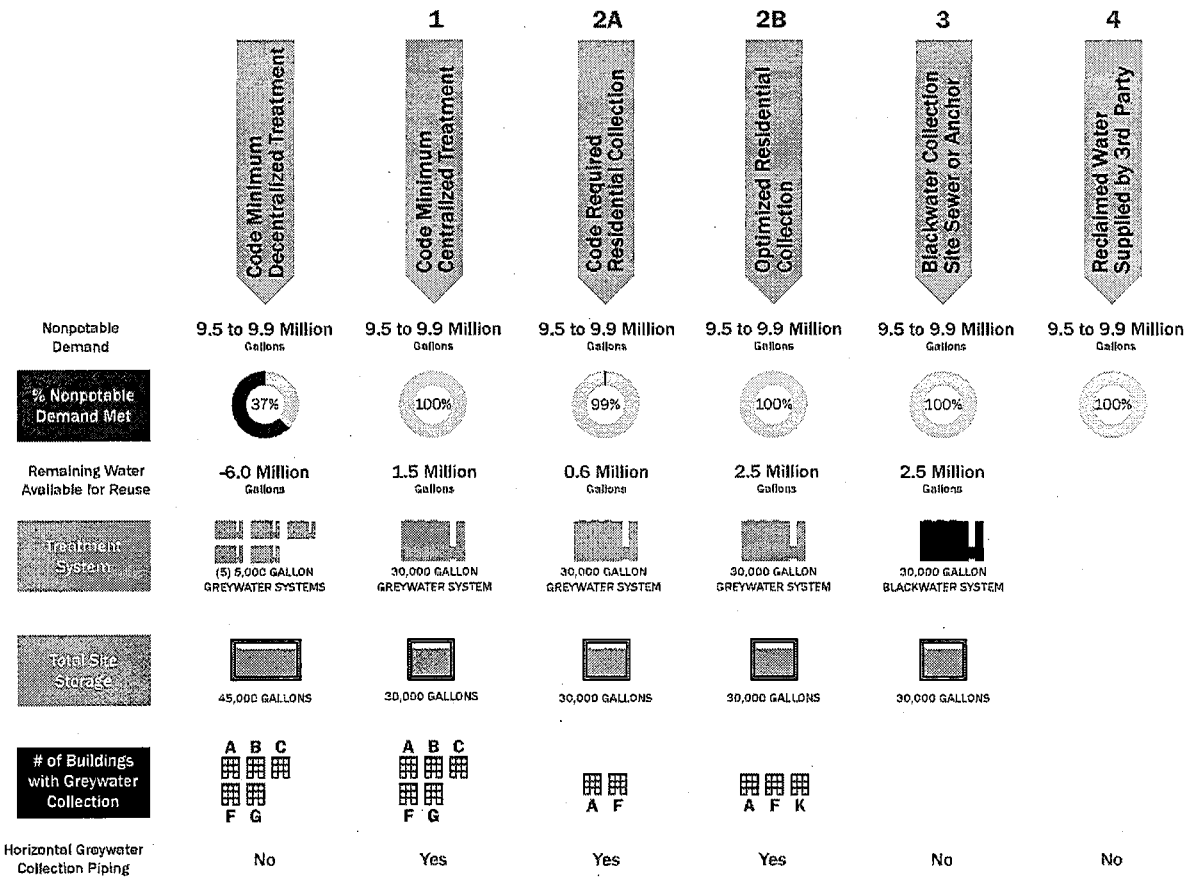


FIGURE A5.1: Recycled Water Options

constraints under certain streets it was not possible to provide the pipes to bring graywater form all of these buildings to a central location.

2A. Code Required Residential Collection
Limiting water collection to residential buildings A and F because they produce substantially more graywater than commercial buildings is more cost and material efficient than case 1, but does not meet the zero water waste goal.

2B. Optimized Residential Collection
To reach the zero water waste goal, including building K in addition to A and F ensures that enough graywater producing buildings are connected to the collection and treatment system. This case was selected for the Mission Rock development because it includes the smallest infrastructure investment while easily meeting the zero water waste goal. The infrastructure requirements in the streets for this scenario are feasible.

3. Blackwater Collection
Blackwater could be withdrawn directly from sewer so no additional collection piping in buildings or the street would be required in a blackwater treatment case. Water quality testing requirements, and cost are substantially more than a graywater treatment system. A blackwater treatment system also requires a larger footprint in the central plant for equipment and water storage. This option could easily meet the zero water waste goal, but has additional operational and infrastructure requirements that make it less desirable than a graywater option.

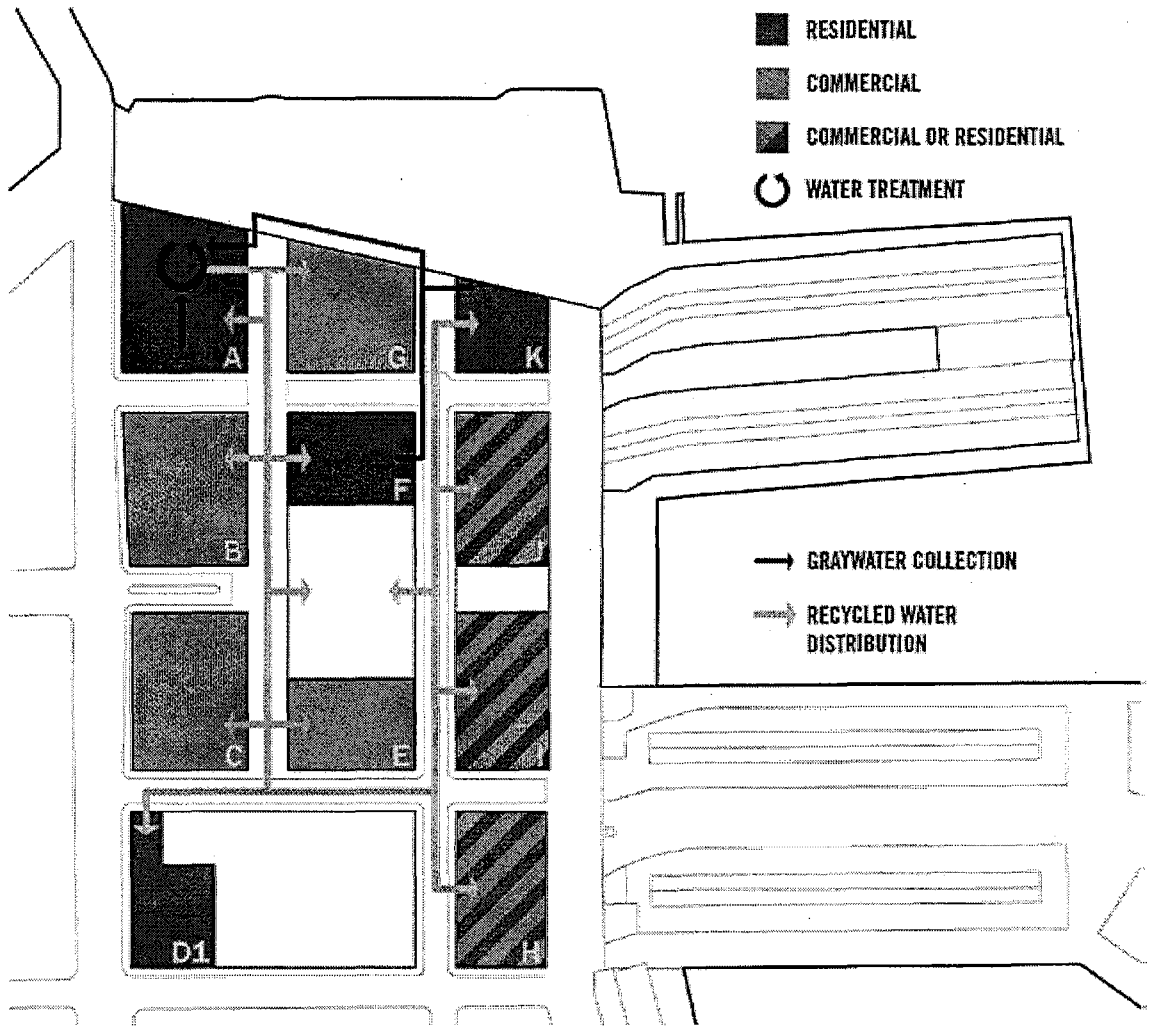


FIGURE A5.2: Graywater collection and recycled water distribution infrastructure

4. Recycled Water Supplied by 3rd Party

A third party supplying recycled water to the site would require the smallest infrastructure investment on site, but due to the operational timeline, is not a viable option for the Mission Rock project. The SFPUC and third party operators have proposed municipal neighborhood scale recycled water supply systems, but these supplies will not be available.

WATER REUSE OPTION PROPOSED

The optimized graywater collection from residential buildings meets all of the project requirements while limiting infrastructure investment. Figure A5.3 shows the anticipated collection and distribution layout. Calculation summary tables are included at the end of this section.

Phasing

Because two residential buildings with graywater collection, A and K, are included in Phase I, there should be a sufficiency supply of treated graywater to meet all flushing and irrigation demands on site until Building F is built in Phase III.

Infrastructure

The central energy plant is currently planned in Building A and will include sufficient space for a graywater treatment and storage system.

Graywater collection from residential buildings is required in buildings A, F, and K. Because of space limitations in the streets, it is anticipated that the collection piping will be routed along the inside of China Basin Park.

SITE INFORMATION

PARCEL	USE	TOTAL GFA [FT²]	Area/Person [sf/person]	Occupants
A	Residential	350,200	500	700
B	Commercial	242,654	250	971
C	Commercial	324,548	250	1,298
D	Residential	238,828	500	478
E	Commercial	125,275	250	501
F	Residential	307,720	500	615
G	Commercial	279,698	250	1,119
H	Commercial	129,914	250	520
I	Commercial	129,634	250	519
J	Commercial	129,458	250	518
K	Residential	121,146	500	242
	Retail	264,777	130	2,037
	TOTAL	**2,643,852**	**3,880**	**9,517**

FIXTURE RATES

USE	WC [gpf]	URINAL [gpf]	LAVATORY [gpm]	KITCHEN FAUCET [gpm]	SHOWER [gpm]	WASHING MACHINE [gpc]
Commercial	1.28	0.125	0.5	1.8	1.5	N/A
Residential	1.28	N/A	1	1.8	1.5	20
Retail	1.28	0.0125	0.5	1.8	1.5	N/A

FIGURE A5.3: Collection and distribution layout

Recycled water distribution piping is required by the city and will serve all of the buildings and park in Mission Rock development. Mission Rock is working with the SFPUC to confirm who will own and maintain these pipe and ensure that they can be charged with recycled water from the central treatment system.

BAY SOURCE COOLING

Bay source cooling is currently anticipated for the project, saving more than 40 million gallons of water a year by eliminating the need for cooling towers and their associated water consumption.

If the bay source cooling is not viable for the project due to regulatory obstacles, cooling towers will be instated in the project to meet the cooling demand. If this is the case the water demand of the cooling towers should be met with non-potable sources. Graywater resources from all buildings on site are insufficient to meet the 40 million gallon anticipated demand. Blackwater harvesting and treatment from both buildings and the brewery wastewater would begin to meet this demand. If cooling towers are introduced to the project, the approach to water conservation and reuse will have to be reassessed.

DAILY END USE DEMAND

PARCEL	USE *Water Input* *Water Output*	WC [gal/day] *Non-potable* *Blackwater*	URINAL [gal/day] *Non-potable* *Blackwater*	LAVATORY [gal/day] *Potable* *Greywater*	KITCHEN FAUCET [gal/day] *Potable* *Blackwater*	SHOWER [gal/day] *Potable* *Greywater*	WASHING MACHINE [gal/day] *Potable* *Greywater*
A	Residential	2,690	-	3,502	5,043	8,405	4,202
B	Commercial	2,485	121	364	437	728	-
C	Commercial	3,323	162	487	584	974	-
D	Residential	1,834	-	2,388	3,439	5,732	2,866
E	Commercial	1,283	63	188	225	376	-
F	Residential	2,363	-	3,077	4,431	7,385	3,693
G	Commercial	2,864	140	420	503	839	-
H	Commercial	1,330	65	195	234	390	-
I	Commercial	1,327	65	194	233	389	-
J	Commercial	1,326	65	194	233	388	-
K	Residential	930	-	1,211	1,745	2,908	1,454
	Retail	1,521	7	216	199	336	-
	TOTAL	23,277	687	12,437	17,307	28,849	12,215

TOTAL ANNUAL SUPPLY & DEMAND

PARCEL	USE *Water Type*	POTABLE DEMAND [gal] *potable*	NON-POTABLE DEMAND [gal] *non-potable*	GREYWATER SUPPLY [gal] *greywater*	BLACKWATER SUPPLY [gal] *Blackwater*
A	Residential	7,720,509	981,681	4,997,879	-
B	Commercial	397,467	677,587	-	-
C	Commercial	531,610	906,268	-	-
D	Residential	5,265,202	669,483	-	-
E	Commercial	205,200	349,818	-	-
F	Residential	6,783,995	862,601	4,391,626	-
G	Commercial	458,145	781,029	-	-
H	Commercial	212,799	362,772	-	-
I	Commercial	212,340	361,990	-	-
J	Commercial	212,052	361,499	-	-
K	Residential	2,670,785	339,596	1,728,935	-
	Retail	274,245	557,716	-	-
	Irrigation	-	2,144,868	-	-
	TOTAL	24,944,350	9,356,906	11,118,440	-

4350

A5: ENERGY

The Mission Rock development is focused on reducing the GHG emissions associate with energy consumption. A variety of approaches were analyzed to define the most effective structure for meeting the district's energy requirements. These approaches included Title 24 exceedance, a energy use intensity (EUI) target, and a percentage better than ASHRAE 90.1-2010. Ultimately, a requirement for 100% renewable energy was selected for the Mission Rock development because it eliminates GHG emissions associated with energy consumption on site and encourages efficiency at the building scale.

CONSIDERED APPROACHES

Title 24 Exceedance

Tying the energy performance to Title 24 through a fixed percentage better than code was considered as a method to enforce increased building efficiency. Because of uncertainty in projecting energy code requirements and challenges in demonstrating compliance with current Title 24 modelling software this was not considered an effective approach. The Title 24 energy model also uses a different energy metric and a standardized operational schedule and climate file, so modeled energy performance may differ considerably from actual operational energy consumption.

EUI Target

A ramping EUI target for each of the different building types was also considered. However, understanding how an EUI target would track with code was not feasible because California has not indicated its path to meeting its 2030 Net Zero Energy goals. As a result, establishing an EUI target which continues to be aggressive but achievable relative to code is challenging. An EUI target may substantially over or underestimate code, either becoming meaningless because it is too easy to comply with or excessively difficult, placing a burden on developers.

Also, an EUI target does not accurately reflect differences in operation schedule and occupancy type that might occur within each building type. An office building with late night occupants and lots of equipment would have the same target as an office building that sticks to a strict regular office hours schedule with few computers, even though it would consume substantially more energy, potentially causing unequal burden on different developers.

ASHRAE 90.1 Exceedance

A percentage improvement over ASHRAE 90.1-2010 baseline was also considered as a method for enforcing energy efficiency because it accommodates different occupancies is the industry recognized standard used for LEED compliance. The primary concern is that it does not track with changing energy code in California and will not remain aggressive enough throughout the Mission Rock timeline.

PROPOSED APPROACH

In the end, the team arrived at an approach with that calls for 100% renewable energy to eliminate GHG emissions associated with energy consumption. The program requires developers to purchase off-site renewable energy to offset all of the energy consumption at the building scale. This structure provides incentive for vertical developers to build more efficient buildings by associating up front cost with operational energy cost. Developers can determine the most cost effective path to meeting this requirement through a balance of energy efficiency and renewable investment. A minimum level of building performance is guaranteed by Title 24 energy code, and given the progressive nature of this code, will remain at the cusp of viable energy efficiency.

Off-site Renewable Energy

While on-site renewable would be preferred, there is not enough space on site to meet energy demand with on-site renewable energy generation. Figure A5.6 shows the potential for on-site renewable energy including solar panels installed on the roof and a proportional share of Pier 48 and adjacent Pier 50. Even with all of these sources, a typical building will only be able to meet less than half its annual energy demand with on-site renewable sources. Off-site solar panels installed at a remote site can provide sufficient renewable energy to serve the project. Additionally, solar potential is greater in locations outside of the Bay Area.

Investing directly in new renewable energy generation capacity is central to ensuring the Mission Rock development receives its power from renewable sources. Renewable energy credits (RECS) are not an acceptable source of off-site renewable energy offsets because they cannot be proven to result in direct investment in new renewable sources and so do not meet the additionality requirement for the Mission Rock development. Similarly, the existing renewable energy component of the electric grid is existing and cannot be counted towards the renewable energy requirement on the Mission Rock site.

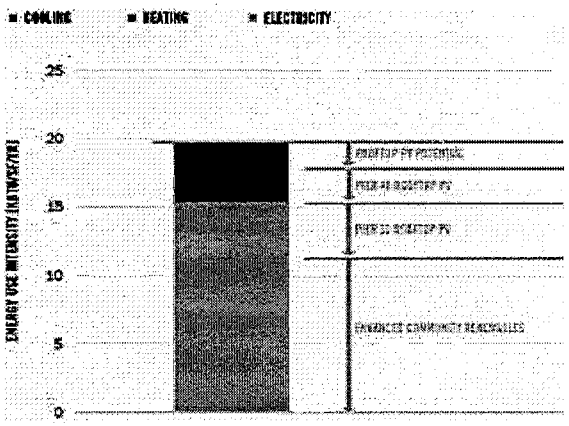


FIGURE A5.6: On-Site Renewable Potential

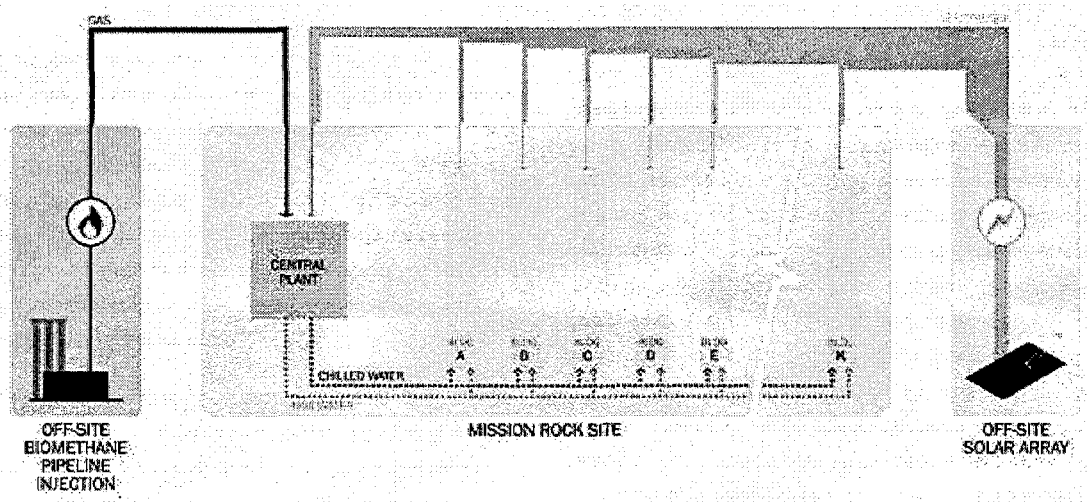


FIGURE A5.7: Off-site Electricity and Biomethane Renewable Energy Offset

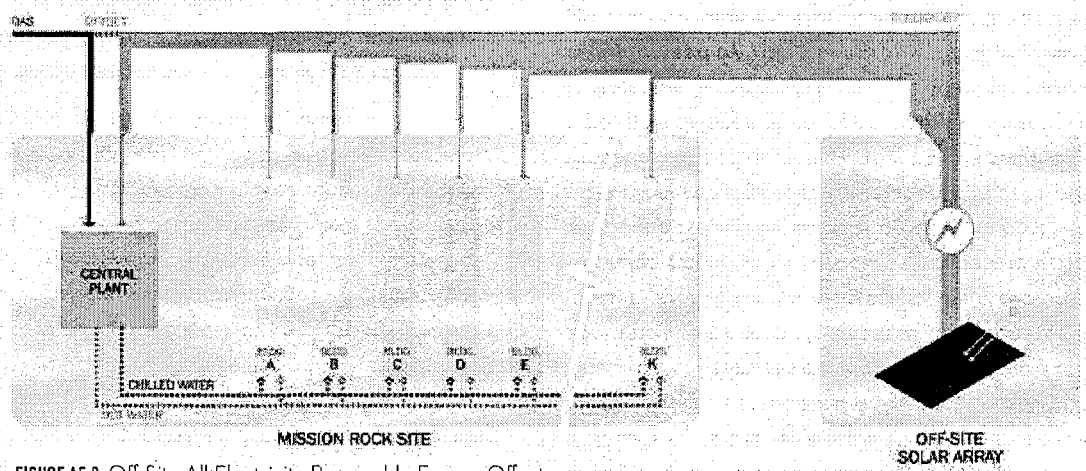


FIGURE A5.8: Off-Site All Electricity Renewable Energy Offset

The anticipated energy demand determined as part of the energy modelling conducted for LEED certification will be used to determine the required renewable energy investment. The energy model will be reviewed by the Green Business Certification Institute (GBCI) and part of LEED certification, placing the technical verification of the energy performance on an impartial third party. The anticipated annual energy use of the building will determine the amount of off-site renewable energy that needs to be purchased. On-site renewable energy can contribute to compliance, but off-site renewable energy will be required to reach 100%.

While vertical developers will primarily control the core and shell of the building, savings in tenant areas of the building can be enforced (and thus reduce the renewable energy requirement) through lease agreements or other legal structures.

There are a variety of factors that have to be clarified to ensure that a program like this will be possible on the Mission Rock site including utility provider, metering requirements, rate structure, how gas consumption at the central plant and individual buildings will be accommodated, and cost of the program.

UTILITY PROVIDER

The exact utility program or metering structure to allow off-site renewable power will be determined as the development progresses. The electricity utility serving the site will either be PG&E or SFPUC Power. Each has different implications for off-site renewable energy.

Precedents for purchasing off-site renewable energy in this manner exist, but Mission Rock will still be providing an innovative and progressive solution to renewably sourcing energy for the development. The goal of 100% renewable energy is an commitment informed by utility limitations, energy markets, and environmental impact.

Pacific Gas & Electric

For PG&E there are a couple of rate structures that may allow offsite renewable energy to server the site.

Direct access: This program allows large customers to purchase energy directly. PG&E still provides administration and delivery for the energy, but the customer can negotiate energy purchases directly from the generation source of their choice. Aggregating all of the service points on the Mission Rock site may make this approach viable. The PG&E direct access program is currently at the maximum annual load cap, although the cap may be expanded or the program changed when the Mission Rock buildings open for occupancy. Direct access is also typically only for commercial accounts, not residential. The expansion of the direct access program is currently being considered by the State Assembly.

Regional Solar Choice: In this program, solar developers build solar farms and negotiates to sell power directly to customers. PG&E is still responsible for billing, administration, metering and transmission. This program is best managed at the building scale, where individual vertical developers engage with solar developers to provide offsite renewable energy for the whole building. The Regional Solar Choice program currently has a 2019 closing date, but the program cap may be expanded and the timeline extended once reviewed by the CPUC. Any renewable energy that falls under this program does not count towards the renewable portfolio standard required in California, which requires 33% renewable energy by 2020 and 50% by 2030. The regional solar program limits system size to 3 MW, which should substantially exceed individual building demand.

Because of the size and regulatory environment of PG&E, the Mission Rock project would probably have to fit into an existing rate structure.

San Francisco Public Utilities Commission

The SFPUC may be the electricity utility provider on the Mission Rock site as the property is owned by the Port of San Francisco. SFPUC serves city properties in San Francisco, but is expanding service to non-city customers, including the Pier 70 development. SPFUC power is generated entirely by Hetch Hetchy hydro power. If the Mission Rock development connects to this power source, the power consumed on site could be considered 100% carbon free, but California does not consider power from large scale hydro projects to be renewable to count towards the renewable portfolio standard. Also this power would not meet the additionality requirement established by the Mission Rock project because the generation infrastructure is existing and the project would not be investing in new renewable generation sources meant solely to serve the project.

If SFPUC is power provider on site, there may be more flexibility to create a program that meets the goals for the site, while meeting metering and regulatory requirements. Arranging this program would require meeting with the SFPUC to determine the both the metering requirements and generation source. This may be easiest to manage at horizontal developer scale, to simplify negotiations. A structure similar to PG&E's Direct Access program or a program where SFPUC operates the generation source, but the Mission Rock development pays for the infrastructure, could work.

If none of these options with either utility meet Mission Rock's requirements, a pure financial transaction "contract for differences" might be a viable alternative. Mission Rock would enter into an agreement with a solar developer to build and operate a renewable energy generation source. The solar developer would then sell this power directly to the utility at wholesale prices. This revenue would then be used to offset the cost of power purchased on the Mission Rock site. A program like this would essentially work as a virtual net metering arrangement at the utility scale. This acts as a hedge against the cost of power increasing.

CENTRAL PLANT OFFSETS

The central plant will also need to offset its energy consumption with a renewable source. The electricity required to operate the chillers and other equipment can be offset the same as the rest of the electricity on site, while the approach to offsetting gas consumption may require a different approach.

Biomethane Pipeline Injection

Biomethane produced from biomass, dairy manure, or other low impact sources can be injected into the grid to offset traditional gas production and consumption. This gas can be purchased remotely by customers to offset gas consumption on a project site. This method of gas offset is very similar to the structure proposed for renewable electricity offsets on the Mission Rock site. There are multiple companies injecting biomethane into the natural gas grid in California. Biomethane grid injection is the preferred energy approach as it is a direct investment in gas This approach is summarized in Figure A5.7.

On-site Biomethane Production

Wastewater, rich in nutrients, from the Anchor Brewery on site can be used to produce biomethane for use in the central plant. The amount of energy produced by this system is difficult to predict without further information from Anchor, but it would probably be insufficient to meet the entire demand of the central plant and the remaining offset would have to be met through other approaches. Furthermore, Anchor may already be planning to install a system to treat their wastewater and produce energy, which would make this source of biomethane unavailable to the Mission Rock central plant.

Electricity Offsets

The natural gas consumption in the central plant and individual buildings can be offset with renewable energy, where the renewable production is equal to the gas consumption of the central plant. A framework for translating gas consumption to electricity is defined in the DOE definition of Net Zero buildings in "A Common Definition for Zero Energy Buildings" which permits the use of renewable energy to offset non-renewable fuel consumption. This approach to gas consumption offsets is summarized in Figure A5.8.

This approach would require the roofspace of Pier 48, the parking garage in Parcel D, or equivalent renewable energy output off-site.

Exhibit A
Sustainability Strategy Implementation Checklist

Sustainability Strategy	Requirement Summary*	Implementation Responsibility	Compliance Timing	Compliance Enforcement Process
ADAPTABILITY & RESILIENCE	Site Elevation Meets 2100 projection for sea level rise			
Sea Level Rise Protection	All building finished floors to be elevated to 104 ft. (MBD) or 15.3 ft. (NAVD88).	Master Developer	Phase Application	Port to confirm finish grade for all parcels are elevated to at least 104 feet at a point along the property line during review of Basis of Design with each Phase Application.
Storm Surge Protection	Saline-tolerant native or climate appropriate plant species shall be included in the maintenance and management strategy of the storm water gardens adjacent to the Bay to increase resilience of treatment gardens in the case of inundation in a Bay flood event.	1. Master Developer 2. Master Developer	1. Review of Parks and Open Space Operations and Maintenance Plan 2. Schematic Design Review of China Basin Park	1. Port to confirm specification of saline-tolerant native or climate appropriate plant species in stormwater gardens during review of Operations and Management Plan for China Basin Park. 2. Port to confirm specification of saline-tolerant native or climate appropriate plant species in stormwater gardens during review for Schematic Design Application completeness for China Basin Park.
Passive Survivability	Pursue a central energy plant (CEP) and a centralized graywater treatment plant to increase likely-hood that heating, cooling and non-potable water could be provided during times when City supplies become unavailable. [subject to confirmation of feasibility]	Master Developer	Phase 1 Application	Port to confirm Phase 1 Application includes a feasibliity study for the central energy plant and/or central greywater treatment plant. If the feasibility study indicates that the central water treatment plant and/or central energy plant are feasible, the study shall include a detailed description of the proposed facility(ies). If the feasibility study indicates that the central water treatment plant and/or central energy plant are not feasible, the study shall include a narrative describing why the facility(ies) are considered infeasible.
WATER	Zero Water Waste: Meet 100% Of Non-Potable Water Demand With Non-Potable Sources			
Water Efficiency Standards	Vertical developer must install or implement a tenant lease agreement that requires tenant to install domestic water efficient fixtures that meet or exceed the following performance requirements. All eligible fixtures must be Water Sense or ENERGY STAR labeled.	Vertical Developer	Parcel Lease	Port to confirm provision for tenant lease agreements in Parcel Lease that requires tenant to install domestic water efficient fixtures that meet or exceed water efficiency standards in Sustainability Strategy.
Central Water Treatment	Pursue a central water treatment plant that has sufficient capacity to treat, store, and distribute recycled water to all buildings and vegetated open space on site. [subject to confirmation of feasibility]	Master Developer	Phase 1 Application	Port to confirm Phase 1 Application includes a feasibliity study for the central water treatment plant. If the feasibility study indicates that the central water treatment plant is feasible, the study shall include a detailed description of the proposed facility. If the feasibility study indicates that the central water treatment plant is not feasible, the study shall include a narrative describing why the facility is considered infeasible.

*Refer to the Mission Rock Sustainability Strategy for a complete description of each Requirement.

Recycled Water Distribution	All building, vegetated open space, and streetscapes must connect non-potable demands to the recycled water distribution system. This includes toilets, urinals, and irrigation at minimum.	1. Master Developer 2. Vertical Developer	1. Schematic Design Review of Park Parcels 2. Building Permit for Vertical Improvements	1. Port to confirm specification of purple pipe and connection to recycled water distribution system in open space plans during review for Schematic Design Application completeness. 2. Port to confirm specification of purple pipe and connection to recycled water distribution system building plans during review during review of Vertical Improvement Permit Applications.
Graywater Collection	Graywater collection piping should be provided in buildings A, K, and F, or alternative locations that are projected to collect graywater sufficient to meet all non-potable demands on the Mission Rock site. This quantity is currently projected to require collection from all showers, lavatory sinks, and washing machines at a minimum. Graywater collection lines shall be provided to facilitate graywater collection. Any pumps required to maintain pressurization of the site-wide graywater collection lines will be provided by the vertical developer on a building by building basis. [Greywater collection will not be required if the site uses a centralized blackwater treatment system]	1. Master Developer 2. Vertical Developers for blocks A, K and F	1. Phase 1 Application 2. Building Permit for Vertical Improvements	1. Port to confirm Phase 1 Application includes a feasibliity study for the central water treatment plant. If the feasibility study indicates that the central water treatment plant is feasible, the study shall include a detailed description of the proposed facility. If the feasibility study indicates that the central water treatment plant is not feasible, the study shall include a narrative describing why the facility is considered infeasible. 2. Port to confirm specification of greywater collection systems within buildings A, K and F, including pumps to pressurize site-wide graywater distribution system in building plans during review during review of Vertical Improvement Permit Applications.
Irrigation and Vegetation	All vegetation on site must use recycled water provided from the non-potable water treatment system to meet 100% of their irrigation demand.	1. Master Association 2. Vertical Developer	1. Review of Parks and Open Space Operations and Maintenance Plan 2. Building Permit for Vertical Improvements	1. Port to confirm requirement for use of recycled water for landscape irrigation during review of Operations and Management Plan for each park and open space. 2. Port to confirm compliance with Non-Potable Water Ordinance during review of Vertical Improvement Permit Applications.

* Refer to Mission Rock Sustainability Strategy for a complete description of each Requirement.

*Refer to the Mission Rock Sustainability Strategy for a complete description of each Requirement.

Sustainability Strategy	Requirement Summary*	Implementation Responsibility	Compliance Timing	Compliance Enforcement Process
ENERGY	100% of Building Energy Demand Met with Renewable Energy Sources			
Central Thermal Energy Plant	Pursue one or more central utility plants on site that supply chilled water and heating hot water to all buildings on site. The plant shall utilize bay water for heat rejection to increase the efficiency of the energy system. [subject to confirmation of feasibility]	Master Developer	Phase 1 Application	Port to confirm Phase 1 Application includes a feasibliity study for the central energy plant. If the feasibility study indicates that the central energy plant is feasible, the study shall include a detailed description of the proposed facility. If the feasibility study indicates that the central energy plant is not feasible, the study shall include a narrative describing why the facility is considered infeasible.
Central Thermal Energy Plant Connection	Connect buildings to central energy plant thermal utilities. [subject to confirmation of feasibility]	Vertical Developer	Building Permit for Vertical Improvements	Port to confirm connection to district hot and chilled water lines during review of Vertical Improvement Permit Applications.
Off-Site Renewable Energy	Building developers shall model the anticipated energy demand. Developers will be required to submit the final energy documentation provided for LEED certification along with the GBCI review comments. The anticipated energy use will define the developer's purchase of off-site renewable energy generation. The GBCI-reviewed LEED energy model shall determine the kWh that must be offset through off-site renewable energy. The developer shall purchase off-site renewable energy through a power purchanse agreement.	1. Master Association 2. Vertical Developer	1. Recordation of Master CC&Rs 2. Building Permit for Vertical Improvements	1. Port to confirm requirement for building owners to purchase renewable energy in Master CC&Rs prior to provideing consent for recoration of CC&Rs. 2. Port to confirm completion of energy demand model during review of Vertical Improvement Permit Applications.
Energy Reporting	Report energy use for each building on an ongoing basis. At a minimum, energy reporting should be on an annual basis and include all energy types. All vertical developers must enter their modeled energy use in ENERGY STAR Portfolio Manager and use Portfolio Manager to track energy use on an ongoing basis.	1. Master Association 2. Master Association	1. Recordation of Master CC&Rs 2. Annually, at a time to be determined by Master Association.	1. Port to confirm requirement for building owners to report energy use in ENERGY STAR Portfolio Manager to Master Association in Master CC&Rs prior to provideing consent for recoration of CC&Rs. 2. Master Association will provide annual report to the Port on energy use for all occupied buildings.
RESOURCE CONSERVATION	75% Construction Waste Diversion Maximize Occupant Source Separation and Resource Recovery			
Construction Waste Management	All construction and demolition projects will be required to achieve a minimum 75% waste diversion rate as defined by the LEED v4 Reference Guide	1. Master Developer 2. Vertical Developer	1. Construction Contracts 2. Construction Contracts	1. Port to confirm requirement for 75% waste diversion rate in included in Horizontal Improvement construction contracts. 2. Port to confirm requirement for 75% waste diversion rate in included in Vertical Improvement construction contracts.

*Refer to the Mission Rock Sustainability Strategy for a complete description of each Requirement.

Refuse Infrastructure & Receptacles	Vertical developers will be required to provide adequate and easily accessible space in all buildings for the three primary refuse streams collected in San Francisco: landfill, recycle, and compost. Work with the SFE Zero Waste Team to design refuse collection on site. If waste chutes are provided, one for each refuse stream will be required. All three refuse receptacle types to be provided at any refuse collection point both inside the buildings and throughout the Mission Rock site. Refuse chutes and receptacles to include pest prevention features	1. Master Developer 2. Vertical Developer	1. Review of Parks and Open Space Operations and Maintenance Plan 2. Building Permit for Vertical Improvements	1. Port to confirm requirements for collection of landfill, recycle and compost in parks and streets during review of Parks and Open Space Operations and Managment Plans. 2. Port to confirm space provided in buildings for receptacles for landfill, recycle and compost during review of Vertical Improvement Permit Applications.

*Refer to the Mission Rock Sustainability Strategy for a complete description of each Requirement.

HEALTH & WELLNESS	Provide Site With High Outdoor Air Quality, Active Design Opportunities, And Daylight & Views			
Construction Activity Pollution Prevention	Provide a construction activity pollution prevention plan (CAPP) that addresses mandatory requirements for the following as defined in the Mission Rock Sustainability Strategy: Construction Light Pollution Temporary Lighting Efficiency Construction Equipment Emissions Dust and Odor Control Dust control with non-potable water Generator Controls	1. Master Developer 2. Vertical Developer	1. Construction Contracts 2. Construction Contracts	1. Port to confirm requirement for CAPP in bid instructions for Horizontal Improvement construction contracts prior to bidding. 2. Port to confirm requirement for CAPP in for Vertical Improvement construction contracts prior to bidding.

SUSTAINABLE MATERIALS	Encourage Manufacturer Transparency And Selection of Low Impact Materials			
Global Warming Potential: Steel	Request EPDs from steel manufacturers	1. Master Developer 2. Vertical Developer	1. Construction Contracts 2. Construction Contracts	1. Port to confirm requirement for contractors to request EPDs from steel manufacturers is included in construction contracts for Horizontal Improvement. 2. Port to confirm requirement for contractors to request EPDs from steel manufacturers is included in construction contracts for Vertical Improvement.
Global Warming Potential: Concrete	Require EPDs from all concrete manufacturers Review concrete EPDs and consider lower global warming potential as a criteria in selecting a concrete provider	1. Master Developer 2. Vertical Developer	1. Construction Contracts 2. Construction Contracts	1. Port to confirm requirement for contractors to request EPDs from concretre manufacturers and consideration of lowering global warming as criteria in selecting a concrete provider construction contracts for Horizontal Improvements. 2. Port to confirm requirement for contractors to request EPDs from concretre manufacturers and consideration of lowering global warming as criteria in selecting a concrete provider construction contracts for Vertical Improvements.
Sustainable Material Certification Bodies	Require contractors to provide subcontractors with list of certification bodies for materials as seen in Figure 7.2 of the Sustainability Strategy: Sustainable Material Certification Bodies	1. Master Developer 2. Vertical Developer	1. Construction Contracts 2. Construction Contracts	1. Port to confirm requirement for contractors to provide subcontractors with list of certification bodies for materials in contracts for Horizontal Improvements. 2. Port to confirm requirement for contractors to provide subcontractors with list of certification bodies for materials in contracts for Vertical Improvements.

*Refer to the Mission Rock Sustainability Strategy for a complete description of each Requirement.

DDA EXHIBIT B9

"Required Submittals for SOP Compliance Request"

DDA EXHIBIT B9

REQUIRED SUBMITTALS FOR DEVELOPER REQUEST FOR A DETERMINATION OF SOP COMPLIANCE

The following items must be submitted to the Port as part of the Request for a Determination of SOP Compliance.

If Public Works has not issued a Determination of Completion for any Phase Improvement, the following are required:

- ❑ Append copies of any Determinations of Completion for the Phase Improvement(s) previously issued by Public Works, if applicable.
- ❑ Complete all work described in the permit including instructional bulletins (IBs) and notice of correction report (NCRs).
- ❑ Complete corrective work described in "field observation reports".
- ❑ Complete as-built record drawings as required per Section 12.4 of the DDA.
- ❑ Confirm infrastructure built within the limits of easements and no additional rights are needed.
- ❑ Obtain sign-off from the Engineer of Record
- ❑ Obtain sign-off from the Landscape Architect of Record.
- ❑ Obtain sign-off from third party utility companies.
- ❑ Provide evidence of Port permit completion, including punch list.
- ❑ Prepare a binder with the following:
    - Evidence of SFPW Americans with Disabilities Act sign-off
    - For improvements for which the PIA contemplates bonding, dedication, completeness, and acceptance to be determined by the Port, bonds for 10% of the estimated cost of completion for a one year period.
    - Conditional assignment of warranties to the agency accepting the Phase Improvement(s)
    - Evidence of a recorded Notice of Completion by the Developer
    - Evidence that the Notice of Completion has been given to all direct contractors and claimants per California Civil Code section 8190
    - Preliminary Title Report
    - Offer of Dedication for Improvements for Port-owned improvements
    - Offer of Dedication for Improvements for publicly-owned improvements, if not covered under previous offers.
    - Offer of Dedication for Public Easements (if not already obtained)
    - Provision of appropriate rights granted to Port for safe access for pedestrians and vehicles to Port facilities via Developer's improvements in unaccepted streets

CITY AND COUNTY OF SAN FRANCISCO
MARK FARRELL, MAYOR

MISSION ROCK MASTER LEASE

LEASE NO. L-[_____]

BETWEEN THE

THE CITY AND COUNTY OF SAN FRANCISCO
OPERATING BY AND THROUGH THE
SAN FRANCISCO PORT COMMISSION

AS LANDLORD

AND

[NAME OF TENANT]

AS TENANT

DATED AS OF _____, 201[___]

ELAINE FORBES
EXECUTIVE DIRECTOR

SAN FRANCISCO PORT COMMISSION

KIMBERLY BRANDON, PRESIDENT
WILLIE ADAMS, VICE- PRESIDENT
LESLIE KATZ, COMMISSIONER
DOREEN WOO HO, COMMISSIONER

DRAFT

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BASIC LEASE INFORMATION

Lease Date:	_____, 201[XX]
Lease Number:	_____
Landlord or Port:	**CITY AND COUNTY OF SAN FRANCISCO,** a municipal corporation, operating by and through the **SAN FRANCISCO PORT COMMISSION**
Landlord's Address:	Port of San Francisco Pier 1 San Francisco, California 94111 Attention: Director of Real Estate Telephone: (415) 274-0400 Facsimile: (415) 274-0494
Tenant:	[SWL 337 Associates, a Delaware limited liability company]
Tenant's Contact Person:	Jack Bair
Tenant's Address:	24 Willie Mays Plaza San Francisco, CA 94107 Attention: General Counsel Telephone: (415) 972-2000 Facsimile: (415) 972-2317 Email: jbair@sfgiants.com
Tenant's Billing Address:	24 Willie Mays Plaza San Francisco, CA 94107 Attention: General Counsel Telephone: (415) 972-2000 Facsimile: (415) 972-2317 Email: jbair@sfgiants.com
Premises:	As of the Commencement Date, the Premises consists of: That certain real property known as Seawall Lot 337, consisting of approximately [_____] square feet of paved land generally bounded by Terry A. Francois Boulevard, Mission Rock Street, and Third Street located in the City and County of San Francisco, State of California, together with any and all Improvements, Horizontal Improvements, and Subsequent Construction thereto (the "**Initial Premises**"). The Initial Premises is more particularly depicted in

	Exhibit A attached hereto and made a part hereof. [Legal Description to be confirmed] The Premises is further subject to adjustment as provided in ***Section 1.4*** of this Lease. The Premises is further subject to Port's reservation of rights as provided in ***Section 1.3***.
Expansion Areas:	The Initial Premises may be expanded from time to time in accordance with ***Section 1.5***.
Length of Term:	A maximum of [**conform to DDA term**] unless earlier terminated in accordance with this Lease.
Commencement Date:	The Effective Date of this Lease.
Expiration Date:	[**conform to DDA term**], unless earlier terminated in accordance with this Lease.
Permitted Use:	The Premises will be used solely for the Primary Permitted Uses and Ancillary Permitted Uses described below; provided that throughout the Term, Tenant will, in good faith, balance the various Permitted Uses, as may be required in Tenant's reasonable discretion, taking into account the overall development of the Project, the Horizontal Improvements, the Vertical Improvements and the other revenue producing Permitted Uses. Tenant will primarily use the Premises for the following two (2) uses (collectively, the "**Primary Permitted Uses**"): (i) development of the Horizontal Improvements, including necessary construction staging, temporary streets in locations determined by Tenant, and a temporary project management office(s); and (ii) so long as development of the Horizontal Improvements is not materially and adversely impacted, parking for bicycles and motor vehicles. The Premises may also be used for the following ancillary uses (collectively, the "**Ancillary Permitted Uses**"): (i) construction staging in connection with the development of Vertical Improvements, subject to ***Section 4.3***; (ii) Special Events, subject to the procedures set forth in ***Exhibit XX*** (iii) Activation Uses; (iv) auxiliary uses in connection with Ballpark Events and Special Events, such as temporary wireless and media communication equipment and sale of merchandise, food, and beverages; (v) subject to ***Section 4.3*** installation and maintenance of signage;

	(vi) model units and sales/leasing offices relating to Vertical Improvements; and (vii) any other uses authorized by the Port in writing, which authorization may be withheld in Port's sole discretion.
Rent:	As set forth in ***Exhibit D*** attached hereto.
Security Deposit:	An amount equal to two (2) months Base Rent.

MASTER LEASE

THIS MASTER LEASE (this "**Lease**" or "**Master Lease**") dated for reference purposes as of the Lease Date set forth in the Basic Lease Information, is by and between **THE CITY AND COUNTY OF SAN FRANCISCO** (the "**City**"), operating by and through the **SAN FRANCISCO PORT COMMISSION** ("**Port**"), as landlord, and **[SWL 337 ASSOCIATES**, a Delaware limited liability company ("**Tenant**"). The Basic Lease Information that appears on the preceding pages and all Exhibits and Schedules attached hereto are hereby incorporated by reference into this Lease and will be construed as a single instrument and referred to herein as this "**Lease.**" In the event of any conflict or inconsistency between the Basic Lease Information and the Lease provisions, the Basic Lease Information will control. All initially capitalized terms used herein are defined in ***Article 44*** or have the meanings given them when first defined.

THIS LEASE IS MADE WITH REFERENCE TO THE FOLLOWING FACTS AND CIRCUMSTANCES:

A. Port is an agency of the City, exercising its functions and powers over property under its jurisdiction and organized and existing under the Burton Act and the City's Charter. The Waterfront Plan is Port's adopted land use document for property within Port jurisdiction, which provides the policy foundation for waterfront development and improvement projects.

B. Port and [Seawall 337 Associates, LLC, a Delaware limited liability company] ("**Master Developer**"), are parties to that certain Disposition and Development Agreement dated as of , 201_ (the "**DDA**") that governs the mixed-use development of an approximately 28-acre site, known as "Mission **Rock Site**", as more particularly described in the DDA as the "**Project Site**"). :

[insert list of material entitlements] (collectively, the "**Project Approvals**")

C. The DDA sets forth a parcel disposition process under which Port will enter into ground leases for each of the Development Parcels within the Project Site with a Vertical Developer. The Vertical Developer may be Master Developer, on behalf of itself or through its Affiliates, or, if Master Developer fails to exercise its option to lease such Development Parcel, to third parties selected in accordance with the requirements of the DDA.

D. Master Developer has an obligation under the DDA to construct new and upgraded Horizontal Improvements on the Premises in accordance with the Project Approvals, and to create Development Parcels that will be served by the necessary infrastructure for their intended use. In order to provide Master Developer with access to and possession of the Project Site through the completion of the Horizontal Improvements, the Parties wish to enter into this Master Lease, setting for the terms and conditions under which Master Developer will lease the Premises. As provided hereunder, upon conveyance of a Development Parcel, the description of the Premises hereunder will be adjusted to remove the applicable Development Parcel from this Master Lease.

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. PREMISES; DEMISE; LICENSE.

1.1. *Premises.*

(a) **Lease of Premises; Description**. For the Rent and subject to the terms and conditions of this Lease, Port hereby leases to Tenant, and Tenant hereby leases from Port, the "**Premises**" described in the Basic Lease Information as of the Commencement Date hereof.

(b) **Accessibility Inspection Disclosure**. California law requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a

Certified Access Specialist ("**CASp**") to determine whether the property meets all applicable construction-related accessibility requirements. The law does not require landlords to have the inspections performed. Tenant is hereby advised that the Premises has not been inspected by a CASp and Port will have no liability or responsibility to make any repairs or modifications to the Premises in order to comply with accessibility standards. The following disclosure is required by law:

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties will mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

(c) **San Francisco Disability Access Disclosures**. Tenant is hereby advised that the Premises may not currently meet all applicable construction-related accessibility standards, including standards for public restrooms and ground floor entrances and exits. Tenant understands and agrees that Tenant may be subject to legal and financial liabilities if the Premises does not comply with applicable federal and state disability access Laws. As further set forth in ***Article 8*** (Compliance with Laws), Tenant further understands and agrees that it is Tenant's obligation, at no cost to Port, to cause the Premises and Tenant's use thereof to be conducted in compliance with the Disabled Access Laws and any other federal or state disability access Laws. Tenant will notify Port if it is making any alterations, Improvements, or Horizontal Improvements to the Premises that might impact accessibility standards required under federal and state disability access Laws.

(d) **No Right to Encroach**.

(i) If Tenant (including, its Agents, Invitees, successors and assigns) uses or occupies space outside the Premises without the prior written consent of Port (the "**Encroachment Area**"), then upon written notice from Port ("**Notice to Vacate**"), Tenant will immediately vacate such Encroachment Area and if such Encroachment Area is controlled by Port, pay as Additional Rent for each day Tenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area, multiplied by the then current fair market rent for such Encroachment Area, as reasonably determined by Port (the "**Encroachment Area Charge**"). If Tenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period will be prorated based on a thirty (30) day month. In no event will acceptance by Port of the Encroachment Area Charge be deemed a consent by Port to the use or occupancy of the Encroachment Area by Tenant, its Agents, Invitees, successors or assigns, or a waiver (or be deemed as a waiver) by Port of any and all other rights and remedies of Port under this Lease.

(ii) In addition, Tenant will pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars ($300.00), which amount will be increased by One Hundred Dollars ($100.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter, upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Port determines during subsequent inspection(s) that Tenant has failed to vacate the Encroachment Area, then Tenant will pay to Port, as Additional Rent, an amount equaling Four Hundred Dollars ($400.00), which amount will be increased by One Hundred Dollars ($100.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter, for each additional Notice to Vacate, if applicable, delivered by Port to Tenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area

represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Tenant's failure to comply with the applicable Notice to Vacate and Port's right to impose the foregoing charges will be in addition to and not in lieu of any and all other rights and remedies of Port under this Lease. [**NOTE: Amounts to increase by $50 every 5 years after DDA execution**]

(iii) In addition to Port's rights and remedies under this ***Section 1.1(d)***, the terms and conditions of the Indemnity and waiver provision set forth in ***Article 19*** (Indemnification of Port) will also apply to Tenant's (including, its Agents, Invitees, successors and assigns) use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Tenant will additionally Indemnify Port from and against any and all loss or liability resulting from delay by Tenant in surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any claims against Port made by any tenant or prospective tenant founded on or resulting from such delay and Losses to Port due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

(iv) All amounts set forth in this ***Section 1.1(d)*** will be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area. By signing this Lease, each Party specifically confirms the accuracy of the statements made in this ***Section 1.1(d)*** and the reasonableness of the amount of the charges described in this ***Section 1.1(d)***.

1.2. ***Limitations.***

(a) **Permitted Encumbrances**. The interests granted by Port to Tenant pursuant to ***Section 1.1(a)*** are subject to (i) the matters reflected in ***Exhibit E*** (the "**Permitted Title Exceptions**"), (ii) [CFD and Assessment Matters]; (iii) the existing infrastructure related to the thirty (30) inch and twelve (12) inch outfalls for stormwater drainage (collectively, the "**Outfall Infrastructure**"), as further described in ***Section 1.3(a)***, (iv) the rights and obligations of each party to the Billboard Agreement, as further described in ***Section 1.3(b)*** and (iv) such other matters as Tenant will cause or suffer to arise subject to the terms and conditions of this Lease (collectively, the "**Permitted Encumbrances**").

(b) **Subsurface Mineral Rights**. Under the terms and conditions of Article 2 of the Burton Act, the State has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying the Premises. In accordance with the provisions of Sections 2 and 3.5(c) of the Burton Act, Tenant and Port hereby acknowledge that the State has reserved the right to explore, drill for and extract such subsurface minerals, including oil and gas deposits, solely from a single point of entry outside of the Premises, provided that such right will not be exercised so as to disturb or otherwise interfere with the Leasehold Estate or the use of the Premises, including the ability of the Premises to support the Improvements, but provided further that, without limiting any remedies the Parties may have against the State or other parties, any such disturbance or interference that causes damage or destruction to the Premises will be governed by ***Article 15***. Port will have no liability under this Lease arising out of any exercise by the State of such mineral rights (unless the State has succeeded to Port's interest under this Lease, in which case such successor owner may have such liability).

(c) **"AS IS WITH ALL FAULTS"**. TENANT AGREES THAT PORT IS LEASING THE PREMISES TO TENANT, AND THE PREMISES ARE HEREBY ACCEPTED BY TENANT, IN THEIR EXISTING STATE AND CONDITION, "**AS IS, WITH ALL FAULTS,**" SUBJECT TO THE TERMS OF THIS LEASE. TENANT ACKNOWLEDGES AND AGREES THAT NEITHER PORT NOR ANY OF THE OTHER INDEMNIFIED PARTIES HAS MADE, AND THERE IS HEREBY DISCLAIMED, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, WITH RESPECT TO THE CONDITION IN, ON, UNDER, ABOVE, OR ABOUT THE PREMISES,

TITLE TO THE PREMISES, THE SUITABILITY OR FITNESS OF THE PREMISES OR ANY APPURTENANCES THERETO FOR THE DEVELOPMENT, USE, OR OPERATION OF THE IMPROVEMENTS, THE COMPLIANCE OF THE PREMISES WITH ANY LAWS, ANY MATTER AFFECTING THE USE, VALUE, OCCUPANCY OR ENJOYMENT OF THE PREMISES, OR ANY OTHER MATTER PERTAINING TO THE PREMISES, ANY APPURTENANCES THERETO OR THE IMPROVEMENTS, AND AS FURTHER DESCRIBED HEREIN.

Tenant further acknowledges and agrees that it has been afforded a full opportunity to inspect Port's records relating to conditions in, on, around, under, and pertaining to the Premises. Port makes no representation or warranty as to the accuracy or completeness of any matters contained in such records. Tenant is not relying on any such information. All information contained in such records is subject to the limitations set forth in this ***Section 1.2(c)***. Tenant represents and warrants to Port that Tenant has performed a diligent and thorough inspection and investigation in, on, around, under, and pertaining to the Premises, either independently or through its own experts including (i) the quality, nature, adequacy and physical condition in, on, around, under, and pertaining to the Premises including the structural elements, foundation, and all other physical and functional aspects in, on, around, under, and pertaining to the Premises; (ii) the quality, nature, adequacy, and physical, geotechnical and environmental condition in, on, around, under, and pertaining to the Premises, including the soil and any groundwater (including Hazardous Materials conditions (including the presence of asbestos or lead) with regard to the building, soils and any groundwater); (iii) the suitability in, on, around, under, and pertaining to the Premises for the Improvements and the Horizontal Improvements and Tenant's planned use of the Premises; (iv) title matters, the zoning, land use regulations, and other Laws governing use of or construction in, on, around, under, and pertaining to on the Premises; and (v) all other matters of material significance affecting in, on, around, under, and pertaining to the Premises and its development and use under this Agreement.

As part of its agreement to accept the Premises in their "**As Is With All Faults**" condition, Tenant, on behalf of itself and its successors and assigns, will be deemed to waive any right to recover from, and forever release, acquit and discharge, Port, the City, and their respective Agents of and from any and all Losses, whether direct or indirect, known or unknown, foreseen or unforeseen, that Tenant may now have or that may arise on account of or in any way be connected with (i) the physical, geotechnical or environmental condition in, on, under, above, or about the Premises, (ii) the suitability of the Premises for the development of the Improvements and the Horizontal Improvements, the Permitted Uses, value, occupancy or enjoyment of the Premises, title matters, (iii) any Laws applicable thereto, including Environmental Laws or any other matter pertaining to the Premises, any appurtenances thereto or the Improvements or the Horizontal Improvements; provided, however, the foregoing waiver will not apply to Losses arising from or relating to (a) the gross negligence or willful misconduct of the Indemnified Parties, or (b) arising from Pre-Existing Hazardous Materials so long such Pre-existing Hazardous Materials are not Released or Exacerbated.

In connection with the foregoing release, Tenant acknowledges that it is familiar with California Civil Code Section 1542, which provides as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED THE SETTLEMENT WITH THE DEBTOR.

Tenant agrees that the release contemplated by this ***Section 1.2(c)*** includes unknown claims pertaining to the subject matter of this release. Accordingly, Tenant hereby waives the benefits of Civil Code Section 1542, or under any other statute or common law principle of similar effect, in connection with the release contained in this ***Section 1.2(c)***.

Tenant Initials: _____

(d) **Title Defect**. Port will have no liability to Tenant in the event any defect exists in Port's title to the Premises as of the Commencement Date and no such defect will be grounds for a termination of this Lease by Tenant. Tenant's sole remedy with respect to any such existing title defect will be to obtain compensation by pursuing its rights against any title insurance company or companies issuing title insurance policies to Tenant.

(e) **No Light, Air or View Easement**. This Lease does not include an air, light, or view easement. Any diminution or shutting off of light, air or view by any structure which may be erected on lands near or adjacent to the Premises or by any vessels berthed near the Premises will in no way affect this Lease or impose any liability on Port, entitle Tenant to any reduction of Rent, or affect this Lease in any way or Tenant's obligations hereunder.

(f) **Unique Nature of Premises**. Tenant acknowledges that: (i) Port's regular maintenance may involve activities, such as pile driving, that create noise and other effects not normally encountered in locations elsewhere in San Francisco due to the unique nature of the Premises; (ii) there is a risk that all or a portion of the Premises will be inundated with water due to floods or sea level rise; and (iii) there is a risk that sea level rise will increase the cost of operations, maintenance, and repair of the Premises.

1.3. ***Reservation of Rights***. Without limiting anything else in this Lease, Port hereby reserves, and Tenant accepts the Premises subject to, the following reservation of rights:

(a) **Access for Maintenance and Repair Easement of Outfall Infrastructure**. **[Note: Subject to further discussion.]** The Outfall Infrastructure drains Stormwater from the Premises and other nearby Port property. Portions of the Outfall Infrastructure are located within the Premises and will be removed, replaced and/or relocated in connection with the development of the Project. Accordingly, during the Term, Port hereby reserves for itself and its Agents, rights of access over and under the areas more particularly depicted on ***Exhibit XX*** as Outfall Area #1 and Outfall Area #2 **[Note: May need to be expanded]** (collectively, the "**Outfall Infrastructure Area**") for purposes of locating, maintaining, repairing, removing and replacing the Outfall Infrastructure (collectively the "**Outfall Work**"). Port will use commercially reasonable efforts during performance of any Outfall Work not to unreasonably interfere with the Permitted Uses. The Outfall Work will be performed only after at least ten (10) business days' prior written notice to Tenant (except in the case of emergencies) and Port will use commercially reasonable efforts to adjust the scheduled period of the Outfall Work if it would materially and adversely interfere with the Permitted Uses. In connection with the development of each Phase of the Project, Master Developer will be removing, replacing and/or relocating portions of the Outfall Infrastructure (as applicable, the "**Relocated Outfall Infrastructure**"). Upon commencement of Master Developer's work on a portion of the Relocated Outfall Infrastructure until the applicable Relocated Outfall Infrastructure is Accepted by Port or other City Agency, as applicable, Port will not perform, nor will it have, any maintenance and repair responsibilities for such portion of such Relocated Outfall Infrastructure.

(b) **Billboard Agreement**. This Lease is subject to the terms and conditions of that certain License No. 16115 between Outfront Media LLC, a Delaware limited liability company ("**Billboard Licensee**") and Port, dated as of March 30, 2016, as amended from time to time (as amended, the "**Billboard Agreement**"). Port will deliver a notice of termination to the Billboard Licensee within thirty (30) days after the Commencement Date. Such notice of termination will set forth the termination date, which termination date will be no later than October 1, 2018 (or later as agreed by the Parties if such later date would not materially and adversely affect the Site Preparation, as reasonably determined by Tenant). Port will not be in default of its obligations under this Lease if the existing Billboard has not been removed from the Premises as of the date Site Preparation commences as long as Port is diligently pursuing the termination of the Billboard Agreement and removal of the Billboard.

(c) [Discuss and include procedures for 3rd Street Bridge construction and construction staging area for such project within the Premises.]

1.4. ***Adjustment of Premises for Development.*** From time to time during the Term, the legal description of the Premises will be modified in accordance with this ***Section 1.4***, and the term "**Premises**" refers to the property that is subject to this Lease at the time.

(a) Development Parcels.

(i) As provided under each Vertical DDA, Port will convey a leasehold interest in Development Parcel to the Vertical Developer in order to convey such leasehold interest in a Development Parcel to a Vertical Developer, Port and Tenant must execute, acknowledge, and record a Partial Release of Master Lease in the form attached hereto as Exhibit [XX] ("**Partial Release of Master Lease**") for such Development Parcel.

(ii) Port will provide Tenant at least ten (10) business days' prior notice of the anticipated conveyance date for each Development Parcel ("**Anticipated Conveyance Date**") and where Tenant should deposit the executed and acknowledged Partial Release of Master Lease. Tenant will deposit into escrow the executed and acknowledged Partial Release of Master Lease at least five (5) business days before the Anticipated Conveyance Date. Tenant's failure to timely execute, acknowledge and deliver the Partial Release of Master Lease into escrow will be a major default under this Lease and the DDA.

(iii) Once the Partial Release of Master Lease for the applicable Development Parcel is recorded in the Official Records, then Tenant's leasehold interest in such applicable Development Parcel will be terminated and other than the obligations that survive the expiration or termination of this Lease, this Lease will be terminated as it applies to such Development Parcel.

(b) Horizontal Improvement Parcels. [Note: Release procedures and mechanism to be revised to reflect final DDA and ICA.] Upon Acceptance by the City of each work of Horizontal Improvement constructed in accordance with the DDA, Port and Master Developer will execute a Partial Release of Master Lease for the parcels where the Horizontal Improvements are Accepted (each a "**Horizontal Improvement Parcel**"). Once the Partial Release of Master Lease for the applicable Horizontal Improvement Parcel is recorded in the Official Records, then Tenant's leasehold interest in such applicable Horizontal Improvement Parcel will be terminated and other than the obligations that survive the expiration or termination of the Master Lease, this Master Lease will be terminated as it applies to such applicable Horizontal Improvement Parcel.

1.5. ***Premises Expansion.*** The Premises will be expanded from time to time in accordance with this ***Section 1.5*** to include the following areas (each an "**Expansion Area**"):

(a) China Basin Park. [Note: Subject to further discussion.] The area immediately north of Terry A. Francois Boulevard ("**TFB**") to the edge of Mission Creek, generally known as China Basin Park ("**Expansion Area A**"), as further depicted on ***Exhibit XX*** and described in ***Exhibit XX***, is currently licensed by China Basin Ballpark Company, LLC ("**CBBC**") pursuant to that certain [Permit to Enter and Use Property Permit No. 13214]between Port and China Basin Ballpark, LLC , dated as of [November 26, 1997] ("**CBP License**"). Expansion Area A will be added to the Premises upon satisfaction of all the following conditions:

(i) Tenant has obtained all Regulatory Approvals necessary to support planned Site Preparation activities on or around Expansion Area A, including, but not limited to, grading and deep dynamic compaction;

(ii) Port has terminated the CBP License as of the date the Premises is expanded to include Expansion Area A;

(iii) Tenant's reasonable cooperation and coordination with San Francisco Public Works in connection with the rehabilitation of the 3rd Street Bridge (including any staging area within or near the Premises) with the development of the Horizontal Improvements; and

(iv) Port has approved Master Developer's submission of all documents and evidence required to satisfy the conditions of [Section 14.2 of the DDA] as it relates to Expansion Area A.

(b) **Portions of Terry A. Francois Boulevard**. **[Note: Subject to further discussion.]** Portions of TFB along the entire northern boundary of the Initial Premises continuing along the northern portion of TFB immediately east of the Initial Site (each, an "**Expansion Area B**"), as further depicted on ***Exhibit XX*** and described in ***Exhibit XX***, will be added to the Premises from time to time during the Term. The number, location and date upon which each Expansion Area B will be added to the Premises will be determined by the Parties. The parties may add an Expansion Area B to the Premises upon satisfaction of all the following conditions:

(i) Tenant has obtained all applicable all Regulatory Approvals required to permanently close Expansion Area B to vehicular and/or pedestrian traffic, as applicable, and the City has vacated the same;

(ii) Tenant has made available to Port tenants, staff, and other users or visitors of the area immediately east of TFB, such as Piers 48, 48½ and 50, Atwater Tavern, and the Piers 48-50 basin, (collectively, the "**East TFB Users**") throughout the Term, an alternate route through the Initial Premises for continuous vehicular and pedestrian access (other than temporary traffic closures in line with SFMTA's latest edition of [Regulations for Working in San Francisco Streets] or in connection with an emergency necessary to protect the safety and welfare of the public) whether via TFB or other areas of the Premises;

(iii) Presentations to the Ballpark Transportation Coordinating Committee ("**BTCC**") and Interdepartmental Staff Committee on Traffic and Transportation ("**ISCOTT**"); and

(iv) Port has approved Master Developer's submission of all documents and evidence required to satisfy the conditions of [Section 14.2 of the DDA] as it relates to the applicable Expansion Area B.

(c) **Channel Wharf**. **[Note: Subject to further discussion]** The area between Piers 48 and 50 and immediately east of TFB to the edge of the Piers 48-50 basin and generally known as Channel Wharf ("**Expansion Area C**"), as further depicted on ***Exhibit XX*** and described in ***Exhibit XX***, will be added to the Premises upon satisfaction of all the following conditions:

(i) Port has approved Master Developer's submission of all documents and evidence required to satisfy the conditions of [Section 14.2 of the DDA] as it relates to Expansion Area C; and

(ii) Tenant has obtained all applicable Regulatory Approvals necessary to support planned Site Preparation activities on or around Expansion Area C.

1.6. ***License of Terry Francois A Boulevard.*** **[Note: Subject to further discussion]** From time to time during the Term, Port will grant Tenant temporary, non-exclusive and non-possessory, revocable licenses (each, a "**TFB License**") over portions of TFB for Site Preparation work or temporary interim improvements (each, a "**TFB License Area**") from time to time in accordance with this ***Section 1.6***. Tenant's use of the TFB License Area will be on all other applicable terms and conditions of this Lease, subject to the further restrictions set forth below:

(a) **License Use**. During the term of each TFB License, Tenant may grant Master Developer use of the applicable TFB License Area for Site Preparation work or temporary interim improvements ("**License Work**"). Before Tenant commences any License Work, Tenant must satisfy all of the following conditions:

(i) Port has approved Master Developer's submission of all documents and evidence required to satisfy the conditions of [Section 14.2 of the DDA] as it relates to the applicable TFB License Area;

(ii) Provide Port at least ten (10) business days prior notice of commencement of the Site Preparation work;

(iii) Tenant has obtained all applicable Regulatory Approvals necessary to support planned Site Preparation activities on or around the applicable TFB License Area, including closure of the applicable TFB License Area to vehicular and/or pedestrian traffic, as applicable;

(iv) Tenant will provide East TFB Users continuous vehicular and pedestrian access through the Initial Premises via alternate traffic routes designated by Tenant. Tenant shall maintain such access for East TFB Users, subject to temporary traffic closures in line with SFMTA's latest edition of [Regulations for Working in San Francisco Streets] or in connection with an emergency necessary to protect the safety and welfare of the public; and

(v) Tenant has communicated the closure of the TFB License Area to vehicles and pedestrians during performance of Site Preparation work to local community stakeholders including, but not limited to, the East TFB Users.[**Note: include other necessary conditions**].

(b) **Reopening of TFB License Area**. Following completion of Site Preparation work or temporary interim improvements within an applicable TFB License Area, Tenant, in consultation with Port, will determine whether to remove all equipment and re-open the TFB License Area to vehicular and pedestrian traffic. Tenant will provide periodic updates to CWAG and the East TFB Users on the progress of the Site Preparation work or temporary interim improvements and estimated completion date. [**Note: This section to be further revised after discussion re: phasing, etc. See note above re: expansion of premises for TFB.**]

1.7. ***Liquidated Damages for Failure to Provide Access to East TFB Users***. In addition to the other remedies available to Port under this Lease for an Event of Default under ***Sections 1.5(b)(ii) or 1.6(a)(iv)***, if Tenant violates ***Sections [1.5(b)(ii)*** and ***1.6(a)(iv)]*** regarding access for East TFB Users, then from and after the second notice of violation of ***Sections [1.5(b)*** and ***1.6(a)]***, Tenant will pay Port an amount equal to Five Thousand Dollars ($5,000.00) (as adjusted periodically, the "**No Access Charge**") for each such violation as liquidated damages, which Five Thousand Dollars ($5,000.00) will be increased by fifteen percent (15%) on the fifth (5th) anniversary of the Commencement Date and every five (5) years thereafter.

THE PARTIES HAVE AGREED THAT PORT'S ACTUAL DAMAGES, IN THE EVENT TENANT VIOLATES ***SECTIONS 1.5(b)(ii) and 1.6(a)(iv)]*** WITH REGARD TO EAST TFB USERS ACCESS, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS LEASE, THE AMOUNT OF THE NO ACCESS CHARGE IS A REASONABLE ESTIMATE OF THE DAMAGES THAT PORT WOULD INCUR IN SUCH AN EVENT. BY PLACING THEIR RESPECTIVE INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

Port Initials	Tenant Initials

1.8. ***Memorandum of Technical Corrections.*** The Parties reserve the right, upon mutual agreement of Port's Executive Director and Tenant, to enter into memoranda of technical corrections hereto to reflect any non-material changes in the actual legal description and square footages of the Premises, and upon full execution thereof, such memoranda will be deemed to become a part of this Lease.

2. TERM.

2.1. ***Term.*** The effectiveness of this Lease will commence on the Commencement Date as shown in the Basic Lease Information. The Lease will expire at 11:59 p.m. on the Expiration Date set forth in the Basic Lease Information, unless earlier terminated or extended in accordance with the terms of this Lease. The period from the Commencement Date until the final expiration of the Lease is referred to as the "**Term.**"

2.2. ***Port's Early Termination Right.***

(a) **Generally**. At any time following DDA termination, Port may, in its sole discretion, terminate this Lease even in the absence of an Event of Default in accordance with this ***Section 2.2*** ("**Termination Option**"). If Port elects to exercise its Termination Option, then Port will provide Tenant prior notice of its election ("**Termination Notice**"). If Port exercises its Termination Option, the termination of this Lease will be effective upon the later of (i) the date set forth in the Termination Notice (which will not be less than thirty (30) days following the delivery of the Termination Notice), or (ii) the last Ballpark Event or Special Event that is scheduled (including any notice or advertisement to the public of such event and date) as of the date the Termination Notice is delivered and which is scheduled within the ninety (90) day period following the last Major League Baseball ("**MLB**") game played in AT&T Park during the MLB season in which the Termination Notice is delivered. The termination of the Lease in connection with this ***Section 2.2*** is further conditioned on satisfaction of the following conditions:

(i) If any portion of the Entitlement Sum is outstanding, payment by Port to Tenant of the outstanding amount on or prior to the termination date; and

(ii) If any portion of the Alternative Rent Credit is outstanding, payment by Port to Tenant of the outstanding amount on or prior to the termination date.

(b) **Effect of Termination**. Upon the effective date of termination of this Lease in accordance with this ***Section 2.2***, other than the provisions that survive expiration or earlier termination of this Lease, this Lease will terminate.

3. RENT

During the Term, Tenant will pay Rent for the Premises to Port at the times and in the manner provided in ***Exhibit D*** attached hereto and incorporated herein by this reference.

4. USES.

4.1. ***Uses within Premises.*** The Premises will be used and occupied only for the Permitted Uses specified in the Basic Lease Information and for no other purpose.

4.2. ***Advertising and Signs.*** Subject to the prohibition on tobacco and alcohol advertising provided in ***Article 42***, Tenant has the right to install (i) any "business sign" (as defined in Planning Code Section 602.3) in connection with any Permitted Use, (ii) any signage relating to the promotion and advertising of the Project ("**Project Signage**") and (iii) Promotional

Signage, in each case without the prior written consent of Port acting in its proprietary capacity. Any such signage will comply with all applicable Laws relating thereto and the requirements of the SUD, Design Controls and the requirements of any applicable building permits. Tenant must obtain all Regulatory Approvals required by applicable Laws. Port makes no representation with respect to Tenant's ability to obtain such Regulatory Approval. All rents, fees, or other charges from all signs will be included as part of Rent and paid in accordance with ***Exhibit D***. Tenant, at its sole cost and expense, must remove all signs placed by it on the Premises at the expiration or earlier termination of this Lease. Tenant may enter into agreements with other parties for purposes of placing Promotional Signage or Project Signage, and provided that such use complies with all the terms and conditions of this Lease, such use will not be considered a Transfer for purposes of this Lease, but any and all rent, fees, or other charges from Promotional Signage or Project Signage will be included as part of Gross Income.

4.3. ***Construction Staging***.

(a) **Construction Staging for Horizontal Development**.

(i) Subject to ***Section 4.3(a)(iii)***, Tenant has the right to use (and to allow its Agents and Invitees to use) portions of the Premises for construction staging, including, without limitation, storage of soil stockpiles, construction materials and equipment, fencing, temporary construction offices as may be reasonably necessary or convenient in connection with the development of Horizontal Improvements.

(ii) It is expressly acknowledged and agreed that Staging Rent will not be payable on account of construction staging activities solely in connection with the development of Horizontal Improvements, and that the provisions of ***Section [ ]*** of ***Exhibit D***, which require payment of Staging Rent in conjunction with lease or license of construction staging areas to Vertical Developers, are not applicable to construction staging activities solely in connection with the development of Horizontal Improvements.

(iii) Tenant will include in each Phase Submittal the proposed boundary of the area outside the applicable Phase Area that Tenant proposes to use for construction staging for the Horizontal Improvements. Tenant must obtain Port's prior consent, which will not be unreasonably withheld, before using portions of the Premises outside the boundary approved by Port for construction staging of the Horizontal Improvements.

(b) **Construction Staging for Vertical Development**. Subject to the provisions of ***Section [ ]*** of ***Exhibit D*** regarding payment of Staging Rent, Tenant has the right to Sublease to Vertical Developers, portions of the Premises for construction staging, including, without limitation, storage of soil stockpiles, construction materials and equipment, fencing, and temporary construction offices in connection with the development of the applicable Vertical Improvements.

(c) **Comply with Laws**. All construction staging must be performed in accordance with applicable Laws, including any operations plan approved by Port and applicable provisions of the Mitigation Monitoring and Reporting Program.

4.4. ***Activation Uses***. Subject to the provisions of ***Section [ ]*** of ***Exhibit D*** regarding payment of Activation Area Rent, in addition to the Yard (but in no event more than XXX square feet), up to an additional Twenty Thousand (20,000) square feet of the Premises may be designated from time to time by Tenant, by notice to Port, as Activation Area(s) and used for Activation Uses. Such Activation Areas may include up to Five Thousand (5,000) square feet of enclosed interior spaces, such as repurposed shipping containers. No Activation Rent will be due on the Yard at its existing location depicted on ***Exhibit XX***. Activation Rent will be due on the Yard if it is relocated to other areas of the Premises.

4.5. ***Limitations on Uses by Tenant.***

(a) **Prohibited Activities**. Tenant will not conduct or permit on the Premises any of the following activities (in each instance, a "**Prohibited Use**" and collectively, "**Prohibited Uses**"):

(i) any activity, or maintaining of any object, which is not within the Permitted Use or not previously approved by Port in writing, in its sole discretion;

(ii) any construction (other than any construction related to Tenant's replacement of the existing Outfall Infrastructure in connection with the Horizontal Improvements), planting of trees or shrubs, or installation of any structures or buildings on, over, under, or within the Outfall Infrastructure Area;

(iii) any activity which constitutes waste or nuisance to owners or occupants of adjacent properties, including, but not limited to, the preparation, manufacture or mixing of anything that might emit any unusually objectionable odors, noises or lights onto adjacent properties, or the use of loudspeakers or sound apparatus which can be heard outside the Premises in violation of applicable Law, provided, that the Construction Impacts reasonably expected for the construction of the Horizontal Improvements will not be considered or deemed a nuisance;

(iv) Subject to the provisions of ***Sections 1.5(b)(ii)*** and ***1.6(a)(iv)*** any activity which will in any way injure, obstruct or interfere with the rights of ingress and egress of other owners, tenants, or occupants of adjacent properties who are not TFB Users;

(v) With respect to any East TFB Users, any activity that prevents East TFB Users' access to the areas east of TFB in violation of ***Sections 1.5(b)(ii)*** and ***1.6(a)(iv)*** except to the extent that such activities are conducted within the Permitted Uses hereunder and in accordance with all laws and Regulatory Approvals;

(vi) use of the Premises for residential, sleeping or personal living quarters and/or "**Live/Work**" space;

(vii) the placement of any Sign on or near the Premises related to any auction, distress, fire, bankruptcy or going out of business sale on the Premises without the prior written consent of Port, which consent may be granted, conditioned, or withheld in the sole and absolute discretion of Port;

(viii) any vehicle and equipment maintenance, including but not limited to fueling, changing oil, transmission or other automotive fluids provided, however, the foregoing prohibition does not apply to standard equipment maintenance for office equipment (such as printers, computer, and copiers), equipment used in connection with Tenant's parking operations (including pay stations used for collecting parking fees or to the charging of electric vehicles and equipment;

(ix) except in connection with the construction of the Horizontal Improvements and the Vertical Improvements, the storage of any and all excavated materials, including but not limited to, dirt, concrete, sand, asphalt, and pipes;

(x) except in connection with the construction of the Horizontal Improvements and the Vertical Improvements, the storage of any and all aggregate material, or bulk storage, such as wood or of other loose materials; or

(xi) the washing of any vehicles or equipment (unless such use is reasonably required on a temporary basis to comply with the Mission Rock Mitigation Monitoring and Reporting Program or the Mission Rock Risk Management Plan during construction of the Horizontal Improvements or otherwise done in accordance with an approved Operations Plan.

(b) **Restrictions on Encumbering Port's Reversionary Interest**. Tenant may not enter into agreements granting licenses, easements or access rights over the Premises (collectively, "**Access Rights**") if the same would be binding on Port's reversionary interest in the Premises without Port's prior written consent, which consent may be withheld in Port's sole discretion. Notwithstanding the foregoing, the Parties acknowledge that Master Developer's obligations to deliver the Horizontal Improvements under the DDA (including the Infrastructure Plan), and the requirements of the Master Utilities Plan, Master Tentative Map and associated conditions of approval will require the dedication or granting of certain Access Rights that may be binding on Port's reversionary interest in the Premises. Port will not withhold its consent to any Access Rights that are consistent with matters previously approved by Port (including the DDA, Infrastructure Plan and Master Tentative Map) or in the Master Utilities Plan; and will not unreasonably withhold its consent to Access Rights to private parties that are reasonably required for the functioning of the Horizontal Improvements or Vertical Improvements (e.g., private gas easements and private telecommunications easements).

4.6. ***Liquidated Damages for Repeat Prohibited Uses and Special Event Violations.*** In addition to the other remedies available to Port under this Lease for an Event of Default under ***Section 23.1(f)***, if Tenant uses the Premises in violation of this Lease for a Special Event or for the same type of Prohibited Use and Port has delivered a notice of such violations more than three (3) times within the prior twelve (12) month period, then Tenant will pay Port an amount equal to Two Thousand Five Hundred Dollars ($2,500.00) (as adjusted periodically, the "**Prohibited Use Charge**") for such Prohibited Use or Special Event violation as liquidated damages, which Two Thousand Five Hundred Dollars ($2,500.00) will be increased by fifteen percent (15%) on the fifth (5th) anniversary of the Commencement Date and every five (5) years thereafter. [**Note: $2,500 will increase annually by 3% from and after the date of DDA execution until execution of this Lease.**]

THE PARTIES HAVE AGREED THAT PORT'S ACTUAL DAMAGES, IN THE EVENT TENANT USES THE PREMISES IN VIOLATION OF THIS LEASE FOR A SPECIAL EVENT OR FOR THE SAME TYPE OF PROHIBITED USE MORE THAN TWO (2) TIMES WITHIN A TWELVE (12) MONTH PERIOD, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS LEASE, THE AMOUNT OF THE PROHIBITED USE CHARGE IS A REASONABLE ESTIMATE OF THE DAMAGES THAT PORT WOULD INCUR IN SUCH AN EVENT. BY PLACING THEIR RESPECTIVE INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

Port Initials: _____	Tenant Initials: _____

5. DEVELOPMENT PROJECTS.

5.1. ***Generally***. Tenant acknowledges that during the Term, other development projects will be developed or constructed on or near Port property [(such as the development projects at Pier 48, the individual development on the Development Parcels at the [Mission Rock Site], the Chase Center, development at Mission Bay, the rehabilitation of the 3rd Street Bridge) and Pier 70, the proposed development of over 5 million square feet on the 29-acre Central Waterfront site at or around 1201 Illinois Street (bounded by Illinois, the Bay, 22nd and 23rd Streets) [_____] also may be constructed in the vicinity of the Premises (collectively, "**Development Projects**"). Tenant is aware that construction of the Development Projects and other construction projects of Port tenants, licensees or occupants or projects of third parties in the vicinity of the Premises and the activities associated with such construction

may generate adverse impacts on construction of the Horizontal Improvements, use and/or operation of the Premises after construction, or may result in inconvenience to or disturbance of Tenant and its Agents and Invitees. Said impacts may include increased vehicle and truck traffic, closure of traffic lanes, re-routing of traffic, traffic delays, loss of street and public parking, dust, dirt, construction noise, and visual obstructions (collectively, "**Construction Impacts**").

Tenant hereby waives any and all Losses against the Indemnified Parties arising out of any inconvenience or disturbance to Tenant, its Agents or Invitees, from Construction Impacts. The Parties will each use reasonable efforts to coordinate its construction efforts with each other and with others engaged in construction on such other projects in a manner that will seek, to the extent reasonably possible, to reduce construction conflicts.

5.2. ***Cooperation***. Tenant acknowledges and agrees that it will reasonably cooperate with Port, each tenant or developer of the Development Parcels in the Mission Rock Site and Pier 48 and any future tenants or occupants of the Mission Rock Site (collectively, the "**Mission Rock Parties**") in the development of Mission Rock and Pier 48, at no material out-of-pocket cost to Tenant.

5.3. ***Tenant Deliveries Related to Vertical Development***. Subject to satisfaction of all conditions precedent for release of a Development Parcel from the Premises, as set forth in the DDA, no less than five (5) business days prior to the Anticipated Conveyance Date of each Development Parcel, Tenant will deliver into Escrow, the following documents:

(a) a duly executed and acknowledged Partial Release of Master Lease and [Partial Release of DDA];

(b) a duly executed Estoppel Certificate for the benefit of Port, the Vertical Developer and Vertical Developer's lenders, in the form attached hereto as ***Exhibit XX***;

(c) a duly executed ground lessee's affidavit and, if required by the title insurance company, a mechanic's lien indemnity (excluding any work performed by Port) reasonably acceptable to Tenant and the title insurance company issuing title insurance on the applicable Development Parcel;

(d) a duly executed VCA reasonably acceptable to both Tenant and Vertical Developer; and

(e) such other documents reasonably requested by Port, or Vertical Developer, to consummate the delivery of the applicable Development Parcel to Vertical Developer.

Upon request from each Vertical Developer, Tenant will also enter into a license on the form attached hereto as ***Exhibit XX*** to provide Vertical Developer access to the applicable Development Parcel for Vertical Developer to perform due diligence and site investigation prior to the Anticipated Conveyance Date.

6. TAXES AND ASSESSMENTS.

6.1. *Payment of Taxes and Other Impositions.*

(a) **Payment of Taxes**. Tenant will pay or cause to be paid to the proper authority prior to delinquency, all Impositions assessed, levied, confirmed or imposed on the Premises or any of the Improvements, Horizontal Improvements, or Personal Property (excluding the personal property of any Subtenant whose interest is separately assessed) located on the Premises or on its Leasehold Estate (but excluding any such taxes separately assessed, levied or imposed on any Subtenant), or on any use or occupancy of the Premises hereunder, to the full extent of installments or amounts payable or arising during the Term, whether in effect at the Commencement Date or which become effective thereafter. Tenant further recognizes and agrees that the Leasehold Estate may be subject to the payment of special taxes, including

without limitation a levy of special taxes to finance energy efficiency, water conservation, water pollution control and similar improvements under the Special Tax Financing Law in Chapter 43 Article X of the Administrative Code. Tenant will not permit any such Impositions to become a defaulted lien on the Premises or the Improvements (including the Horizontal Improvements) thereon. All such taxes must be paid directly to the City's Office of the Treasurer & Tax Collector or other charging authority prior to delinquency, provided that if applicable Law permits Tenant to pay such taxes in installments, Tenant may elect to do so. In addition, Tenant will pay any fine, penalty, interest or cost as may be charged or assessed for nonpayment or delinquent payment of such taxes. Subject to ***Section 6.2***, Tenant will have the right to contest the validity, applicability or amount of any taxes in accordance with ***Article 7***. In the event of any dispute, Tenant will Indemnify and hold the Indemnified Parties harmless from and against all Losses, including Attorneys' Fees and Costs, resulting therefrom.

(i) *Acknowledgment of Possessory Interest*. Tenant specifically recognizes and agrees that this Lease creates a possessory interest that is subject to taxation, and that this Lease requires Tenant to pay any and all possessory interest taxes levied upon Tenant's interest pursuant to an assessment lawfully made by the City's Office of Assessor-Recorder. Tenant further acknowledges that any Sublease, Transfer or any exercise of any option to renew or extend this Lease may constitute a change in ownership, within the meaning of the California Revenue and Taxation Code, and therefore may result in a reassessment of any possessory interest created hereunder in accordance with applicable Law.

(ii) *Reporting Requirements*. San Francisco Administrative Code Sections 23.38 and 23.39 (or any successive or replacement ordinance) requires that Port report certain information relating to this Lease, and the creation, renewal, extension, assignment, sublease, or other transfer of any interest granted hereunder, to the City's Office of Assessor-Recorder within sixty (60) days after any such transaction. Within thirty (30) days of request by Port following the date of any transaction that is subject to such reporting requirements, Tenant will provide such information as may reasonably be requested by Port to enable Port to comply with such requirements.

(b) Other Impositions. Without limiting the provisions of ***Section 6.1(a)***, and except as otherwise provided in this ***Section 6.1(b)***, Tenant will pay or cause to be paid all Impositions (as defined below), to the full extent of installments or amounts payable or arising during the Term, which may be assessed, levied, confirmed or imposed on or in respect of or be a lien upon the Premises, any Horizontal Improvements or other Improvements now or hereafter located thereon, any Personal Property now or hereafter located thereon (but excluding the personal property of any Subtenant whose interest is separately assessed), the Leasehold Estate, or any subleasehold estate permitted hereunder, including any taxable possessory interest which Tenant, any Subtenant or any other Person may have acquired pursuant to this Lease (but excluding any such Impositions separately assessed, levied or imposed on any Subtenant). Subject to the provisions of ***Article 7***, Tenant will pay all Impositions directly to the taxing authority, prior to delinquency, provided that if any applicable Law permits Tenant to pay any such Imposition in installments, Tenant may elect to do so. In addition, Tenant will pay any fine, penalty, interest or cost as may be assessed for nonpayment or delinquent payment of any Imposition. As used herein, "**Impositions**" means all taxes (including possessory interest, real, personal and Mello-Roos Taxes), assessments, liens, levies, fees, charges, or expenses of every description, levied, assessed, confirmed, or imposed by a governmental or quasi-governmental entity on the Premises, any of the Horizontal Improvements, Improvements or Personal Property located on the Premises, the Leasehold Estate, any subleasehold estate, or any use or occupancy of the Premises hereunder. Impositions includes all such taxes, assessments, liens, levies, fees charged or expenses of every description, whether general or special, ordinary or extraordinary, foreseen or unforeseen, or hereinafter levied or assessed in lieu of or in substitution of any of the foregoing of every character, including, without limitation, Mello-Roos Taxes under the Mission Rock CFD. The foregoing or subsequent provisions notwithstanding, Tenant will not be

responsible for any Impositions arising from or related to, Port's fee ownership interest in the Premises, Port's interest as landlord under this Lease, or any transfer thereof, including but not limited to, Impositions relating to the fee, transfer taxes associated with the conveyance of the fee, or business or gross rental taxes attributable to Port's fee interest or transfer thereof.

(c) **Proof of Compliance**. Within a reasonable time following Port's written request, which Port may give at any time, Tenant will deliver to Port copies of official receipts of the appropriate taxing authorities, or other proof reasonably satisfactory to Port, evidencing the timely payment of such Impositions.

6.2. ***Acknowledgements and Covenants Regarding Community Facilities Districts and Assessment Matters.*** **[Note: Conform/update with DDA and Financing Plan.]**

(a) **Section 53341.5 Acknowledgment**. Prior to Tenant's execution and delivery of this Lease, Tenant delivered to Port an acknowledgment (the "**Notice of Special Tax**") confirming that Tenant has been advised of the terms and conditions of the Mission Rock CFD, including that the Premises is subject to the Mello-Roos Taxes (as defined in ***Exhibit XX***). A copy of the executed Notice of Special Tax is attached hereto as ***Exhibit XX***.

(b) **Facilities and Maintenance CFD**. As material consideration for the Port entering into this Lease, Tenant will comply with all of the covenants and acknowledgements set forth in ***Exhibit XX*** (Mission Rock CFD and Assessment Matters) attached hereto, which covenants and acknowledgements will be recorded against title to the Premises and survive the expiration or earlier termination of this Lease. ("**Agreement to Comply with Mission Rock CFD and Assessment Matters**").

6.3. ***Port's Right to Pay***.Unless Tenant is exercising its right to contest in accordance with the provisions of ***Article 7***, Tenant fails to pay and discharge any Imposition (including fines, penalties and interest) prior to delinquency, Port, at its sole option, may (but is not obligated to) pay or discharge the same; provided that prior to paying any such delinquent Imposition, Port will give Tenant written notice specifying a date that is at least ten (10) days following the date such notice is given after which Port intends to pay such Impositions. If Tenant fails, on or before the date specified in such notice, either to pay the delinquent Imposition or to notify Port that it is currently contesting such Impositions pursuant to ***Article 7***, then Port may thereafter pay such Imposition, and the amount so paid by Port (including any interest and penalties thereon paid by Port), together with interest at the Default Rate computed from the date Port makes such payment, will be payable by Tenant as Additional Rent.

6.4. ***Information Required by the County Assessor***. **[Note: Subject to further discussion.]**

(a) [The County Assessor has notified Port that it requires certain information in order to facilitate completion of Assessor Block Maps, updates to ownership records, and assessment of in-progress construction, completed new construction, sales and other assessable transfers of property. ***Exhibit XXX*** lists the information that the County Assessor expects to need in order to perform the foregoing tasks (the "**Assessor Information**").

(b) Each Party will provide to the County Assessor any Assessor Information requested in writing by the County Assessor in the format required by the County Assessor (the "**Requested Information**") within 90 days of the applicable Party's receipt of a written request for such Requested Information. Port will have the right to exercise all rights and remedies available at law or in equity to enforce Tenant's obligation to provide Requested Information on a timely basis, including specific performance. Tenant waives any right to confidentiality under applicable law to the extent necessary for the County Assessor to notify Port of Tenant's failure to provide the Requested Information on a timely basis and Port to exercise its right to specific performance of Tenant's obligation.

(c) Promptly following the County Assessor's request, Port may, from time to time, update the information requirements set forth in ***Exhibit XXX*** by providing Tenant no less than five (5) business days' prior notice and a replacement copy of ***Exhibit XXX***.]

7. CONTESTS.

Subject to ***Section 6.2,*** Tenant has the right to contest the amount, validity or applicability, in whole or in part, of any Impositions, mechanics' lien or encumbrance (including any arising from work performed or materials provided to Tenant or any Subtenant to improve all or a portion of the Premises) by appropriate proceedings conducted in good faith and with due diligence, at no cost to Port, provided that, prior to commencement of such contest, Tenant notifies Port of such contest. Tenant must notify Port of the final determination of such contest within fifteen (15) days after such determination. Subject to ***Section 6.2,*** nothing in this Lease requires Tenant to pay any Impositions, mechanics' lien, or encumbrance so long as Tenant contests the validity, applicability or amount of such Impositions, mechanics' lien or encumbrance in good faith, and so long as it does not allow the portion of the Premises affected by such Impositions, mechanics' lien or encumbrance to be forfeited to the entity levying such Impositions, mechanics' lien or encumbrance as a result of its nonpayment. If any Law requires as a condition to such contest, that the disputed amount be paid under protest, or that a bond or similar security be provided, Tenant must comply with such condition as a condition to its right to contest. Tenant is responsible for the payment of any interest, penalties or other charges that may accrue as a result of any contest, and Tenant must provide a statutory lien release bond or other security reasonably satisfactory to Port in any instance where Port's interest in the Premises may be subjected to such lien or claim. Tenant is not required to pay any Impositions, mechanics' lien or encumbrance being so contested during the pendency of any such proceedings unless payment is required by the court or agency conducting such proceedings. Port, at its own expense and at its sole option, may elect to join in any such proceeding whether or not any Law requires that such proceedings be brought by or in the name of Port or any owner of the Premises. Port will not be subjected to any liability for the payment of any fines or penalties, and except as provided in the precedent sentence, costs, expenses, or fees, including Attorneys' Fees and Costs, in connection with any such proceeding. Without limiting ***Article 28***, Tenant will Indemnify the Indemnified Parties for all Losses resulting from Tenant's contest of any Imposition, mechanics' lien or encumbrance.

8. COMPLIANCE WITH LAWS AND OTHER REQUIREMENTS.

8.1. ***Tenant's Obligation to Comply***. Subject to ***Section 8.2*** hereof, during the Term, Tenant will comply with, at no cost to Port, (i) all applicable Laws (taking into account any variances or other deviations properly approved), (ii) the Mission Rock Risk Management Plan, (iii) the DDA, (iv) the Mitigation Monitoring and Reporting Program, [, and (v)……] **[Note: add others as necessary]**. The foregoing sentence will not be deemed to limit Port's ability to act in its legislative or regulatory capacity, including the exercise of its police powers. In particular, Tenant acknowledges that the Permitted Uses do not limit Tenant's responsibility to obtain Regulatory Approvals for such Permitted Uses, nor do such Permitted Uses limit Port's responsibility in the issuance of any such Regulatory Approvals to comply with applicable Laws. It is understood and agreed that Tenant's obligation to comply with Laws includes the obligation to make, at no cost to Port, all additions to, modifications of, and installations on the Premises that may be required by any Laws relating to or affecting the Premises.

8.2. ***Unforeseen Requirements***.

(a) The Parties acknowledge and agree that Tenant's obligation under this ***Section 8.2*** to comply with all Laws and the other requirements set forth in ***Section 8.1*** is a material part of the bargained-for consideration under this Lease.

(b) Notwithstanding ***Section 8.2(a)***, the Parties acknowledge that the primary purpose of this Lease is for the implementation of the Project under the DDA, including

construction of Horizontal Improvements, not for the occupancy, use, repair or maintenance of buildings existing as of the Commencement Date, except as expressly required under the DDA or required or permitted hereunder. Therefore, except as set forth in this ***Section 8.2(c)***, no occurrence or situation arising during the Term, or any Law, whether foreseen or unforeseen, and however extraordinary, relieves Tenant from its liability to pay all of the sums required by any of the provisions of this Lease, or otherwise relieves Tenant from any of its obligations under this Lease or the DDA, or gives Tenant any right to terminate this Lease in whole or in part.

(c) Tenant will have no obligation to comply with a change in Law occurring after the Commencement Date that requires substantial improvements to the Property to continue parking operations or hold Special Events, the cost of which is economically infeasible based on the projected revenues from such uses and recognizing the future development of the Project, if, as an alternative, Tenant can take reasonable measures to obviate the applicability of such change in Laws or cease parking operations or holding Special Events; provided, however, Tenant shall Indemnify Port for any Losses suffered by Port as a result of Tenant's failure to comply with such change in Laws.

(d) Tenant waives any rights now or hereafter conferred upon it by any Law to terminate this Lease or to receive any abatement, diminution, reduction or suspension of payment of such sums, on account of any such occurrence or situation, provided that such waiver will not affect or impair any right or remedy expressly provided Tenant under this Lease.

9. REGULATORY APPROVALS.

(a) **Port Acting as Owner of Property**. Tenant understands and agrees that Port is entering into this Lease in its proprietary capacity as the holder of fee title to the Premises and not as a Regulatory Agency with certain police powers. By entering into this Lease, Port is in no way modifying or limiting the obligation of Tenant to obtain any required Regulatory Approvals from Regulatory Agencies, and to cause the Premises to be used and occupied in accordance with all Laws and required Regulatory Approvals. Tenant acknowledges and agrees that Port has made no representation or warranty that the necessary Regulatory Approvals to allow for the development of the Horizontal Improvements or other Improvements can be obtained. Tenant further acknowledges and agrees that although Port is an agency of the City, Port staff and executives have no authority or influence over officials or Regulatory Agencies responsible for the issuance of any Regulatory Approvals, including Port and/or City officials acting in a regulatory capacity. Accordingly, there is no guarantee, nor a presumption, that any of the Regulatory Approvals required for the approval or development of the Horizontal Improvements or other Improvements will be issued by the appropriate Regulatory Agency, and Tenant understands and agrees that neither entry by Port into this Lease nor any approvals given by Port under this Lease will be deemed to imply that Tenant will obtain any required approvals from Regulatory Agencies which have jurisdiction over the Horizontal Improvements, other Improvements and/or the Premises, including Port itself in its regulatory capacity. Port's status as an agency of the City in no way limits the obligation of Tenant, at Tenant's own cost and initiative, to obtain Regulatory Approvals from Regulatory Agencies that have jurisdiction over the Horizontal Improvements or other Improvements. By entering into this Lease, Port is in no way modifying or limiting Tenant's obligations to cause the Premises to be developed, Restored, used and occupied in accordance with all Laws. Tenant further acknowledges and agrees that any time limitations on Port review or approval within this Lease applies only to Port in its proprietary capacity, not in its regulatory capacity. Without limiting the foregoing, Tenant understands and agrees that Port staff have no obligation to advocate, promote or lobby any Regulatory Agency and/or any local, regional, state or federal official for any Regulatory Approval, for approval of the Horizontal Improvements or other Improvements or other matters related to this Lease, and any such advocacy, promotion or lobbying will be done by Tenant at Tenant's sole cost and expense. Tenant hereby waives any claims against the Indemnified Parties, and fully releases and discharges the Indemnified Parties to the fullest extent permitted by Law, from any liability relating to the failure of Port (in its regulatory capacity), the City or

any Regulatory Agency from issuing any required Regulatory Approval or from issuing any approval of the Horizontal Improvements or other Improvements; provided, however, such waiver does not include a waiver of any administrative or other remedy that a third-party permittee would otherwise have under applicable Law against such Regulatory Agency for its election not to issue the applicable Regulatory Approval.

(b) **Regulatory Approval; Conditions**. The provisions of this ***Section 9(b)*** do not apply to Regulatory Approvals required for development of the Horizontal Improvements pursuant to the DDA, which is governed by the DDA. Tenant understands that Tenant's use and operations on the Premises for the Ancillary Permitted Uses may require Regulatory Approvals from Regulatory Agencies, which may include the City, Port, the RWQCB, SFPUC, and other Regulatory Agencies. Tenant is solely responsible for obtaining any such Regulatory Approvals, as further provided in this Section.

Port, at no cost to Port, will cooperate reasonably with Tenant in its efforts to obtain such Regulatory Approvals, including submitting letters of authorization for submittal of applications consistent with applicable Laws and to further terms and conditions of this Lease, including without limitation, being a co-permittee with respect to any such Regulatory Approvals. However, if Port is required to be a co-permittee under any such permit, then Port will not be subject to any conditions and/or restrictions under such permit that could (i) encumber, restrict or adversely change the use of any Port property other than the Premises, unless in each instance Port has previously approved, in Port's sole and absolute discretion, such conditions or restrictions and Tenant has assumed all obligations and liabilities related to such conditions and/or restrictions; or (ii) restrict or change the use of the Premises in a manner not otherwise permitted under this Lease or subject Port to unreimbursed costs or fees, unless in each instance Port has previously approved, in Port's reasonable discretion, such conditions and/or restrictions and Tenant has assumed all obligations and liabilities related to such conditions, restrictions, and/or Port's unreimbursed costs or fees.

Port will provide Tenant with its approval or disapproval thereof in writing to Tenant within ten (10) business days after receipt of Tenant's written request, or if Port's Executive Director reasonably determines that Port Commission or Board action is required under applicable Laws, at the first Port and subsequent Board hearings after receipt of Tenant's written request subject to notice requirements and reasonable staff preparation time, not to exceed forty-five (45) days for Port Commission action alone and seventy-five (75) days if both Port Commission and Board action is required, provided such period may be extended to account for any recess or cancellation of board or commission meetings. Port will join in any application by Tenant for any required Regulatory Approval and execute such permit where required, provided that Port has no obligation to join in any such application or sign the permit if Port does not approve the conditions or restrictions imposed by the Regulatory Agency under such permit as set forth above in this section. Tenant further acknowledges and agrees that any time limitations on Port review or approval within this Lease applies only to Port in its proprietary capacity, not in its regulatory capacity.

Tenant will bear all costs associated with (1) applying for and obtaining any necessary Regulatory Approval, and (2) complying with any and all conditions or restrictions imposed by Regulatory Agencies as part of any Regulatory Approval, including the economic costs of any development concessions, waivers, or other impositions, and whether such conditions or restrictions are on-Premises or require off-Premises improvements, removal, or other measures. Tenant in its sole discretion has the right to appeal or contest any condition in any manner permitted by Law imposed by any such Regulatory Approval; provided, however, if Port is a co-permittee, then Tenant will have first obtained Port's prior consent, not to be unreasonably withheld, prior to commencing any such appeal or contest. Tenant will provide Port with prior notice of any such appeal or contest and keep Port informed of such proceedings. Tenant will pay or discharge any fines, penalties or corrective actions imposed as a result of the failure of Tenant to comply with the terms and conditions of any Regulatory Approval. No Port approval

will limit Tenant's obligation to pay all the costs of complying with any conditions or restrictions.

Without limiting any other Indemnification provisions of this Lease, Tenant will Indemnify the Indemnified Parties from and against any and all Losses which may arise in connection with Tenant's failure to obtain or seek to obtain in good faith, or to comply with the terms and conditions of any Regulatory Approval which will be necessary to operate the Premises in accordance with the terms hereof except to the extent that such Losses arise from the gross negligence or willful acts or omissions of an Indemnified Party acting in its proprietary (and not its regulatory) capacity.

10. TENANT'S MANAGEMENT AND OPERATING COVENANTS.

10.1. ***Mitigation Monitoring and Reporting Program.*** In order to mitigate any potential significant environmental impacts of the Project and operation of the Premises, Tenant agrees that the development and operation of the Project will be in accordance with the applicable mitigation measures set forth in the Mitigation Monitoring and Reporting Program attached as ***Exhibit XX***. As appropriate, Tenant will incorporate applicable provisions of the Mitigation Monitoring and Reporting Program into any contract for the development of the Horizontal Improvements and/or operation of the Horizontal Improvements and the Premises.

10.2. ***Special Events.*** All Special Events must be conducted in accordance with all the conditions set forth in ***Exhibit XX***.

10.3. ***Parking Operations.***

(a) Tenant may operate the Premises as a parking lot, including, without limitation, for parking in connection with Ballpark Events and Special Events, parking for Project tenants and residents, and general public parking. Tenant may retain a Parking Operator and enter into an agreement with such Parking Operator for the parking operations on the Premises or any portion thereof, either as a Subtenant or as an Agent of Tenant ("**Parking Operator Agreement**"). Tenant or its Parking Operator may enter into use agreements or licenses with third parties for parking on an hourly, daily, weekly or monthly basis that are not inconsistent with the terms and conditions of this Lease (collectively, "**Parking Use Agreements**;" together with Parking Operator Agreement, "**Parking Agreements**").

(b) **Non-Exclusive; Market Rates**. All parking spaces will be available to the general public at least 8 consecutive hours daily on a non-exclusive basis only and offered at fair market rates on either a daily basis or a monthly basis; provided Tenant will not offer discounted rates for parking other than for parkers involved in the operations of AT&T Park, AT&T Park tenants, or for Giants season ticket holders, and further provided that Tenant may reserve sections of the Premises from time to time for certain parkers (i.e. ticket holders for suites at AT&T Park), all consistent with CBBC's historical practice.

(c) **Parking Revenues**. All parking revenues will be applied in accordance with ***Exhibit D***.

(d) **Prevailing Rate of Wages and Displaced Work Protection Required for Workers**. Tenant will comply fully and be bound by all the requirements of Sections 21C.3 and 21C.7 of the City's Administrative Code. In general, the ordinance requires operators of public off-street parking lots, garages, or storage facilities for automobiles on property owned or leased by Port to pay employees working in such facilities not less than the Prevailing Rate of Wages, as defined by ordinance, including fringe benefits or the matching equivalents thereof, paid in private employment for similar work. The ordinance also requires the operator of such facilities to retain for a 90-day transition employment period, the Employees, as defined by the ordinance, who have worked at least 15 hours per week and have been employed by the immediately preceding operator or its subcontractors, if any, for the preceding twelve months or longer at the facility or facilities covered by the agreement with the Port, provided that just cause

does not exist to terminate any Employee. The predecessor operator's Employees who worked at least 15 hours per week will be employed in order of their seniority with the predecessor.

(e) **Revenue Control Equipment**. Tenant will comply with Article 22 of the San Francisco Business and Tax Regulations Code, including, without limitation the requirement to install, maintain and use Revenue Control Equipment at the Premises. Tenant will immediately notify Port in writing of any audit, inspection, alleged violation, violation or penalty action taken under such Article by any Enforcing Agency, as defined by Article 22. In addition to any other requirements under this Lease, upon Port's request, Tenant will provide Port a copy of all information submitted to the Tax Collector and any other City department or official to demonstrate Tenant's compliance with Article 22.

(f) **Parking Agreements**. The Parking Operator Agreement must comply with ***Sections 10.3(d)*** and ***10.3(e)*** and contains each of the provisions set forth in ***Section 18.4*** as if the Parking Operator Agreement was a Pre-Approved Sublease except that all references to "Subtenant" in such section refers to the Parking Operator. Tenant may enter into Parking Use Agreements without Port's prior consent, but each Parking Operator Agreement must include a full release and waiver of all claims against the Indemnified Parties and must comply with ***Section 10.3(a)*** and ***10.3(b)***.

10.4. ***Mission Rock Risk Management Plan***. Tenant will comply, and will cause its Agents to comply, with all applicable provisions of the Mission Rock Risk Management Plan, a copy of which has been provided to Tenant Any and all Subleases will require Subtenants (including its Agents) to comply with all applicable provisions of the Mission Rock Risk Management Plan.

10.5. ***Access to Deferred Infrastructure Area***. **[Note: Need to conform to DDA/ICA regarding granted access to vertical developer to perform the work.]**

11. REPAIR AND MAINTENANCE.

11.1. ***Covenants to Repair and Maintain the Premises***.

(a) Tenant is obligated at its sole cost and expense to maintain, repair and replace any Improvements constructed by Tenant on the Premises, reasonable wear and tear excepted and subject further to all Regulatory Approvals.

(b) For purposes of this Lease, the term "**reasonable wear and tear**" will not include any deterioration in the condition or diminution of the value of any portion of the Premises in any manner whatsoever related directly or indirectly to Tenant's failure to comply with the terms and conditions of this Lease. Port is not obligated to make any repairs, replacement or renewals of any kind, nature or description whatsoever to the Premises nor to any Horizontal Improvements, other Improvements or Subsequent Construction. Tenant hereby waives all rights to make repairs at Port's expense under Sections 1932(1), 1941 and 1942 of the California Civil Code or under any similar Law now or hereafter in effect.

(c) Tenant will have no repair and maintenance obligations with respect to the Outfall Infrastructure; provided, however, the foregoing will not reduce any obligation of Tenant to connect the Outfall Infrastructure with the Horizontal Development; and provided further that Tenant will promptly repair, at its sole cost, any damage to the Outfall Infrastructure caused by the development of the Horizontal Development.

11.2. ***Port's Right to Inspect***. Port or the City may make periodic inspections of the Premises to inspect the construction and development of the Horizontal Improvements or as otherwise required or reasonably necessary to determine Tenant's compliance with this Lease, in all cases upon reasonable prior notice to Tenant during regular business hours. During an inspection, Port will comply with Master Developer's onsite safety measures and act reasonably to minimize any interference with Master Developer's construction activities. Port will provide a copy of any inspection reports prepared by Port or its Agents promptly following Master

Developer's request, subject to Port's right to withhold documents otherwise privileged or confidential. Port disclaims any warranties, representations, and statements made in any reports, will have no liability or responsibility with respect to any warranties, representations, and statements, and will not be estopped from taking any action (including later claiming that the construction of the Horizontal Improvements is defective, unauthorized, or incomplete) or be required to take any action as a result of any inspection.

11.3. ***Right to Repair***. In the event Tenant fails to maintain, repair, and replace the Premises, Horizontal Improvements, or the other Improvements, as applicable, in accordance with ***Section 11.1*** and such failure is likely to cause imminent physical harm to any Person or constitutes a violation of applicable Law, Port or the City may repair the same at Tenant's cost and expense and Tenant will reimburse Port or the City, as applicable, as provided in this ***Section 11.3***; provided, however, with respect to Tenant's failure to maintain and repair the Horizontal Improvements only, Port may call on the Maintenance and Repair Bond, if any, in lieu of expending its own funds for such repairs. Except in the event of an emergency, Port or the City, as applicable, will first provide no less than fifteen (15) days prior notice to Tenant before commencing any maintenance to or repair of any of the foregoing. If Tenant does not commence maintenance or repair of the affected Horizontal Improvements or provide assurances reasonably satisfactory to Port or the City, as applicable, that Tenant will commence maintenance or repair of the same within such fifteen (15) day period, then Port or the City, as applicable, may proceed to take the required action. If Port or the City, as applicable, elects to proceed with such repair or maintenance, then promptly following completion of any work taken by Port or the City, as applicable, pursuant to this ***Section 11.3***, Port or the City, as applicable, will deliver a detailed invoice of the work completed, the materials used and the costs relating thereto. Tenant also will pay to Port or the City, as applicable, an administrative fee equal to ten percent (10%) of the total "hard costs" of the work. "**Hard costs**" include the cost of materials and installation, but exclude any costs associated with design, such as architectural fees. Tenant will pay to Port or the City, as applicable, the amount set forth in the invoice within thirty (30) days after delivery of the invoice.

In the event Port notifies Tenant of a failure to maintain and repair in accordance with ***Section 11.1*** ("**Maintenance Notice**"), Tenant will pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars ($300), which amount will be increased by one hundred dollars on the tenth (10th) Anniversary Date and every ten (10) years thereafter, upon delivery of the Maintenance Notice. In the event Port determines during subsequent inspection(s) that Tenant has failed to so maintain the Premises in accordance with this Article 10, then Tenant will pay to Port, as Additional Rent, an amount equaling Four Hundred Dollars ($400), which amount will be increased by One Hundred Dollars ($100.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter, for each additional Maintenance Notice, if applicable, delivered by Port to Tenant following each inspection. The Parties agree that the charges associated with each inspection of the Premises and delivery of each Maintenance Notice represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises and issuance of each Maintenance Notice. Tenant's failure to comply with the applicable Maintenance Notice and Port's right to impose the foregoing charges is in addition to and not in lieu of any and all other rights and remedies of Port under this Lease. The amounts set forth in this ***Section 11.3*** are due within five (5) days following delivery of the applicable Maintenance Notice.

Tenant's Initials: _____

12. HORIZONTAL IMPROVEMENTS.

12.1. ***Construction of the Horizontal Improvements***. The DDA will govern the construction of the Horizontal Improvements.

12.2. ***Tenant's Obligation to Make Horizontal Improvements Available for Use Prior to Acceptance.*** Before Acceptance of the applicable Horizontal Improvements by the City, subject to the immediately following sentence, Tenant will have the right, but not the obligation, to make the Horizontal Improvements that (a) will be operated by the SFPUC, available for SFPUC's use without charge or any fee, and (b) would generally be available for the public's use, such as streets, sidewalks, parks and open space, available for use by all parties, including Vertical Developers, the general public, the City and Port, without charge or any fee. Notwithstanding the foregoing, Tenant will make available for use without charge, all Horizontal Improvements necessary for any [Vertical Improvements] to obtain a temporary certificate of occupancy.

12.3. ***Title to Improvements.*** Tenant will own all Horizontal Improvements until they are Accepted by the City. Tenant will own during the Term all Subsequent Construction located on the Premises and all appurtenant fixtures, machinery and equipment installed therein (except for subtenant improvements to the extent owned by any subtenant pursuant to such sublease, trade fixtures and other personal property of Subtenants). Upon release of the applicable Horizontal Improvement Parcels that contain parks and open space that are Accepted by Port, title to the Improvements and Horizontal Improvements related to such parks and open space, including appurtenant fixtures (but excluding trade fixtures and other personal property of Tenant and its Subtenants), will vest in Port without further action of any Party, and without compensation or payment to Tenant. Tenant and its Subtenants have the right at any time, or from time to time, including, without limitation, at the expiration or upon the earlier termination of the Term of this Lease, to remove Personal Property from the Premises; provided, however, that if the removal of Personal Property causes damage to the Premises, Tenant will promptly cause the repair of such damage at no cost to Port.

13. SUBSEQUENT CONSTRUCTION.

13.1. ***Port Approval.***

(a) **Generally**. Tenant will have the right, from time to time during the Term, to construct Subsequent Construction in accordance with the provisions of this ***Article 13***.

(b) **Subsequent Construction Requiring Port's Approval in Port's Sole Discretion**. Tenant has the right during the Term to perform Subsequent Construction in accordance with the provisions of this ***Article 13***, provided that Tenant cannot do any of the following without Port's prior approval, which approval may be withheld by Port in its sole discretion:

(i) Construct additional buildings or other additional above ground structures on Development Parcels or Dedicated Parcels prior to the applicable parcel's release from the Premises, other than temporary buildings, and structures necessary to advance the Permitted Uses that are Demolished and Removed by Tenant prior to the applicable parcel's release from the Premises; or

(ii) **[Note: Placeholder if there are Public Access Areas]** Other than as reasonably necessary during Subsequent Construction and only on a temporary basis, perform Subsequent Construction to the Public Access Areas that would adversely affect the public access to, or the use or appearance of such Public Access Areas; provided however, any closure of Public Access Areas not necessary to protect the public or property or to reduce the risk of injury to person or the public during Subsequent Construction will require Port's prior consent.

13.2. ***Construction Schedule.***

(a) **Performance**. Once commenced, Tenant will prosecute all Subsequent Construction with reasonable diligence, subject to Force Majeure.

(b) **Reports and Information**. During periods of construction, Tenant will submit to Port written progress reports when and as reasonably requested by Port.

13.3. ***Construction.***

(a) **Commencement of Construction**. Tenant will not commence any Subsequent Construction until Tenant has obtained all building permits, other Regulatory Approvals and Port approvals to the extent required. Additionally, if any performance and/or payment bond, sub-guard insurance (or other insurance product), guaranty, or other security is obtained by or for the benefit of Tenant with respect to the payment of any funds or performance obligations associated with the Initial Improvements or any Subsequent Construction, Tenant will cause to have (1) Port named as a co-obligee to any performance and/or payment bond, and (2) Port named as an additional insured with respect to any sub-guard or other insurance product; provided, however, Port's rights under such bond or insurance product will not be effective, and shall remain subordinate to the rights of Tenant, until the termination of this Lease.

(b) **Construction Standards**. All Subsequent Construction must be performed by duly licensed and bonded contractors or mechanics and must be accomplished expeditiously, diligently and in accordance with good construction and engineering practices and applicable Laws.

(c) **Reports and Information**. During periods of Construction, Tenant will submit to Port written progress reports or other reports for the benefit of or requested by the County Assessor when and as reasonably requested by the County Assessor.

(d) **Costs of Construction**. Port will have no responsibility for costs of any Construction and Tenant will pay (or cause to be paid) all such costs.

(e) **Construction Rights of Access**. During any period of Subsequent Construction, Port and its Agents have the right to enter areas in which Subsequent Construction is being performed, on reasonable prior written notice during customary construction hours, subject to the rights of Subtenants and to Tenant's right of quiet enjoyment under this Lease, to inspect the progress of the work; provided, however, that Port and its Agents will conduct their activities in such a way to minimize interference with Tenant and its operations to the extent feasible. Nothing in this Lease, however, will be interpreted to impose an obligation upon Port to conduct such inspections or any liability in connection therewith.

(f) **Prevailing Wages**. Any construction, alteration, demolition, installation, maintenance, repair, or laying of carpet at, or hauling of refuse from, the Premises comprise a public work if paid for in whole or part out of public funds. The terms "**public work**" and "**paid for in whole or part out of public funds**" as used in this Section are defined in California Labor Code Section 1720 et seq., as amended. Tenant agrees that any person performing labor for Tenant on any public work at the Premises will be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and will be subject to the same hours and working conditions, and will receive the same benefits as in each case are provided for similar work performed in San Francisco County. Tenant will include in any contract for such labor a requirement that all persons performing labor under such contract will be paid not less than the highest prevailing rate of wages for the labor so performed. Tenant will require any contractor to provide, and will deliver to City upon request, certified payroll reports with respect to all persons performing such labor at the Premises.

(g) **Compliance with Workforce Development Plan**. Tenant agrees that it will comply with the Workforce Development Plan attached hereto as ***Exhibit XX.***

13.4. ***Safety Matters.*** Tenant, while performing any Subsequent Construction or maintenance or repair of the Horizontal Improvements or Improvements (for purposes of this Section only, "**Work**"), will undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or damage to adjoining portions of the Premises, the Horizontal Improvements, and Improvements and the surrounding property, or the risk of injury to persons or members of the public, caused by or resulting from the performance

of its Work. Tenant will erect appropriate construction barricades to enclose the areas of such construction and maintain them until the Construction has been substantially completed, to the extent reasonably necessary to minimize the risk of hazardous construction conditions.

13.5. ***Record Drawings.***

(a) With respect to any Subsequent Construction requiring a building permit (but excluding temporary structures), Tenant will furnish to Port one set of design/permit drawings in their finalized form and Record Drawings with respect to such Subsequent Construction within ninety (90) days following completion of the applicable Subsequent Construction and Port's written notice to Tenant requesting same. Record Drawings must be in the form of full-size, hard paper copies and converted into electronic format as (1) full-size scanned TIF files, and (2) AutoCad files of the completed and updated Final Construction Documents, as further described below, and in such format as is reasonably required by Port's building department at the time of submittal. As used in this Section "**Record Drawings**" means drawings, plans and surveys showing the Subsequent Construction as built on the Premises and prepared during the course of construction (including all requests for information, responses, field orders, change orders, and other corrections to the documents made during the course of construction). If Tenant fails to provide such Record Drawings to Port within the time period specified herein, and such failure continues for an additional ninety (90) days following an additional written request from Port, Port will thereafter have the right to cause an architect or surveyor selected by Port to prepare Record Drawings showing such Subsequent Construction, and the actual, third-party cost of preparing such Record Drawings must be reimbursed by Tenant to Port as Additional Rent. Nothing in this Section limits Tenant's obligations, if any, to provide plans and specifications in connection with Subsequent Construction under applicable regulations adopted by Port in its regulatory capacity. Tenant is permitted to disclaim any representations or warranties with respect to the design/permit drawings, Record Drawings or other plans and specifications provided hereunder, and, at Tenant's request, Port will provide Tenant with a release from liability for future use of the applicable materials, in a form acceptable to Tenant and Port.

(b) **Record Drawing Requirements**. Record Drawings must be no less than (24" x 36"), with mark-ups neatly drafted to indicate modifications from the original design drawings, scanned at 400 dpi. Each drawing will have a Port-assigned number placed onto the title block prior to scanning. An index of drawings must be prepared correlating drawing titles to the numbers. A minimum of ten (10) drawings will be scanned as a test, prior to execution of this requirement in full.

(c) **AutoCad Requirements**. The AutoCad files must be contained in Release 2006 or a later version, and drawings must be transcribed onto a compact disc(s) or DVD(s), as requested by Port. All X-REF, block and other referenced files must be coherently addressed within the environment of the compact disc or DVD, at Port's election. Discs containing files that do not open automatically without searching or reassigning X-REF addresses will be returned for reformatting. A minimum of ten (10) complete drawing files, including all referenced files, is required to be transmitted to Port as a test, prior to execution of this requirement in full.

(d) **Changes in Technology**. Port reserves the right to revise the format of the required submittals set forth in this ***Section 13.5*** as technology changes and new engineering/architectural software is developed.

14. **UTILITY SERVICES.**

14.1. ***Utility Services.*** Tenant acknowledges and agrees that Port, in its proprietary capacity as owner of the Premises and landlord under this Lease, will not provide any utility services to the Premises or any portion of the Premises. Additionally, Tenant's construction of the various utilities infrastructure as part of the Horizontal Improvements required under the

DDA is a material bargained for consideration of this Lease. Tenant, at its sole expense (without impacting any reimbursement right Tenant may have under the Financing Plan), must (i) arrange for the provision and construction of all on-site and off-site utilities necessary to construct, operate and use the Horizontal Improvements, all of the buildings and any other portion of the Premises for their intended use, (ii) be responsible for contracting with, and obtaining, all necessary utility and other services, as may be necessary and appropriate to the uses to which all of the Horizontal Improvements, Improvements and the Premises are put, and (iii) maintain and repair all utilities serving the Premises to the point provided by the respective utility service provider (whether on or off the Premises). Tenant also must coordinate with the respective utility service provider with respect to the installation of utilities, including providing advance notice to appropriate parties of trenching requirements.

Tenant will pay or cause to be paid as the same become due, all deposits, charges, meter installation fees, connection fees and other costs for all public or private utility services at any time rendered to the Premises or any part of the Premises, and will do all other things required for the maintenance, repair, replacement, and continuance of all such services. Tenant agrees, with respect to any public utility services provided to the Premises by City, that no act or omission of City in its capacity as a provider of public utility services, abrogates, diminishes, or otherwise affects the respective rights, obligations and liabilities of Tenant and Port under this Lease, or entitle Tenant to terminate this Lease or to claim any abatement or diminution of Rent. Further, Tenant covenants not to raise as a defense to its obligations under this Lease, or assert as a counterclaim or cross-claim in any litigation or arbitration between Tenant and Port relating to this Lease, any Losses arising from or in connection with City's provision (or failure to provide) public utility services, except to the extent to preserve its rights hereunder that failure to raise such claim in connection with such litigation would result in a waiver of such claim. The foregoing does not constitute a waiver by Tenant of any claim it may now or in the future have (or claim to have) against any such public utility provider relating to the provision of (or failure to provide) utilities to the Premises.

14.2. ***Electricity***. [Section XX of the Development Agreement], a copy of which is attached hereto as ***Exhibit XX***, will govern Tenant's obligation to procure electricity for the Premises from the San Francisco Public Utilities Commission.

14.3. ***Energy Consumption***. Tenant acknowledges and agrees that Port has delivered a Disclosure Summary Sheet, Statement of Energy Performance, Data Checklist, and Facility Summary (all as defined in the California Code of Regulations, Title 20, Division 2, Chapter 4, Article 9, Section 1680) for the Premises no less than 24 hours prior to Tenant's execution of this Lease. The Disclosure Summary Sheet is attached as ***Schedule [XX]***.

14.4. ***Waiver***. Tenant hereby waives any benefits of any applicable Law, including the provisions of California Civil Code Section 1932(1) permitting the termination of this Lease due to any interruption or failure of utility services. The foregoing shall not constitute a waiver by Tenant of any claim it may now or in the future have (or claim to have) against any public utility provider relating to the provision of (or failure to provide) utilities to the Premises.

15. DAMAGE OR DESTRUCTION.

15.1. ***Damage or Destruction***.

(a) **Tenant to Give Notice**. If at any time during the Term, any damage or destruction occurs to all or any portion of the Premises (other than a de minimis portion) from fire or other casualty (each a "**Casualty**"), Tenant will promptly give telephonic or written notice (including via electronic mail) thereof to Port generally describing the nature and extent of such Casualty.

(b) **No Effect on Lease**. This Lease will not terminate or be forfeited or be affected in any manner by reason of Casualty, and Tenant, notwithstanding any law or statute present or future (including without limitation, California Civil Code Sections 1932(2)

and 1933(4)), waives any and all rights to quit or surrender the Premises or any part thereof, Tenant acknowledging and agreeing that the provisions of this ***Article 15*** will govern the rights and remedies of the parties in the event of a Casualty. Tenant expressly agrees that its obligations hereunder, including the payment of any and all Rent and any other sums due hereunder, will continue as though said Premises, the Horizontal Improvements, and/or other Improvements had not been damaged or destroyed and without abatement, suspension, diminution or reduction of any kind.

(c) **Tenant's Restoration**. Without limiting any obligations under the DDA with respect to Horizontal Improvements damaged or affected by Casualty, Tenant will promptly alleviate any conditions caused by such Casualty that could cause an immediate or imminent threat to the public safety and welfare or damage to the environment, including any demolition or hauling of rubble or debris.

(d) **Insurance Proceeds**. Port acknowledges and agrees that, in light of Tenant's obligations under ***Sections 15.1(b)*** and ***15.1(c),*** Port has no claim to receive any portion of insurance proceeds received by Tenant from insurance policies required to be carried by Tenant under this Lease on account of any Casualty unless such portion of insurance proceeds relates to Horizontal Improvements that have been Accepted.

16. CONDEMNATION.

16.1. *General; Notice; Waiver.*

(a) **General**. If, at any time during the Term, there is any Condemnation of all or any part of the Premises, including any of the Improvements, the rights and obligations of the Parties will be determined pursuant to this ***Article 16.***

(b) **Notice**. In case of the commencement of any proceedings or negotiations which might result in a Condemnation of all or any portion of the Premises during the Term, the Party learning of such proceedings will promptly give written notice of such proceedings or negotiations to the other Party. Such notice will describe with as much specificity as is reasonable, the nature and extent of such Condemnation or the nature of such proceedings or negotiations and of the Condemnation which might result therefrom, as the case may be.

(c) **Waiver**. Except as otherwise provided in this ***Article 16***, the Parties intend that the provisions of this Lease will govern their respective rights and obligations in the event of a Condemnation. Accordingly, but without limiting any right to terminate this Lease given Tenant in this ***Article 16***, Tenant waives any right to terminate this Lease upon the occurrence of a Partial Condemnation under California Code of Civil Procedure Sections 1265.120 and 1265.130, as such section may from time to time be amended, replaced or restated.

16.2. ***Total Condemnation***. If there is a Condemnation of the entire Premises or the Leasehold Interest (a "**Total Condemnation**"), this Lease will terminate as of the Condemnation Date. Upon such termination, except as otherwise set forth in this Lease, the Parties will be released without further obligations to the other Party as of the Condemnation Date, subject to the payment to Port of accrued and unpaid Rent, up to the Condemnation Date and the provisions that expressly survive the expiration or earlier termination of this Lease. Port and Tenant will execute and deliver a termination of Lease or such other document as is reasonably necessary to evidence such termination.

16.3. ***Substantial Condemnation, Partial Condemnation***. If there is a Condemnation of any portion but less than all of the Premises, the rights and obligations of the Parties will be as follows:

(a) **Substantial Condemnation**. If there is a Substantial Condemnation of a portion of the Premises or the Leasehold Estate, this Lease will terminate, at Tenant's option, (which will be exercised, if at all, at any time within ninety (90) days after the Condemnation

Date by delivering written notice of termination to Port). "**Substantial Condemnation**" means where Tenant reasonably determines that, because of the Condemnation, it will be infeasible for Master Developer under the DDA to develop all or any remaining Phase (as defined in the DDA) of the Project substantially in conformance with the Project Approvals, due to either economic or physical construction reasons unless Port and Master Developer amend the DDA, each in their sole discretion.

(b) **Partial Condemnation**. If there is a Condemnation of any portion of the Premises or the Leasehold Estate which does not result in a termination of this Lease under ***Section 16.2*** or ***Section 16.3(a)*** (a "**Partial Condemnation**"), this Lease will terminate only as to the portion of the Premises taken in such Partial Condemnation, effective as of the Condemnation Date. In the case of a Partial Condemnation, this Lease will remain in full force and effect as to the portion of the Premises (or of the Leasehold Estate) remaining immediately after such Condemnation. Port and Tenant will execute and deliver a partial termination of Lease or such other document as is reasonably necessary to evidence such termination.

16.4. ***Awards***. Except as provided in ***Sections 16.5*** and ***16.6***, Awards and other payments to either Port or Tenant on account of a Condemnation, less costs, fees and expenses of either Port or Tenant (including, without limitation, reasonable Attorneys' Fees and Costs) incurred in the collection thereof ("**Net Awards and Payments**") will be allocated between Port and Tenant as follows: [**Note: Subject to further discussion.**]

(a) First, to the payment of all unpaid Rent.

(b) Second, in the event of a Partial Condemnation, to pay costs of Restoration incurred by Tenant, in which case, the portion of the Net Awards and Payments allocable to Restoration will be payable to Tenant, a Mortgagee, or trustee in accordance with the requirements governing payment of insurance proceeds set forth in ***Section 16.4(c)***;

(c) Third, to Port for the value of the condemned land only, subject to the particular uses of the Premises existing immediately prior to the Condemnation Date, and without reference to, or inclusion of, Port's reversionary interest in the value of the Improvements;

(d) Fourth, to any non-affiliate Mortgagee pursuant to a non-affiliate Mortgage as and to the extent provided therein, for payment of all sums secured by its Mortgage that remain outstanding, together with its reasonable out of pocket expenses and charges in collecting the Net Award and Payment, including without limitation, its reasonable attorneys' fees incurred in the Condemnation;

(e) Fifth, to Tenant to the extent that the Net Awards and Payments are attributable to Tenant's Leasehold Estate not including the value of the Improvements for the remaining unexpired portion of the Term to the original scheduled Expiration Date;

(f) Sixth, the balance of the Net Awards and Payment will be divided proportionately between Port, for the value of Port's reversionary interest in the land and Improvements (based on the date the Term would have expired but for the event of Condemnation) and Tenant, for the value of the Horizontal Improvements constructed by Tenant for the remaining unexpired portion of the Term to the original scheduled Expiration Date. Any Net Awards and Payment paid to Tenant in accordance with this Section will be applied as "**DRP Proceeds**" that Port can contribute under [Section XX of the DDA.]

(g) Notwithstanding anything to the contrary set forth above, any portion of the Net Awards and Payments which has been specifically designated by the condemning authority or in the judgment of any court to be payable to Port or Tenant on account of any interest in the Premises or the Improvements separate and apart from the value of Port's reversionary interest in the land and Improvements, the Leasehold Estate, or the value of the Improvements on the Premises for the remaining unexpired portion of the Term of this Lease,

will be paid to Port or Tenant, as applicable, as so designated by the condemning authority or judgment. If less than all of the Premises is condemned, and this Lease is terminated, the fair market value of the remaining Premises and Improvements thereon which become the property of Port upon such termination shall be treated for purposes of this Section as received by Port on account of its share of the Award and the cash payment payable to Port shall be reduced by a like amount and instead paid to Tenant.

16.5. ***Temporary Condemnation.*** If there is a Condemnation of all or any portion of the Premises for a temporary period lasting less than the remaining Term, other than in connection with a Substantial Condemnation or a Partial Condemnation of a portion of the Premises for the remainder of the Term, this Lease will remain in full force and effect, and the entire Award will be payable to Tenant.

16.6. ***Personal Property.*** Notwithstanding ***Section 16.4***, Port will not be entitled to any portion of any Net Awards and Payments payable in connection with the Condemnation of the Personal Property of Tenant or any of its Subtenants.

17. LIENS.

17.1. ***Liens.*** Tenant will not create or permit the attachment of, and will promptly discharge at no cost to Port, any lien, security interest, or encumbrance on the Premises or the Leasehold Estate, other than (i) this Lease, permitted Subleases, and Permitted Title Exceptions, (ii) liens for non-delinquent Impositions (excluding Impositions which may be separately assessed against the interests of Subtenants or are being contested in accordance with ***Article 7***), and (iii) Mortgages in accordance with ***Article 37***.

17.2. ***Mechanics' Liens.*** Tenant will keep the Premises and the Leasehold Estate free from any liens arising out of any work performed, materials or services furnished, or obligations incurred by Tenant or any of its Agents. Tenant will provide thirty (30) days' advance written notice to Port of any Construction to allow Port to post a notice of non-responsibility on the Premises. If Tenant does not, within sixty (60) days following the imposition of any such Lien, cause the same to be released of record or post a bond or take such other action reasonably acceptable to Port, it will constitute a Tenant Event of Default, and Port will have, in addition to all other remedies provided by this Lease or by Law, the right but not the obligation to cause the same to be released by such means as it deems proper, including payment of the claim giving rise to such lien. All sums paid by Port (including interest at the Default Rate computed from the date of payment) for such purpose and all expenses incurred by Port in connection therewith must be reimbursed to Port by Tenant within ten (10) days following demand by Port. Port will include with its demand, supporting documentation.

18. ASSIGNMENT AND SUBLETTING.

18.1. ***Transfers.*** Tenant will have the right to Transfer without obtaining Port's consent its entire interest in this Lease to the proposed Transferee in connection with a Transfer of the Master Developer's rights under the DDA pursuant to [***Article 6*** of the DDA.] Except in connection with a Transfer under the DDA, no other Transfer of Tenant's interest is permitted.

18.2. ***No Release of Tenant's Existing Liability or Waiver by Virtue of Consent.*** The effectiveness of a Transfer hereunder is not in any way to be construed to relieve Tenant of any liability arising out of or with regard to the performance of any covenants or obligations to be performed by Tenant hereunder before the date of such Transfer.

18.3. ***Phase Transferee Sublease.*** If the Master Developer assigns all of Master Developer's rights and obligations under the DDA for the development of the Horizontal Improvements with respect to a particular Phase, and such transferee assumes all such rights and obligations ("**Phase Transferee**") all in accordance with the DDA and pursuant to an assignment and assumption agreement approved by Port in accordance with the DDA ("**Phase Assignment and Assumption Agreement**"), then Tenant may enter into a Sublease for portions of

the Premises applicable to the Phase Assignment and Assumption Agreement ("**Phase Sublease**") with Port's prior consent which will not be unreasonably withheld. The Parties agree that it will be reasonable for Port to withhold its consent to a Phase Sublease for any of the following reasons:

(a) The proposed area subject to the Phase Sublease extends beyond the applicable Phase Area (other than any construction staging area for the Horizontal Improvements applicable to such Phase);

(b) The term of the Phase Sublease extends beyond completion date set forth in the DDA Schedule of Performance for such Phase (as may be extended in accordance with the DDA);

(c) The Phase Sublease does not require the Phase Transferee to provide all of the documents described in ***Section 5.3*** within the time frame set forth therein;

(d) The Phase Sublease does not include all of the provisions set forth in ***Section 18.4*** provided that references in such section to Pre-Approved Sublease will mean the Phase Sublease and Subtenant will mean the Phase Transferee.

18.4. ***Pre-Approved Sublease***. Other than any Sublease or other agreement with a Phase Transferee, as further described in ***Section 18.3***, Tenant has the right to Sublease portions of the Premises for the Permitted Uses and enter into Parking Operator Agreements without Port's prior consent so long all of the following conditions are satisfied (each a "**Pre-Approved Sublease**"):

(a) The Pre-Approved Sublease will not adversely and materially impact construction of the Horizontal Improvements or the Vertical Improvements; and

(b) The Pre-Approved Sublease (and any further sub-subleases of the Sublease space) are all subject to the terms and conditions of this Lease, provided that the Subtenant need not be obligated to undertake any obligations with respect to the Subleased space that is Tenant's obligation under such Sublease; and

(c) The term of the Pre-Approved Sublease does not extend beyond the Term of this Lease; and

(d) The Pre-Approved Sublease contains an Indemnification and waiver of claims provision benefitting Port that is substantially and materially the same as ***Article 19*** except that the term "**Tenant**" in such provision means "**Subtenant**;" or "**Licensee**," as applicable; and

(e) The Pre-Approved Sublease requires that under all liability and other insurance policies, "**THE CITY AND COUNTY OF SAN FRANCISCO, THE SAN FRANCISCO PORT COMMISSION AND THEIR OFFICERS, AGENTS, EMPLOYEES AND REPRESENTATIVES**" are additional insureds by written endorsement and acknowledging Port's rights to demand increased coverage to normal amounts consistent with the Subtenant's business activities on the Premises; and

(f) Subject to the rights of any Mortgagee, the Pre-Approved Sublease requires Subtenant to pay the rent and other sums due under the Sublease directly to Port upon receiving written notice from Port that a Tenant Event of Default has occurred; and

(g) The Pre-Approved Sublease requires the Subtenant to provide to Tenant any Books and Records which are needed for Port to verify Gross Revenues or Variable Rent and to otherwise adhere to the requirements in [***Sections 3.10*** and ***3.11***] of ***Exhibit D*** regarding books, records, accounting principles, audit rights and the like; and

(h) The Pre-Approved Sublease requires the Subtenant to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease; and

(i) The Pre-Approved Sublease contains a provision similar to ***Article 36*** (Right to Enter) requiring Subtenant to permit Port to enter its Subleased space for the purposes specified in ***Article 36***; and

(j) The Pre-Approved Sublease contains a provision similar to ***Section 30.1*** (Tenant Estoppel)) requiring Subtenant, from time to time, to provide Port an estoppel certificate substantially similar to the form attached hereto as ***Exhibit XX***; and

(k) The Pre-Approved Sublease requires Subtenant to comply with the Special Provisions set forth in ***Article 42***; and

(l) The Pre-Approved Sublease contains a provision that if for any reason whatsoever this Lease is terminated, the Sublease will be automatically terminated.

18.5. ***Non-Disturbance of Phase Transferee and Attornment.***

(a) **Generally**. Subject to the provisions of ***Section 18.3 and this Section 18.5***, from time to time upon the request of Tenant, Port will enter into an agreement with a Phase Transferee providing generally, with regard to a given Phase Sublease, that in the event of any termination of this Lease resulting from a Tenant Event of Default, Port will not terminate or otherwise disturb the rights of the Phase Transferee under such Phase Sublease, but will instead honor such Phase Sublease as if such agreement had been entered into directly between Port and such Phase Transferee (**"Non-Disturbance Agreement"**).

(b) **Conditions for Issuance of Non-Disturbance Agreement**. Port will enter into a Non-Disturbance Agreement with a particular Phase Transferee if all of the following conditions are satisfied:

(i) Port has approved the Phase Budget applicable to the Phase Sublease;

(ii) The performance by Tenant of its obligations under such Phase Sublease will not cause an Event of Default to occur under this Lease;

(iii) The term of the Phase Sublease does not extend beyond the completion date set forth in the DDA Schedule of Performance for such Phase (as may be extended in accordance with the DDA);

(iv) The Phase Sublease complies with all the conditions (of ***Section 18.4***, provided that references in such section to Pre-Approved Sublease will mean the Phase Sublease and Subtenant will mean the Phase Transferee;

(v) The area subject to the Phase Sublease does not extend beyond the boundaries of applicable Phase (other than any construction staging area for the Horizontal Improvements applicable to such Phase, the boundaries of which are approved by Port and Master Developer);

(vi) The Phase Sublease requires the Phase Transferee to provide all of the following into Escrow no less than five (5) business days prior to the Anticipated Conveyance Date of each Development Parcel within the subleased premises:

(1) a duly executed and acknowledged Partial Release of Sublease and if the rights to the applicable Phase were assigned to and assumed by the Phase Transferee, a Partial Release of DDA;

(2) a duly executed Estoppel Certificate for the benefit of Port, the Vertical Developer and Vertical Developer's lenders, in the form attached hereto as ***Exhibit XX***;

(3) a duly executed ground lessee's affidavit and, if required by the title insurance company, a mechanic's lien indemnity (excluding any work performed by

Port) reasonably acceptable to Phase Transferee and the title insurance company issuing title insurance on the applicable Development Parcel;

(4) if applicable, a duly executed VCA reasonably acceptable to both Tenant and Vertical Developer; and

(5) such other documents reasonably requested by Port, or Vertical Developer, to consummate the delivery of the applicable Development Parcel to Vertical Developer.

Upon request from each Vertical Developer, Subtenant will also enter into a license on the form attached hereto as ***Exhibit XX*** to provide Vertical Developer access to the applicable Development Parcel for Vertical Developer to perform due diligence and site investigation prior to the Anticipated Conveyance Date.;

(vii) Any Transfer by Phase Transferee of its interest in the Phase Sublease will require Port's prior approval, which approval may be withheld in Port's sole discretion before Completion; of the Shared Public Way and the Parcel D2 Garage, and in its reasonable discretion after Completion of the Shared Public Way and the Parcel D2 Garage.

(viii) The Phase Transferee agrees that in the event this Lease expires, terminates or is canceled during the term of the Phase Sublease, the Phase Transferee will attorn to Port (provided Port agrees not to disturb the occupancy or other rights of the Phase Transferee and to be bound by the terms of the Phase Sublease, except as otherwise set forth in the Non-Disturbance Agreement), and the Phase Sublease will be deemed a direct lease between the Phase Transferee and Port, except that any Subleases entered into by Phase Transferee (or its Affiliates) will be terminated and Port will not be:

(1) liable to the Phase Transferee for any security deposit or prepaid rent or other charges previously paid by such Phase Transferee to Tenant unless such deposits, rent or charges are transferred to Port;

(2) bound by any indemnification obligations or any waivers and releases made by the sublandlord in the Phase Sublease for the benefit of Phase Transferee or any other party;

(3) bound by any requirement or obligation of the Tenant under the Phase Sublease to pay any amount of money to Phase Transferee;

(4) liable to Phase Transferee for any indirect, consequential, incidental, punitive or special damages;

(5) bound by any limitation on Phase Transferee's obligation to indemnify any sublandlord parties based on Phase Transferee's insurance coverage;

(6) bound by any limitation on sublandlord's ability to transfer its interest in the Phase Sublease (including any requirement to deliver prior notice to Phase Transferee or obtain Phase Transferee's prior approval); and

(7) bound by any requirement or obligation to keep records or documents confidential that violates the Public Records Act or the City's Sunshine Ordinance.

(ix) During the continuance of any Tenant Event of Default, Port may, in its sole discretion, withhold or condition its agreement to provide a Non-Disturbance Agreement on the cure of such default as Port may specify either in a notice of default given under ***Section 23.1*** or in a notice withholding or conditioning its agreement to provide a Non-Disturbance Agreement; and

(x) Concurrently with its request for a Non-Disturbance Agreement from Port, Tenant will submit to Port

(1) an electronic copy of the Phase Sublease in Microsoft Word format (or other comparable format);

(2) a summary of basic terms of the Phase Sublease;

(3) an electronic draft of a Non-Disturbance Agreement in Microsoft Word format (or other comparable format), redlined against the form required by Section 18.4(d);

(4) a statement certifying that the proposed Non-Disturbance Agreement complies with all the conditions and requirements set forth in ***Sections 18.3 and 18.4(b)***;

(5) an executed Tenant estoppel certificate substantially in the form attached hereto as Exhibit XX, and Tenant will certify as of the effective date of the Non-Disturbance Agreement that the certifications made by Tenant in the estoppel certificate remains unchanged; and [Note: estoppel certificate must have Tenant certify that attached Sublease and summary of basic terms is true, correct and complete and that there have been no changes in the executed Sublease and summary from the electronic copies previously delivered to Port.]

(6) all relevant information requested by Port including reasonable financial information establishing the ability of the proposed Phase Transferee to perform its obligations under such Phase Sublease, and relevant information concerning the business character and operating history of the proposed Phase Transferee; provided however, in lieu of submitting the Subtenant's financial information to Port, Tenant may make such information available for review (but not duplication) at Port's office or at Tenant's office in the City of San Francisco.

(xi) Tenant deposits sufficient funds to reimburse Port for its Attorneys' Fees and Costs to review the proposed Non-Disturbance Agreement (which, for avoidance of doubt, includes any additional administrative fees, or outside counsel or contractors engaged by Port to review such request for a Non-Disturbance Agreement);

(xii) Phase Transferee agrees that notwithstanding any Non-Disturbance Agreement, the Phase Sublease will terminate as of the Lease termination date (1) if the Lease terminates in the event of Casualty or Condemnation, as further described in ***Articles 15 and 16***; or (2) if there is an uncured Phase Transferee event of default, giving effect to any notice and cure period provided therein (which agreement will be evidenced by acceptance of a Non-Disturbance Agreement reflecting the matters described in this Section 18.5(b)(xii)); and

(xiii) If a guarantor guaranties any Phase Transferee obligation under the Phase Sublease, Port will be named as an additional beneficiary to such guaranty; provided, however, Port's rights under such guaranty will not be effective until termination of this Lease; and

(xiv) The applicable Phase Sublease will provide that the Phase Transferee will deliver to Port as of the Master Lease termination date or promptly following request by Port an executed estoppel certificate, substantially in the form attached hereto as Exhibit XX certifying as of the Lease termination date, among other things: (A) that the Phase Sublease, including all amendments, is attached thereto and is unmodified, except for such attached amendments, and is in full force and effect, as so amended, or if such Phase Sublease is not in full force and effect, so stating, (B) which amendments, if any, to the Phase Sublease have been previously approved by Port in writing, including the dates of approval, (C) the dates, if any, to which any rent and other sums payable thereunder have been paid, (D) that the Phase Transferee is not aware of any Tenant defaults under the Phase Sublease which have not been cured, except as to defaults specified in said certificate, and (E) that the Phase Transferee is not aware of any Phase Transferee defaults which have not been cured.

(c) Copy of Phase Sublease. Tenant will provide Port a true and complete copy of the executed Phase Sublease and summary of the Phase Sublease basic terms attached to the Tenant estoppel certificate, in accordance with ***Section 18.5(b)(x)(5)*** within five (5) business days after the execution thereof, which Phase Sublease will contain substantially the same (or more favorable to the landlord) business terms as in the form of Phase Sublease, statement, and other information previously provided to Port.

(d) Form of Non-Disturbance Agreement. Each Non-Disturbance Agreement will be substantially in the form of ***Exhibit XX*** and, if not in such form, will be in form and substance agreed upon by Tenant and Port, not to be unreasonably withheld by either party. With each request for a Non-Disturbance Agreement, Tenant will submit a copy of the form, showing any requested interlineations or deletions.

(e) Response Period. Port will respond to any request for a Non-Disturbance Agreement within fifteen (15) business days after receipt of all the materials described in ***Section 18.5(b)(x)***. If Port fails to respond to such request within such fifteen (15) business day period, then Tenant will deliver to Port a second notice requesting Port's response ("**Second NDA Notice**"). The Second NDA Notice must display prominently on the envelope enclosing such notice and the first page of such notice, substantially the following: "APPROVAL REQUEST FOR [INSERT ADDRESS OF LEASED PREMISES]/MISSION ROCK SUBLEASE MATTERS. IMMEDIATE ATTENTION REQUIRED; FAILURE TO RESPOND WITHIN FIVE (5) BUSINESS DAYS WILL RESULT IN THE REQUEST BEING DEEMED APPROVED." If Port fails to respond within five (5) business days after Port's receipt of the Second NDA Notice, then such non-response will be deemed to be approval of such Non-Disturbance Agreement and the applicable Phase Transferee will be entitled to rely on the terms of the applicable Non-Disturbance Agreement, provided, however, if there are any conflicts between the provisions in the Phase Sublease and the deemed approved Non-Disturbance Agreement, on the one hand, and ***Sections 18.4 and 18.5(b)*** on the other hand, ***Sections 18.4 and 18.5***.

18.6. ***Acknowledgements***. Tenant acknowledges and agrees that Port's rights with respect to Transfers are reasonable limitations for purposes of California Civil Code Section 1951.4 and waives any claims arising from Port's actions under this ***Article 18***.

18.7. ***Mortgaging of Leasehold***. Notwithstanding anything herein to the contrary, at any time during the Term, Tenant has the right, without Port's consent, to sell, assign, encumber, or transfer its interest in this Lease to a Mortgagee or other purchaser in connection with a deed in lieu of foreclosure in connection with the exercise of remedies under the provisions of a Mortgage subject to the limitations, rights and conditions set forth in ***Article 37***, and, in the event so assigned, the Lease may be further assigned with notice to, but without the consent of, Port.

18.8. ***Assignment of Rents***. Tenant hereby assigns to Port all rents and other payments of any kind, due or to become due from any or present or future Subtenant as security for Tenant's obligations hereunder prior to actual receipt thereof by Tenant; provided, however, the foregoing assignment shall be subject and subordinate to any assignment made to a Mortgagee under ***Article 37*** until such time as Port has terminated this Lease (subject to the Port's agreement to enter into a new lease with Mortgagee and all other provisions of this Lease protecting Mortgagee's interests in this Lease), at which time the rights of Port in all rents and other payments assigned pursuant to this ***Section 18.8*** will become prior and superior in right; provided, further, any rents collected by any Mortgagee from any Subtenants pursuant to any assignment of rents or subleases made in its favor will promptly remit to Port the rents so collected (less the actual cost of collection) to the extent necessary to pay Port any Rent, including any and all Additional Rent, through the date of termination of this Lease.

18.9. ***No Release of Tenant***. The acceptance by Port of Rent or other payment from any other person will not be deemed to be a waiver by Port of any provision of this Lease or to

be a release of Tenant from any obligation under this Lease. No Transfer or Sublease will in any way diminish, impair or release any of the liabilities and obligations of Tenant, any guarantor or any other person liable for all or any portion of Tenant's obligations under this Lease.

19. INDEMNIFICATION OF PORT.

19.1. ***General Indemnification of the Indemnified Parties.*** Subject to ***Section 19.4***, Tenant agrees to and will Indemnify the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any such Indemnified Parties in connection with the occurrence or existence of any of the following:

(a) any accident, injury to or death of Persons, or loss or destruction of or damage to property occurring in, on, or under the Premises or any part thereof and which may be directly or indirectly caused by any acts done in, on, or under the Premises, or any acts or omissions of Tenant, its Agents, Subtenants, or Invitees, or their respective Agents and Invitees in, on, or under the Premises;

(b) any use, non-use, possession, occupation, operation, maintenance, management, or condition of the Premises or any part thereof by Tenant, its Agents, Subtenants, or Invitees, or their respective Agents and Invitees;

(c) any latent, design, construction or structural defect relating to the Improvements, any other Subsequent Construction, or any other matters relating to the condition of the Premises caused directly or indirectly by Tenant or any of its Agents, Invitees, or Subtenants;

(d) any failure on the part of Tenant or its Agents, Invitees, or Subtenants, as applicable, to perform or comply with any of the terms, covenants, or conditions of this Lease or with applicable Laws;

(e) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof by Tenant or any of its Agents or Subtenants;

(f) any acts, omissions, or negligence of Tenant, its Agents, Invitees, or Subtenants; and

(g) any civil rights actions or other legal actions or suits initiated by any user or occupant of the Premises to the extent it relates to such use or occupancy.

19.2. ***Hazardous Materials Indemnification.***

(a) In addition to its obligations under ***Section 19.1*** (General Indemnity) and subject to ***Section 19.4***, Tenant agrees to Indemnify the Indemnified Parties and the State Lands Indemnified Parties from any and all Losses and Hazardous Materials Claims that arise as a result of any of the following:

(i) any Hazardous Material Condition existing or occurring during the Term;

(ii) any Handling, Release, or Exacerbation of Hazardous Materials in, on, or under the Premises during the Term; or

(iii) without limiting Tenant's Indemnification obligations in ***Section 19.2(a)(ii)***, any Handling or Release of Hazardous Materials outside of the Premises, but in, on, or under the Mission Rock Site, by Tenant or any Related Third Party during the Term. "**Related Third Party**" means Tenant's Agent, Subtenant, or their respective Agent; or

(iv) failure by Tenant or any Related Third Party to comply with the Mission Rock Risk Management Plan; or

(v) claims by Tenant or any Related Third Party for exposure occurring during the Term to Pre-Existing Hazardous Materials or New Hazardous Materials in, on, or under the Mission Rock Site.

(b) Tenant's obligations under ***Section 19.2(a)*** includes: (i) actual costs incurred in connection with any Investigation or Remediation requested by Port or required by any Environmental Regulatory Agency and to restore the affected area to its condition before the Release; (ii) actual damages for diminution in the value of the Premises or the Facility; (iii) actual damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises; (iv) actual damages arising from any adverse impact on marketing the space; (v) sums actually paid in settlement of Claims, Hazardous Materials Claims, Environmental Regulatory Actions, including fines and penalties; (vi) actual natural resource damages; and (vii) Attorneys' Fees and Costs, consultant fees, expert fees, court costs, and all other actual litigation, administrative or other judicial or quasi-judicial proceeding expenses. If Port actually incurs any damage and/or pays any costs within the scope of this section, Tenant must reimburse Port for Port's costs, plus interest at the Interest Rate from the date of demand until paid, within five (5) business days after receipt of Port's payment demand and reasonable supporting evidence of the cost or damage actually incurred.

(c) Tenant understands and agrees that its liability to the Indemnified Parties and the State Lands Indemnified Parties under this ***Section 19.2,*** subject to ***Section 19.4***, arises upon the earlier to occur of:

(i) discovery of any such Hazardous Materials (other than Pre-Existing Hazardous Materials) in, on, or under the Premises;

(ii) the Handling or Release of Hazardous Materials in, on, or under the Premises;

(iii) the Handling or Release of Hazardous Materials in, on, or under areas outside the Premises but within the Mission Rock Site caused by Tenant or a Related Third Party,

(iv) any occurrence of a Hazardous Material Condition during the Term; or

(v) the institution of any Hazardous Materials Claim with respect to such Hazardous Materials, and not upon the realization of loss or damage.

19.3. ***Scope of Indemnities; Obligation to Defend.*** Except as otherwise provided in ***Section 19.4***, Tenant's Indemnification obligations under this Lease are enforceable regardless of the active or passive negligence of the Indemnified Parties, and regardless of whether liability without fault is imposed or sought to be imposed on the Indemnified Parties. Tenant specifically acknowledges that it has an immediate and independent obligation to defend the Indemnified Parties from any Loss that actually or potentially falls within the Indemnification obligations of Tenant, even if such allegations are or may be groundless, false, or fraudulent, which arises at the time such claim is tendered to Tenant and continues at all times thereafter until finally resolved. Tenant's Indemnification obligations under this Lease are in addition to, and in no way will be construed to limit or replace, any other obligations or liabilities which Tenant may have to Port in this Lease, at common law or otherwise. All Losses incurred by the Indemnified Parties subject to Indemnification by Tenant constitute Additional Rent owing from Tenant to Port hereunder and are due and payable from time to time immediately upon Port's request, as incurred.

19.4. ***Exclusions from Indemnifications, Waivers and Releases.***

(a) Nothing in this ***Article 19*** (Indemnities) relieves the Indemnified Parties or the State Lands Indemnified Parties from liability, nor will the Indemnities set forth in ***Sections 19.1 (General Indemnification of Indemnified Parties), 19.2 (Hazardous Materials***

Indemnification), or the defense obligations set forth in ***Sections 19.3 (Scope of Indemnities) and 19.6 (Defense)*** extend to Losses:

(i) to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties, or

(ii) from third parties' claims for exposure to Hazardous Materials prior to the Commencement Date.

(b) If it is reasonable for an Indemnified Party or a State Lands Indemnified Party to assert that a claim for Indemnification under this ***Section 19.4*** is covered by a pollution liability insurance policy, pursuant to which such Indemnified Party or State Lands Indemnified Party is an insured party or a potential claimant, then Port will reasonably cooperate with Tenant in asserting a claim or claims under such insurance policy but without waiving any of its rights under this ***Section 19.4***. Notwithstanding the foregoing, if an Indemnified Party or State Lands Indemnified Party is a named insured on a pollution liability insurance policy obtained by Tenant, the Indemnification from Tenant under this ***Section 19.4*** will not be effective unless such Indemnified Party or State Lands Indemnified Party has asserted and diligently pursued a claim for insurance under such policy and until any limits from the policy are exhausted, on condition that (i) Tenant pays any self-insured retention amount required under the policy, and (ii) nothing in this sentence requires any Indemnified Party or State Lands Indemnified Party to pursue a claim for insurance through litigation prior to seeking indemnification from Tenant.

19.5. ***Survival.*** Tenant's Indemnification obligations under this Lease and the provisions of this ***Article 19*** survive the expiration or earlier termination of this Lease (or, the partial termination of this Lease with respect to any portion of the Premises released in accordance with ***Section 1.4(b)***).

19.6. ***Defense.*** Tenant will, at its option but subject to reasonable approval by Port, be entitled to control the defense, compromise or settlement of any such matter through counsel of Tenant's choice; provided, that in all cases Port will be entitled to participate in such defense, compromise or settlement at its own expense. If Tenant fails, however, in Port's reasonable judgment, within a reasonable time following notice from Port alleging such failure, to take reasonable and appropriate action to defend, compromise or settle such suit or claim, Port will have the right promptly to use the City Attorney or hire outside counsel, at Tenant's sole expense, to carry out such defense, compromise or settlement which expense is due and payable to Port within fifteen (15) days after receipt by Tenant of a detailed invoice for such expense.

19.7. ***Waiver.*** As a material part of the consideration of this Lease, Tenant hereby assumes the risk of, and waives, discharges, and releases any and all claims against the Indemnified Parties from any Losses arising out of this Lease or relating to the Premises, including (a) damages by death of or injury to any Person, or to property of any kind whatsoever and to whomever belonging, (b) goodwill, (c) business opportunities, (d) any act or omission of persons occupying adjoining premises, (e) theft, (f) explosion, fire, steam, oil, electricity, water, gas, rain, pollution, or contamination, (g) Building defects, (h) inability to use all or any portion of the Premises due to sea level rise or flooding or seismic events, and (i) any other acts, omissions or causes arising at any time and from any cause, in, on, or under the Premises, including all claims arising from the joint, concurrent, active or passive negligence of any of Indemnified Parties. The foregoing waiver, discharge and release does not include Losses arising from the Indemnified Parties' willful misconduct or gross negligence.

Tenant expressly acknowledges and agrees that the amount payable by Tenant hereunder does not take into account any potential liability of the Indemnified Parties for any consequential, incidental or punitive damages. Port would not be willing to enter into this Lease in the absence of a complete waiver of liability for consequential, incidental or punitive damages due to the acts or omissions of the Indemnified Parties, and Tenant expressly assumes the risk with respect thereto. Accordingly, without limiting any Indemnification obligations of Tenant or

other waivers or releases contained in this Lease and as a material part of the consideration of this Lease, Tenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against the Indemnified Parties for consequential, incidental and punitive damages (including, without limitation, lost profits) and covenants not to sue, or to pay the Attorneys' Fees and Costs of any party to sue for such damages, the Indemnified Parties arising out of this Lease or the uses authorized hereunder, including, any interference with uses conducted by Tenant pursuant to this Lease regardless of the cause, and whether or not due to the negligence of the Indemnified Parties.

Tenant understands and expressly accepts and assumes the risk that any facts concerning the claims released in this Lease might be found later to be other than or different from the facts now believed to be true, and agrees that the waivers and releases in this Lease will remain effective. Therefore, with respect to the claims released in this Lease, Tenant waives any rights or benefits provided by California Civil Code Section 1542, which reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

By placing its initials below, Tenant specifically acknowledges and confirms the validity of the waivers and releases made above and the fact that Tenant was represented by counsel who explained the consequences of the waivers and releases at the time this Lease was made, or that Tenant had the opportunity to consult with counsel, but declined to do so.

Tenant's Initials: _____

Tenant acknowledges that the waivers and releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims for consequential, incidental or punitive damages. Tenant realizes and acknowledges that it has agreed upon this Lease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect.

20. INSURANCE. [NOTE: SUBJECT TO FURTHER DISCUSSION]

20.1. ***Required Insurance Coverage.*** Tenant, at its sole cost and expense, and Tenant's Subtenants or Agents that conduct any Special Event, or, as relevant, install or maintain any Promotional Signage shall maintain, or cause to be maintained, throughout the Term, the following insurance:

(a) **General Liability Insurance**. Comprehensive or commercial general liability insurance, with limits not less than Twenty Million Dollars ($20,000,000.00) each occurrence combined single limit for bodily injury and property damage, including coverages for contractual liability, liquor liability, independent contractors, broad form property damage, personal injury, products and completed operations, fire damage and legal liability with limits not less than Two Hundred Fifty Thousand Dollars ($250,000.00) and explosion, collapse and underground (XCU) coverage during any period in which Tenant is conducting any activity on or Subsequent Construction or Improvement, including construction of the Horizontal Improvements, to the Premises with risk of explosion, collapse, or underground hazards. This policy must also cover non-owned and for-hire vehicles and all mobile equipment or unlicensed vehicles, such as forklifts.

(b) **Automobile Liability Insurance**. Comprehensive or business automobile liability insurance with limits not less than Five Million Dollars ($5,000,000.00) each occurrence combined single limit for bodily injury and property damage, including coverages for owned and hired vehicles and for employer's non-ownership liability, which insurance shall be required if

any automobiles or any other motor vehicles are operated in connection with Tenant's activity on the Premises or the Permitted Use. If parking is a Permitted Use under this Lease, Tenant must obtain, maintain, and provide to Port upon request evidence of personal automobile liability insurance for persons parking vehicles at the Premises on a regular basis, including without limitation Tenant's Agents and Invitees.

(c) **Worker's Compensation; Employer's Liability; Jones Act; U.S. Longshore and Harborworker's Act Insurance**. Worker's Compensation in statutory amounts, with Employer's Liability limit not less than One Million Dollars ($1,000,000.00) for each accident, injury, or illness. In the event Tenant is self-insured for the insurance required pursuant to this ***Section 20.1(c)***, it shall furnish to Port a current Certificate of Permission to Self-Insure signed by the Department of Industrial Relations, Administration of Self-Insurance, Sacramento, California. In addition, Tenant will be required to maintain insurance for claims under the Jones Act or U.S. Longshore and Harborworker's Act, respectively as applicable with Employer's Liability limit not less than Five Million Dollars ($5,000,000.00) for each accident, injury or illness, on employees eligible for each.

(d) **Personal Property Insurance**. Tenant, at its sole cost and expense, shall procure and maintain on all of its personal property and Subsequent Construction, in, on, or under the Premises, property insurance on an all risk form, excluding earthquake and flood, to the extent of full replacement value. The proceeds from any such policy shall be used by Tenant for the replacement of Tenant's personal property or contractors' equipment as applicable.

(e) **Flood Insurance**.

(i) During construction of the improvements, for any parcel located within a flood zone on the City's flood maps, flood insurance will be in an amount equal to the maximum amount of full replacement cost of the improvements with a deductible not to exceed ten percent (10%) except that a greater deductible will be permitted to the extent that flood coverage is not available from recognized carriers or through the NFIP at commercially reasonable rates.

(ii) During construction of the improvements, for any parcel not located within a flood zone on the City's flood maps, flood insurance will be in an amount to the extent available at commercially reasonable rates from recognized insurance carriers or through the NFIP equal to the maximum amount of full replacement cost of the improvements with a deductible not to exceed ten percent (10%) except that a greater deductible will be permitted to the extent that flood coverage is not available from recognized carriers or through the NFIP at commercially reasonable rates

(f) **Pollution Legal Liability**. Tenant, at its sole cost and expense, will procure Pollution Legal Liability insurance with limits of not less than Five Million Dollars ($5,000,000.00) per claim, for a period of not less than ten (10) years. Each of the State Lands Indemnified Parties will be named as additional insureds under the terms of any such policy. If Tenant procures any such policy for a period that is longer than ten (10) years, Tenant will ensure that each of THE CITY AND COUNTY OF SAN FRANCISCO, THE PORT OF SAN FRANCISCO AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS AND THE STATE LANDS INDEMNIFIED PARTIES are named as additional insureds for such longer period of time.

(g) **Construction Activities**. Insurance required in connection with construction of Horizontal Improvements is as set forth below:

(i) *Contractor Requirements*. Tenant must require its contractors and subcontractors to maintain the following coverages:

(1) Commercial general liability insurance with limits of not less than $5 million each occurrence on a policy form that is at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 00 01);

(2) Comprehensive automobile liability insurance with a policy limit of not less than $5 million each occurrence on a policy form that is at least as broad as ISO Form Number CA 0001 covering automobile liability, Code 1 (any auto);

(3) Worker's compensation insurance with statutory limits and employer's liability insurance with limits of not less than $1 million each accident, injury, or illness;

(4) Watercraft liability insurance (if operating watercraft) protection and indemnity insurance with limits not less than $1 million each occurrence, or with Port approval, lesser limits and deductible as are readily available in the insurance market at a commercially reasonable cost, wreck removal, and damages "In Rem" (the vessel); and

(5) Marine general liability (MGL) (if operating watercraft) with limits not less than $10 million each occurrence and aggregate basis;

(6) Vessel pollution liability insurance (if operating watercraft with engines or fuel usage) with limits not less than $5 million per occurrence and $5 million in the aggregate with a deductible not to exceed $50,000 with Port approval, lesser limits and deductible as are readily available in the insurance market at a commercially reasonable cost; insurance should cover liability imposed under laws for any loss, damage, cost, liability or expense arising out of the sudden, accidental, and unintentional discharge, spillage, leakage, emission, or release of any substance of any kind into or on the navigable waters of the United States or the adjoining shorelines.

(7) Contractor's pollution liability insurance with limits of not less than Five Million Dollars ($5,000,000.00) per claim.

(ii) *Builder's Risk Requirements*. In addition, Tenant or General Contractor must carry "Builder's All Risk" insurance on a ''Special Form'' ("All Risk") Builder's Risk meeting the following requirements.

(1) The amount of coverage must be equal to the full replacement cost of any existing structures affected by the work and full replacement cost of all new construction, including all materials and equipment intended to become part of the permanent structures. The policy must provide coverage for ''soft costs,'' such as design and engineering fees, code updates, permits, bonds, insurance, and inspection costs caused by an insured peril. The Builder's Risk insurance may have a deductible clause not to exceed $100,000.

(2) The Builder's Risk policy must identify the City and County of San Francisco and the San Francisco Port Commission as loss payees, subordinate to any lender requirements.

(3) The Builder's Risk policy must include the following coverages: (A) all damages of loss to the work and to appurtenances, to materials and equipment to be incorporated into the project while the same are in transit, stored on or off the site, to construction plant and temporary structures; (B) the costs of debris removal, including demolition as may be made reasonably necessary by covered perils, resulting damage, and any applicable law; and (C) start up and testing and machinery breakdown including electrical arcing.

(iii) *Professional Services Requirements*. Tenant must require all providers of engineering and geotechnical professional services under contract with Tenant to provide professional liability coverage with limits not less than Five Million Dollars ($5,000,000.00) each claim. With respect to all other professional services provided to Tenant

for the Horizontal Improvements, Tenant must require all providers of such professional services under contract with Tenant to provide professional liability coverage with limits not less than Two Million Dollars ($2,000,000.00) each claim. Such insurance will provide coverage during the period when such professional services are performed and for a period of 3 years after issuance of a Certificate of Occupancy for the Horizontal Improvements. This requirement may be met by the use of an extended reporting period.

(h) **Other Coverage**. Such other insurance or different coverage amounts may change from time to time as required by the City's Risk Manager, if in the reasonable judgement of the City's Risk Manager it is the general commercial practice in San Francisco to carry such insurance and/or in the requested insurance limits for the subject activities taking into consideration the risks associated with such uses of the Premises, so long as any insurance required is available from recognized carriers at commercially reasonable rates. If Tenant determines that such other insurance or coverage amount should not be required because it is not available from recognized carries at commercially reasonable rates, then Tenant will provide to Port evidence supporting Tenant's determination of commercial unreasonableness as to the applicable coverage. Such evidence may include quotes, declinations, and notices of cancellation or non-renewal from leading insurance companies for the required coverage, percentage of overall operating expenses attributable thereto, and then current industry practice for comparable mixed-use/retail/office projects in San Francisco.

(i) **Substitution**. Notwithstanding the foregoing, Tenant shall have the right, upon the prior approval of Port, not to be unreasonably withheld, to substitute any of the insurance coverage required in this ***Article 20*** with insurance coverage maintained by one or more of Tenant's Agents, Invitees or transferees as long as the insurance policies, certificates and endorsements for such insurance coverage comply in all respects with the requirements of this ***Section 20.1(c)***, as determined by Port.

20.2. ***General Requirements.***

(a) **Insurance provided for pursuant to this Section**:

(i) Shall be carried under a valid and enforceable policy or policies issued by insurers of recognized responsibility that are rated Best A—:VIII or better by the latest edition of Best's Key Rating Guide (or a comparable successor rating) and legally authorized to sell such insurance within the State of California;

(ii) As to property insurance required hereunder, such insurance shall name the Tenant as the first named insured. As to liability insurance Tenant shall ensure that Port and the City of San Francisco are named as additional insureds under all general liability, automobile liability, vessel pollution, pollution, Public Boat Dock liability coverages. Any umbrella and/or excess liability insurance will include an endorsement through a blanket additional endorsement or equivalent naming as additional insureds the following: "**THE CITY AND COUNTY OF SAN FRANCISCO, THE PORT OF SAN FRANCISCO AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS.**"

(iii) As to Commercial General Liability and automobile liability insurance, shall provide that it constitutes primary insurance with respect to claims insured by such policy, and, except with respect to limits, that insurance applies separately to each insured against whom claim is made or suit is brought;

(iv) Will provide for waivers of any right of subrogation that the insurer of such party may acquire against each party hereto with respect to any losses and damages that are of the type covered under the policies required by ***Sections 20.1(a)20.1(b), 20.1(c),*** and ***20.1(f)***;

(v) Will be subject to the reasonable approval of Port, which approval shall not be unreasonably withheld.

(b) Certificates of Insurance; Right of Port to Maintain Insurance. Tenant shall furnish Port certificates with respect to the policies required under this Section within thirty (30) days after the Commencement Date and, with respect to renewal policies, within thirty (30) days after the policy renewal date of each such policy, and, within sixty (60) days after Port's request, shall also provide Port with copies of each such policy, or shall otherwise make such policy available to Port for its review. If at any time Tenant fails to maintain the insurance required pursuant to ***Section 20.1***, or fails to deliver certificates as required pursuant to this Section, then, upon thirty (30) business days' written notice to Tenant, Port may obtain and cause to be maintained in effect such insurance by taking out policies with companies satisfactory to Port. Within thirty (30) business days following demand, Tenant shall reimburse Port for all amounts so paid by Port, together with all costs and expenses in connection therewith and interest thereon at the Default Rate.

(c) Insurance of Others. To the extent Tenant requires liability insurance policies to be maintained by Subtenants, contractors, subcontractors or others in connection with their use or occupancy of, or their activities on, the Premises, Tenant shall require that such policies be endorsed to include the "**CITY AND COUNTY OF SAN FRANCISCO AND THE PORT OF SAN FRANCISCO AND THEIR OFFICERS, AGENTS, EMPLOYEES AND REPRESENTATIVES**" as additional insureds under the terms of any such policy. Unless otherwise specified in this agreement, Tenant will ensure that all contractors and sub-contractors performing work on the Premises and all operators and subtenants of any portion of the Premises carry adequate insurance coverages.

(d) Excess Coverage. All requirements may be satisfied by any combination of umbrella and excess liability policies (including blanket policies).

20.3. ***Release and Waiver***.Each Party hereby waives all rights of recovery and causes of action, and releases each other Party from any liability, losses and damages occasioned to the property of each such Party, which losses and damages are of the type covered under the property policies required by ***Sections 20.1(d)*** to the extent that such loss is reimbursed by an insurer.

21. HAZARDOUS MATERIALS.

21.1. ***Compliance with Environmental Laws***. Tenant will comply and cause its Subtenants their respective Agents and Invitees to comply while in, on, or under the Premises, with all Environmental Laws, Operations Plans (if any), the Mission Rock Risk Management Plan, and prudent business practices, including, without limitation, any deed restrictions, regulatory agreements, deed notices, soils management plans or certification reports required in connection with the approvals of any regulatory agencies in connection with the Project. Without limiting the generality of the foregoing, Tenant covenants and agrees that it will not, without the prior written consent of Port, which consent will not be unreasonably delayed or withheld, Handle, nor permit the Handling of Hazardous Materials in, on, or under the Premises, except for (a) standard building materials and equipment that do not contain asbestos or asbestos-containing materials, lead or polychlorinated biphenyl (PCBs), (b) any Hazardous Materials which do not require a permit or license from, or that need not be reported to, a governmental agency and are used in compliance with all applicable Laws and any reasonable conditions or limitations required by Port, (c) janitorial or office supplies or materials in such amounts as are customarily used for general office, residential or commercial purposes so long as such Handling is at all times in compliance with all Environmental Laws, and (d) Pre-Existing Hazardous Materials that are Handled for Remediation purposes under the jurisdiction of an Environmental Regulatory Agency.

21.2. ***Tenant Responsibility***. Tenant agrees to protect its Agents and Invitees in its operations on the Premises from hazards associated with Hazardous Materials by complying with all Environmental Laws and occupational health and safety Laws and also agrees, for itself and on behalf of its Agents and Invitees, that during the Term:

(a) Other than the Pre-Existing Hazardous Materials, will not permit any Hazardous Materials to be present in, on, or under the Premises except as permitted under ***Section 21.1***;

(b) Will not cause or permit any Hazardous Material Condition; and

(c) Will comply with all Environmental Laws relating to the Premises and any Hazardous Material Condition and any investigation, construction, operations, use or any other activities conducted in, on, or under the Premises, and will not engage in or permit any activity at the Premises, or in the operation of any vehicles used in connection with the Premises in violation of any Environmental Laws;

(d) Tenant will be the "**Generator**" of any waste, including hazardous waste , resulting from investigation, construction, operations, use or any other activities conducted in, on, or under the Premises;

(e) Will comply with all provisions of the Mission Rock Risk Management Plan with respect to the Premises, at its sole cost and expense, including requirements to notify site users, comply with risk management measures during construction, and inspect, document and report site conditions to Port annually and

(f) Will comply, and will cause all of its Subtenants that are subject to an Operations Plan, to comply with the Operations Plan applicable to Tenant or such Subtenant.

21.3. ***Tenant's Environmental Condition Notification Requirements***. The following requirements are in addition to the notification requirements specified in the (i) Operations Plan(s), if any, (ii) the Mission Rock Risk Management Plan, and (iii) Environmental Laws:

(a) Tenant must notify Port as soon as practicable, orally or by other means that will transmit the earliest possible notice to Port staff, of and when Tenant learns or has reason to believe Hazardous Materials were Released or, except as allowed under ***Section 21.1***, Handled, in, on, or under the Premises or the environment, or from any vehicles Tenant, or its Agents and Invitees use during the Term, whether or not the Release or Handling is in quantities that would be required under Environmental Laws to be reported to an Environmental Regulatory Agency. In addition to Tenant's notice to Port by oral or other means, Tenant must provide Port written notice of any such Release or Handling within twenty-four (24) hours following such Release or Handling.

(b) Tenant must notify Port as soon as practicable, orally or by other means that will transmit the earliest possible notice to Port staff of Tenant's receipt or knowledge of any of the following, and contemporaneously provide Port with an electronic copy within twenty-four (24) hours following Tenant's receipt of any of the following, of:

(i) Any notice of the Release or Handling of Hazardous Materials, in, on, or under the Premises or the environment during the Term, or from any vehicles Tenant, or its Agents and Invitees use during the Term that Tenant or its Agents or Invitees provide to an Environmental Regulatory Agency;

(ii) Any notice of a violation, or a potential or alleged violation, of any Environmental Law that Tenant or its Agents or Invitees receive from any Environmental Regulatory Agency;

(iii) Any other Environmental Regulatory Action that is instituted or threatened by any Environmental Regulatory Agency against Tenant or its Agents or Invitees and that relates to the Release or Handling of Hazardous Materials, in, on, or under the Premises during the Term or the environment, or from any vehicles Tenant, or its Agents and Invitees use during the Term;

(iv) Any Hazardous Materials Claim that is instituted or threatened by any third party against Tenant or its Agents or Invitees and that relates to the Release or

Handling of Hazardous Materials, in, on, or under the Premises during the Term or the environment, or from any vehicles Tenant, or its Agents and Invitees use in, on, or under the Premises during the Term; and

(v) Other than any Environmental Regulatory Approvals issued by the Department of Public Health and the Hazardous Materials Unified Program Agency, any notice of the termination, expiration, or substantial amendment of any Environmental Regulatory Approval needed by Tenant or its Agents or Invitees for their operations at the Premises.

(c) Tenant must notify Port of any meeting, whether conducted face-to-face or telephonically, between Tenant and any Environmental Regulatory Agency regarding an Environmental Regulatory Action concerning the Premises or Tenant's or its Agents' or Invitees' operations at the Premises. Port will be entitled to participate in any such meetings at its sole election.

(d) Tenant must notify Port of any Environmental Regulatory Agency's issuance of an Environmental Regulatory Approval concerning the Premises or Tenant's or its Agents' or Invitees' operations at the Premises. Tenant's notice to Port must state the name of the issuing entity, the Environmental Regulatory Approval identification number, and the dates of issuance and expiration of the Environmental Regulatory Approval. In addition, Tenant must provide Port with a list of any plan or procedure required to be prepared and/or filed with any Environmental Regulatory Agency for operations on the Premises. Tenant must provide Port with copies of any of the documents within the scope of this ***Section 21.3(d)*** upon Port's request.

(e) Tenant must provide Port with copies of all non-privileged communications with Environmental Regulatory Agencies, copies of investigation reports conducted by Environmental Regulatory Agencies, and all non-privileged communications with other persons regarding actual Hazardous Materials Claims arising from Tenant's or its Agents' or Invitees' operations at the Premises.

(f) Port may from time to time request, and Tenant will be obligated to provide, available information reasonably adequate for Port to determine whether any and all Hazardous Materials are being Handled in a manner that complies with all Environmental Laws.

21.4. ***Remediation Requirement***.

(a) After notifying Port in accordance with ***Section 21.3*** and subject to ***Section 21.4(d)***, Tenant must Remediate, at its sole cost and in compliance with all Environmental Laws and this Lease, any Hazardous Material Condition occurring during the Term; provided Tenant must take all necessary immediate actions to the extent practicable to address an emergent Release of Hazardous Materials to confine or limit the extent or impact of such Release, and will then provide such notice to Port in accordance with ***Section 21.3***. Except as provided in the previous sentence, Tenant must obtain Port's approval, which approval will not be unreasonably withheld, conditioned or delayed, of a Remediation work plan whether or not such plan is required under Environmental Laws, then begin Remediation actions immediately following Port's approval of the work plan and continue diligently until Remediation is complete.

(b) In addition to its obligations under ***Section 21.4(a)***, before this Lease terminates for any reason, Tenant must Remediate, at its sole cost and in compliance with all Environmental Laws and this Lease: (i) any Hazardous Material Condition caused by Tenant's or its Agents' or Invitees' Handling of Hazardous Materials during the Term; and (ii) any Hazardous Material Condition discovered during Tenant's occupancy that is required to be Remediated by any Regulatory Agency if Remediation would not have been required but for Tenant's use of the Premises, or due to Subsequent Construction or construction of the Horizontal Improvements.

(c) In all situations relating to Handling or Remediating Hazardous Materials, Tenant must take actions that are reasonably necessary in Port's reasonable judgment to protect the value of the Premises, such as obtaining Environmental Regulatory Approvals related to Hazardous Materials and taking measures to remedy any deterioration in the condition or diminution of the value of any portion of the Premises.

(d) Unless Tenant or its Agents or Invitees Exacerbate the Hazardous Material Condition or Handle or Release Pre-Existing Hazardous Materials in, on, or under the Premises, Tenant will not be obligated to Remediate any Hazardous Material Condition existing before the Commencement Date.

21.5. ***Pesticide Prohibition***. Tenant will comply with the provisions of Chapter 3 of the San Francisco Environment Code (the "**Pesticide Ordinance**") which (i) prohibit the use of certain pesticides on City property, and (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage as further described in ***Section XX***. [**Note: Insert relevant section in Special City/Port Requirements Exhibit**].

21.6. ***Additional Definitions.***

"**Environmental Laws**" means all present and future federal, State and local Laws, statutes, rules, regulations, ordinances, standards, directives, and conditions of approval, all administrative or judicial orders or decrees, and all permits, licenses, approvals, or other entitlements, or rules of common law pertaining to Hazardous Materials (including the Handling, Release, or Remediation thereof), industrial hygiene or environmental conditions in the environment, including structures, soil, air, air quality, water, water quality and groundwater conditions, any environmental mitigation measure adopted under Environmental Laws affecting any portion of the Premises, the protection of the environment, natural resources, wildlife, human health or safety, or employee safety, or community right-to-know requirements related to the work being performed under this Lease. "**Environmental Laws**" include the City's Pesticide Ordinance (Chapter 39 of the San Francisco Administrative Code), Section 20 of the San Francisco Public Works Code (Analyzing Soils for Hazardous Waste), the FOG Ordinance, the [Mission Rock Risk Management Plan] and [insert any additional applicable references].

"**Environmental Regulatory Action**" when used with respect to Hazardous Materials means any inquiry, Investigation, enforcement, Remediation, agreement, order, consent decree, compromise, or other action that is threatened, instituted, filed, or completed by an Environmental Regulatory Agency in relation to a Release of Hazardous Materials, including both administrative and judicial proceedings.

"**Environmental Regulatory Agency**" means the United States Environmental Protection Agency, OSHA, any California Environmental Protection Agency board, department, or office, including the Department of Toxic Substances Control and the RWQCB, Cal-OSHA, the Bay Area Air Quality Management District, the San Francisco Department of Public Health, the San Francisco Fire Department, the SFPUC, Port, (in its regulatory capacity), or any other Regulatory Agency now or later authorized to regulate Hazardous Materials.

"**Environmental Regulatory Approval**" means any approval, license, registration, permit, or other authorization required or issued by any Environmental Regulatory Agency, including any hazardous waste generator identification numbers relating to operations on the Premises and any closure permit.

"**Exacerbate**" or "**Exacerbating**" when used with respect to Hazardous Materials means any act or omission that increases the quantity or concentration or potential for human exposure of Hazardous Materials in the affected area, causes the increased migration of a plume of Hazardous Materials in soil, groundwater, or bay water, causes a Release of Hazardous Materials that had been contained until the act or omission, or otherwise requires Investigation or Remediation that would not have been required but for the act or omission, it being understood that the mere discovery of Hazardous Materials does not cause "**Exacerbation**". "**Exacerbate**" also

includes the disturbance, removal or generation of Hazardous Materials in the course of Tenant's operations, Investigations, maintenance, repair, construction of Improvements, Horizontal Improvements, and Alterations under this Lease. "**Exacerbate**" also means failure to comply with the Mission Rock Risk Management Plan. "**Exacerbation**" has a correlative meaning.

"**Handle**" when used with reference to Hazardous Materials means to use, generate, move, handle, manufacture, process, produce, package, treat, transport, store, emit, discharge or dispose of any Hazardous Material. "**Handling**" and "**Handled**" will have correlative meanings.

"**Hazardous Material**" means any material, waste, chemical, compound, substance, mixture, or byproduct that is identified, defined, designated, listed, restricted, or otherwise regulated under Environmental Laws as a "**hazardous constituent**", "**hazardous substance**", "**hazardous waste constituent**", "**infectious waste**", "**medical waste**", "**biohazardous waste**", "**extremely hazardous waste**", "**pollutant**", "**toxic pollutant**", or "**contaminant**", or any other designation intended to classify substances by reason of properties that are deleterious to the environment, natural resources, wildlife, or human health or safety, including, without limitation, ignitability, infectiousness, corrosiveness, radioactivity, carcinogenicity, toxicity, and reproductive toxicity. Hazardous Material includes, without limitation, any form of natural gas, petroleum products or any fraction thereof, asbestos, asbestos-containing materials, polychlorinated biphenyls (PCBs), PCB-containing materials, and any substance that, due to its characteristics or interaction with one or more other materials, wastes, chemicals, compounds, substances, mixtures or byproducts, damages or threatens to damage the environment, natural resources, wildlife or human health or safety. "**Hazardous Materials**" also includes any chemical identified in the [_____] [and Mission Rock Risk Management Plan.]

"**Hazardous Material Claim**" means any Environmental Regulatory Action or any claim made or threatened by any third party against the Indemnified Parties, the State Lands Indemnified Parties, or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from the Release or Exacerbation of any Hazardous Materials, including Losses based in common law. Hazardous Materials Claims include Investigation and Remediation costs, fines, natural resource damages, damages for decrease in value of the Premises or other Port property, the loss or restriction of the use or any amenity of the Premises or other Port property, Attorneys' Fees and Costs and fees and costs of consultants and experts.

"**Hazardous Material Condition**" means the Release or Exacerbation, or threatened Release or Exacerbation, of Hazardous Materials in, on, or under the Premises or the environment, or from any vehicles Tenant, or its Agents and Invitees use in, on, or under the Premises during the Term.

"**Investigate**" or "**Investigation**" when used with reference to Hazardous Material means any activity undertaken to determine the nature and extent of Hazardous Material that may be located in, on, or under the Premises, any Horizontal Improvements, Improvements or any portion of the site or the Horizontal Improvements or Improvements or which have been, are being, or threaten to be Released into the environment. Investigation will include preparation of site history reports and sampling and analysis of environmental conditions in, on, or under the Premises or any Horizontal Improvements or Improvements.

"**Mission Rock Risk Management Plan**" means that certain Mission Rock Risk Management Plan dated as of XXXX and prepared by XXXXX.

"**New Hazardous Material**" means a Hazardous Material that is not a Pre-Existing Hazardous Material.

"**Pre-Existing Hazardous Materials**" means any Hazardous Material existing on, in, or under the Premises as of the Effective Date and identified in the [_____] [and] Mission Rock Risk Management Plan.

"**Release**" means when used with respect to Hazardous Materials any accidental, actual, imminent or intentional spilling, introduction, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the air, soil gas, land, surface water, groundwater, or environment (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Material).

"**Remediate**" or "**Remediation**" when used with reference to Hazardous Materials means any activities undertaken to clean up, abate, remove, transport, dispose, contain, treat, stabilize, monitor, remediate, or otherwise control Hazardous Materials located in, on, or under the Premises or which have been, are being, or threaten to be Released into the environment or to restore the affected area to the standard required by the applicable Environmental Regulatory Agency in accordance with application Environmental Laws and any additional Port requirements. Remediation includes, without limitation, those actions included within the definition of "**remedy**" or "**remedial action**" in California Health and Safety Code Section 25322 and "**remove**" or "**removal**" in California Health and Safety Code Section 25323.

"**State Lands Indemnified Parties**" means the State of California, the California State Lands Commission, and all of their respective heirs, legal representatives, successors and assigns, and all other Persons acting on their behalf.

22. PORT'S RIGHT TO PAY SUMS OWED BY TENANT.

22.1. ***Port May Pay Sums Owed by Tenant Following Tenant's Failure to Pay.*** Without limiting any other provision of this Lease, and in addition to any other rights or remedies available to Port for any Tenant Event of Default, if at any time Tenant fails to pay any sum required to be paid by Tenant pursuant to this Lease to any Person other than Port (other than any Imposition, mechanics' lien or encumbrance with respect to which the provisions of ***Articles 6*** and *7* apply, or any other sum required to be paid by Tenant which Tenant is contesting in good faith and with due diligence and which would not become a lien on the Property), Port may, at its sole option, but will not be obligated to, upon ten (10) days prior notice to Tenant, pay such sum for and on behalf of Tenant.

22.2. ***Tenant's Obligation to Reimburse Port.*** If pursuant to ***Section 22.1***, Port pays any sum required to be paid by Tenant hereunder, Tenant will reimburse Port as Additional Rent, the sum so paid. All such sums paid by Port are due from Tenant to Port at the time the sum is paid, and if paid by Tenant at a later date, will bear interest at the lesser of the Default Rate or the maximum non-usurious rate Port is permitted by Law to charge from the date such sum is paid by Port until Port is reimbursed in full by Tenant. Port's rights under this ***Article 22*** are in addition to its rights under any other provision of this Lease or under applicable Laws. The provisions of this ***Section 22.2*** will survive the expiration or earlier termination of this Lease.

23. EVENTS OF DEFAULT.

23.1. ***Events of Default.*** Subject to the provisions of ***Section 23.2***, the occurrence of any one or more of the following events which remain uncured after the passage of time set forth pursuant to this ***Article 23*** shall constitute an "**Event of Default**" under the terms of this Lease:

(a) Tenant fails to pay any Rent or Imposition when due, which failure continues for five (5) business days following written notice from Port; provided, however, Port will not be required to give such notice with respect to Rent set forth on Exhibit D on more than two (2) occasions during any calendar year, and failure to pay any such Rent thereafter when due will be deemed an Event of Default without need for further notice;

(b) [Subject to satisfaction or waiver of all of Master Developer's conditions precedent set forth in the DDA with regard to release of Development Parcels,] Tenant fails to deliver (or cause the Phase Transferee to deliver) all of the executed and if applicable,

acknowledged, documents required in ***Section 5.3*** to be delivered to Port Vertical Developer or into escrow within the time period set forth in such section, and such failure continues for one (1) business day following written notice from Port;

(c) Tenant fails to maintain any insurance required to be maintained by Tenant under this Lease, which failure continues without cure for five (5) business days after written notice from Port;

(d) Tenant fails to comply with a material requirement set forth in ***Exhibit XX*** for a Special Event and such failure continues for one (1) business day following written notice from Port; provided, however, if such default cannot reasonably be cured within such period, Tenant will not be in default of this Lease if Tenant commences to cure such default with such period and diligently and in good faith continues to cure the default;

(e) Tenant abandons the Premises, within the meaning of California Civil Code Section 1951.2, which abandonment is not cured within thirty (30) days after notice from Port of Port's belief of abandonment;

(f) The Premises are used for Prohibited Uses, as determined by Port in its reasonable discretion, and such Prohibited Use(s) continues for a period of one (1) business day following written notice from Port; provided, however, if such default cannot reasonably be cured within such period, Tenant will not be in default of this Lease if Tenant commences to cure the default within such period and diligently and in good faith continues to cure the default; provided, further, without limitation of the foregoing, the Parties agree that Tenant's internal deliberations to determine the path to cure such default will be deemed to be a commencement of cure;

(g) Tenant fails to comply with the provisions of ***Section 11.1*** (Covenant to Repair and Maintain the Premises) within five (5) days following written notice from Port; provided, however, if such default cannot reasonably be cured within such five (5) day period, Tenant will not be in default of this Lease if Tenant commences to cure the default within such five (5) day period and diligently and in good faith continues to cure the default; provided, however, without limitation of the foregoing, the Parties agree that Tenant's internal deliberations to determine the path to cure such default will be deemed to be a commencement of cure;

(h) Tenant fails to comply with the provisions of ***Article 21*** and such failure continues for a period of one (1) business day following written notice from Port; provided, however, if such default cannot reasonably be cured within such one (1) business day period, Tenant will not be in default of this Lease if Tenant commences to cure the default within such one (1) business day period and diligently and in good faith continues to cure the default; provided, further that the Parties agree that Tenant's internal deliberations to determine the path to cure such default will be deemed to be a commencement of cure;

(i) Tenant files a petition for relief, or an order for relief is entered against Tenant, in any case under applicable bankruptcy or insolvency Law, or any comparable Law that is now or hereafter may be in effect, whether for liquidation or reorganization, which proceedings if filed against Tenant are not dismissed or stayed within one hundred eighty (180) days;

(j) A writ of execution is levied on the Leasehold Estate which is not released within one hundred eighty (180) days, or a receiver, trustee or custodian is appointed to take custody of all or any material part of the property of Tenant, which appointment is not dismissed within one hundred eighty (180) days; provided, however, that the exercise by a Mortgagee of any of its remedies under its Mortgage will not, in and of itself, constitute a default under this ***Section 23.1(j)***;

(k) Tenant makes a general assignment for the benefit of its creditors; or

(l) Tenant violates any other covenant, or fails to perform any other obligation to be performed by Tenant under this Lease (including, but not limited to, any Mitigation and Improvement Measures that Tenant is required to comply with) at the time such performance is due, and such violation or failure continues without cure for more than thirty (30) days after written notice from Port specifying the nature of such violation or failure, or, if such cure cannot reasonably be completed within such thirty (30) day period, if Tenant does not within such thirty (30) day period commence such cure, or having so commenced, does not prosecute such cure with diligence and dispatch to completion within a reasonable time thereafter.

23.2. ***Special Provisions Concerning Mortgagees and Events of Default.*** Notwithstanding anything in this Lease to the contrary, the exercise by a Mortgagee of any of its remedies under its Mortgage will not, in and of itself, constitute a default under this Lease. Port will also accept a cure of an Event of Default by any Tenant investor or a mezzanine lender; provided, however, such parties will not have any additional time to cure any Event of Default.

24. REMEDIES.

24.1. ***Port's Remedies Generally.***

(a) Upon the occurrence and during the continuance of an Event of Default under this Lease, except as expressly limited herein, Port has all rights and remedies provided in this Lease or available at Law or in equity (including the right to seek injunctive relief or an order for specific performance, where appropriate), including the right to self-help to the extent provided for herein; provided, however, notwithstanding anything to the contrary in this Lease, any right to cure and any remedy available to Port regarding any Event of Default under the Workforce Development Program, is limited to those rights and remedies provided in the applicable Law for such applicable Special City and Port Provisions; provided, further, Port's right to terminate this Lease for a Tenant Event of Default will be limited to Tenant Event of Defaults described in ***Sections 23.1(a), 23.1(c), XXX, 23.1(e), 23.1(f) and 23.1(h).***

(b) In addition to the foregoing Remedies, (i) Port will have the right to prohibit Tenant's use of the Premises for Special Events if more than XX Event of Defaults under ***Section 23.1(d)*** occur during any given XX-month period, and [(ii) with respect to an Event of Default due to Tenant's failure to pay Rent, Port will have the remedies set forth in the Financing Plan].

(c) Except as expressly provided herein, all of Port's rights and remedies are cumulative, and except as may be otherwise provided by applicable Law, the exercise of any one or more rights will not preclude the exercise of any other.

24.2. ***Right to Keep Lease in Effect.***

(a) **Continuation of Lease**. Port has the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations) under which Port may continue this Lease in full force and effect. In the event Port elects this remedy, Port has the right to enforce by suit or otherwise, all covenants and conditions hereof to be performed or complied with by Tenant and exercise all of Port's rights, including the right to collect Rent when due. Upon the occurrence of a Tenant Event of Default, Port may enter the Premises without terminating this Lease and relet them, or any part of them, to third parties for Tenant's account. Tenant will be liable immediately to Port for all reasonable costs Port incurs in reletting the Premises, including Attorneys' Fees and Costs, brokers' fees or commissions, expenses of remodeling the Premises required by the reletting and similar costs. Reletting can be for a period shorter or longer than the remaining Term, at such rents and on such other terms and conditions as Port determines in its sole discretion.

(b) **No Termination Without Notice**. No act by Port allowed by this ***Section 24.2***, nor any appointment of a receiver upon Port's initiative to protect its interest under this Lease, nor any withholding of consent to a Transfer or termination of a Transfer in accordance herewith, will terminate this Lease, unless and until Port notifies Tenant in writing that Port elects to terminate this Lease.

(c) Application of Proceeds of Reletting. If Port elects to relet the Premises as provided in ***Section 24.2(a)***, the rent that Port receives from reletting will be applied to the payment of:

(i) First, all costs incurred by Port in enforcing this Lease, whether or not any action or proceeding is commenced, including Attorneys' Fees and Costs, brokers' fees or commissions, the costs of removing and storing Personal Property, costs in connection with reletting the Premises, or any portion thereof, altering, installing, modifying and constructing tenant improvements required for a new tenant, and costs of repairing, securing and maintaining the Premises or any portion thereof;

(ii) Second, the payments of any indebtedness other than Rent due hereunder from Tenant to Port;

(iii) Third, Rent due and unpaid under this Lease;

(iv) After deducting the payments referred to in this ***Section 24.2(c)***, any sum remaining from the rent Port receives from reletting will be held by Port and applied to monthly installments of future Rent as such amounts become due under this Lease. In no event will Tenant be entitled to any excess rent received by Port. If on a date Rent or other amount is due under the Lease, the rent received by Port as of such date from any reletting is less than the Rent or other amount due on that date, or if any costs incurred by Port in reletting, remain after applying the rent received from such reletting, Tenant will pay to Port such deficiency. Such deficiency will be calculated and paid monthly.

(d) Payment of Rent. Tenant will pay to Port Rent on the dates the Rent is due, less the rent Port has received from any reletting which exceeds all costs and expenses of Port incurred in connection with a Tenant Event of Default and the reletting of all or any portion of the Premises.

24.3. ***Port's Right to Cure Tenant's Default.*** Port, at any time after Tenant commits an Event of Default, may, at Port's sole option, cure the default at Tenant's sole cost. If Port at any time, by reason of Tenant's default, undertakes any act to cure or attempt to cure such default that requires the payment of any sums, or otherwise incurs any costs, damages, or liabilities (including without limitation, Attorneys' Fees and Costs), all such sums, costs, damages, or liabilities paid by Port will be due immediately from Tenant to Port at the time the sum is paid, and if paid by Tenant at a later date, shall bear interest at the lesser of the Default Rate or the maximum non-usurious rate Port is permitted by Law to charge from the date such sum is paid by Port until Port is reimbursed by Tenant.

24.4. ***Termination of Tenant's Right to Possession***. Upon an Event of Default that allows for termination: [**Note: Further discussion regarding bondholders' rights and whether lease could continue at Port's option if DDA is terminated.**]

(a) Before exercising any right to terminate this Lease and Tenant's right to possession of the Premises under ***Sections 23.1(a)*** (but only with respect to Tenant's failure to pay any Imposition), XXX, ***23.1(f)***, and ***23.1(h)***, Port will provide Tenant with a second written notice ("**Second Default Notice**") and the additional cure period set forth below:

(i) For an Event of Default under ***Section 23.1(a),*** Tenant will have five (5) business days following delivery of the Second Default Notice to cure;

(ii) For an Event of Default under ***Sections XXX*** or ***23.1(f),*** Tenant will have one (1) business day following delivery of the Second Default Notice to cure; provided, however, if such default cannot reasonably be cured within such one (1) business day period, then Port will not exercise its termination right if Tenant is diligently and in good faith continues to cure the default to completion;

(b) Port may terminate this Lease and Tenant's right to possession of the Premises for the Events of Default described in ***Section 24.4(a)*** at any time following expiration of the cure periods set forth in ***Section 24.4(a)*** for the applicable Event of Default by providing Tenant with a written notice of termination.

(c) Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Port's initiative to protect Port's interest under this Lease will not constitute a termination of Tenant's right to possession.

(d) If Port elects to terminate this Lease, Port has the rights and remedies provided by California Civil Code Section 1951.2, including the right to recover from Tenant the following:

(i) The worth at the time of award of the unpaid Rent which had been earned at the time of termination; plus

(ii) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could be reasonably avoided; plus

(iv) Any other amounts necessary to compensate Port for the detriment proximately caused by Tenant's default, or which, in the ordinary course of events, would likely result therefrom. Efforts by Port to mitigate the damages caused by Tenant's breach of this Lease do not waive Port's rights to recover damages upon termination.

The "**worth at the time of award**" of the amounts referred to in ***Sections 24.4(d)(i) and 24.4(d)(ii)*** above will be computed by allowing interest at an annual rate equal to the lesser of the Default Rate or the maximum non-usurious rate Port is permitted by Law to charge. The "worth at the time of award" of the amount referred to in ***Section 24.4*** will be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

24.5. ***Continuation of Subleases and Other Agreements.*** Port has the right, at its sole option, to assume any and all Subleases and agreements by Tenant for the maintenance or operation of the Premises. Tenant hereby further covenants that, upon request of Port following a Tenant Event of Default and termination of Tenant's interest in this Lease, Tenant will execute, acknowledge and deliver to Port such further instruments as may be necessary or desirable to vest or confirm or ratify vesting in Port the then existing Subleases and other agreements then in force, as above specified.

24.6. ***Appointment of Receiver.*** From and after a Tenant Event of Default, Port has the right to have a receiver appointed to collect Rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself will constitute an election by Port to terminate this Lease.

24.7. ***Waiver of Redemption.*** Tenant hereby waives, for itself and all Persons claiming by and under Tenant, redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 and 1179, or under any other pertinent present or future Law, in the

event Tenant is evicted or Port takes possession of the Premises by reason of any Tenant Event of Default.

24.8. ***Liquidated Damages for Certain Defaults.*** In addition to the other remedies available to Port under this Lease for an Event of Default under ***Sections 23.1(d) or 23.1(f)***, if Tenant uses the Premises in violation of material Special Event procedure or for the same type of Prohibited Use more than two (2) times within a twelve (12) month period, then Tenant will pay Port the Prohibited Use Charge or Prohibited Special Event Charge as further described in ***Section 4.6***, or the No Access Charge as further described in ***Sections 1.5(b)(ii) and 1.6(a)(iv)***.

24.9. ***Remedies Not Exclusive.*** The remedies set forth in this ***Article 24*** are not exclusive; they are cumulative and in addition to any and all other rights or remedies of Port now or later allowed by other terms and provisions of this Lease, Law or in equity. Tenant's obligations hereunder will survive any termination of this Lease.

25. EQUITABLE RELIEF.

In addition to the other remedies provided in this Lease, either Party is entitled at any time after a default or threatened default by the other Party to seek injunctive relief or an order for specific performance, where appropriate to the circumstances of such default. In addition, after the occurrence of an event of default by the other Party, the non-defaulting Party is entitled to any other equitable relief which may be appropriate to the circumstances of such event of default.

26. NO WAIVER.

26.1. ***No Waiver by Port or Tenant.*** No failure by Port or Tenant to insist upon the strict performance of any term of this Lease or to exercise any right, power or remedy consequent upon a breach of any such term, will be deemed to imply any waiver of any such breach or of any such term unless clearly expressed in writing by the Party against which waiver is being asserted. No waiver of any breach will affect or alter this Lease, which shall continue in full force and effect, or the respective rights of Port or Tenant with respect to any other then existing or subsequent breach.

26.2. ***No Accord or Satisfaction.*** No submission by Tenant or acceptance by Port of full or partial Rent or other sums during the continuance of any failure by Tenant to perform its obligations hereunder will waive any of Port's rights or remedies hereunder or constitute an accord or satisfaction, whether or not Port had knowledge of any such failure except with respect to the Rent so paid. No endorsement or statement on any check or remittance by or for Tenant or in any communication accompanying or relating to such payment will operate as a compromise or accord or satisfaction unless the same is approved as such in writing by Port. Port may accept such check, remittance or payment and retain the proceeds thereof, without prejudice to its rights to recover the balance of any Rent, including any and all Additional Rent, due from Tenant and to pursue any right or remedy provided for or permitted under this Lease or in law or at equity. No payment by Tenant of any amount claimed by Port to be due as Rent hereunder (including any amount claimed to be due as Additional Rent) will be deemed to waive any claim which Tenant may be entitled to assert with regard to the making of such payment or the amount thereof, and all such payments will be without prejudice to any rights Tenant may have with respect thereto, whether or not such payment is identified as having been made "under protest" (or words of similar import).

27. DEFAULT BY PORT; TENANT'S REMEDIES.

27.1. ***Default by Port.*** Port will be deemed to be in default hereunder only if Port fails to perform or comply with any obligation on its part hereunder, and (i) such failure continues for more than the time of any cure period provided herein, or, (ii) if no cure period is provided herein, for more than sixty (60) days after written notice thereof from Tenant (provided that Port will use reasonable efforts to cure such default within a thirty (30) day period after receipt of

such written notice from Tenant), or, (iii) if such default cannot reasonably be cured within such sixty (60) day period, Port does not within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, thereafter fails or neglects to prosecute or complete with diligence and dispatch the curing of such default.

27.2. ***Tenant's Exclusive Remedies.*** Upon the occurrence of default by Port described above, Tenant will have the exclusive right (a) to seek equitable relief, including specific performance, in accordance with applicable Laws and the provisions of this Lease where appropriate and where such relief does not impose personal liability on Port or its Agents; or (b) if and only if Master Developer has a right to terminate the DDA on account of the applicable default, and Master Developer elects to terminate the DDA, to terminate this Lease. Tenant agrees that, notwithstanding anything to the contrary herein or pursuant to any applicable Laws, Tenant's remedies hereunder constitutes Tenant's sole and absolute right and remedy for a default by Port hereunder, and Tenant has no remedy of self-help.

28. TENANT'S RECOURSE AGAINST PORT.

28.1. ***No Recourse Beyond Value of Property Except as Specified.*** Tenant agrees that notwithstanding any other term or provision of this Lease, (a) Tenant will have no recourse with respect to, and Port will not be liable for, any obligation of Port under this Lease, or for any claim based upon this Lease, except to the extent of the fair market value of Port's fee interest in the Premises (as encumbered by this Lease) and (b) neither Port nor the Indemnified Parties will be liable under any circumstances for injury or damage to, or interference with Tenant's business, including loss or profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring. By Tenant's execution and delivery hereof and as part of the consideration for Port's obligations hereunder, Tenant expressly waives all such liability.

28.2. ***No Recourse Against Specified Persons.*** No commissioner, officer, or employee of the Indemnified Parties will be personally liable to Tenant, or any successor in interest, for any Event of Default by Port, and Tenant agrees that it will have no recourse with respect to any obligation of Port under this Lease, or for any amount which may become due Tenant or any successor or for any obligation or claim based upon this Lease, against any such Person.

28.3. ***Nonliability of Tenant's Members, Partners, Shareholders, Directors, Officers and Employees.*** No member, officer, partner, shareholder, director, board member, agent, or employee of Tenant will be personally liable to Port, and Port will have no recourse against any of the foregoing, in an Event of Default by Tenant or for any amount which may become due to Port or on any obligations under the terms of this Lease or any claim based upon this Lease.

29. LIMITATIONS ON LIABILITY.

29.1. ***Waiver of Indirect or Consequential, Incidental, Punitive and Special Damages.*** As a material part of the consideration for this Lease, in no event will either Party be liable to the other Party for any consequential, incidental, special and punitive damages arising out of any such Party's default.

29.2. ***Limitation on Parties' Liability Upon Transfer.*** In the event of any transfer of Port's interest in and to the Premises, Port (and in case of any subsequent transfers, the then transferor) will automatically be relieved from and after the date of such transfer of all liability with regard to the performance of any covenants or obligations contained in this Lease thereafter to be performed on the part of Port (or such transferor, as the case may be), but not from liability incurred by Port (or such transferor, as the case may be) on account of covenants or obligations to be performed by Port (or such transferor, as the case may be) hereunder before the date of such transfer; provided, however, that Port (or such subsequent transferor) has transferred to the transferee any funds in Port's (or in the possession of such subsequent transferor) in which Port (or such subsequent transferor) has an interest, in trust, for application

pursuant to the provisions hereof, and such transferee has assumed all liability for all such funds so received by such transferee from Port (or such subsequent transferor).

30. ESTOPPEL CERTIFICATES.

30.1. ***Estoppel Certificate by Tenant.*** Tenant will execute, acknowledge and deliver to Port (or at Port's request, to a prospective purchaser or mortgagee of Port's interest in the Premises), within fifteen (15) business days after a request, a certificate substantially in the form attached hereto as ***Exhibit XX*** stating to Tenant's actual knowledge after diligent inquiry (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the modifications or, if this Lease is not in full force and effect, so stating), (b) the dates, if any, to which any Rent and other sums payable hereunder have been paid, (c) that no notice has been received by Tenant of any default hereunder which has not been cured, except as to defaults specified in such certificate, and (d) any other matter actually known to Tenant, directly related to this Lease and reasonably requested by Port. In addition, if requested, Tenant will attach to such certificate a copy of this Lease, and any amendments thereto, and include in such certificate a statement by Tenant that, its knowledge, such attachment is a true, correct and complete copy of this Lease, as applicable, including all modifications thereto. Any such certificate may be relied upon by any Port, any successor agency, and any prospective purchaser or mortgagee of the Premises or any part of Port's interest therein. Tenant will also insert a provision similar to this Section into each Sublease requiring Subtenants under Subleases to execute, acknowledge and deliver to Port, within twenty (20) business days after request, an estoppel certificate substantially in the form attached hereto as ***Exhibit XX*** covering the matters described in clauses (a), (b), (c) and (d) above with respect to such Sublease, along with a true and correct copy of the applicable Sublease and all amendments thereto.

30.2. ***Estoppel Certificate by Port.*** Port will execute, acknowledge and deliver to Tenant (or at Tenant's request, to any Mortgagee, prospective Mortgagee, mezzanine lender or a prospective mezzanine lender, prospective purchaser, Phase Transferee, or other prospective transferee of Tenant's interest under this Lease), within fifteen (15) business days after a request, a certificate substantially in the form attached hereto as ***Exhibit XX*** stating to Port's actual knowledge after diligent inquiry (or with respect to any estoppel certificates being provided to mezzanine lenders, to the actual knowledge of Port's project manager for this Lease without diligent inquiry) (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and stating the modifications or if this Lease is not in full force and effect, so stating), (b) the dates, if any, to which Rent and other sums payable hereunder have been paid, whether or not, to the knowledge of Port, there are then existing any defaults under this Lease (and if so, specifying the same) and (c) any other matter actually known to Port, directly related to this Lease and reasonably requested by the requesting Party. In addition, if requested, Port will attach to such certificate a copy of this Lease and any amendments thereto, and include in such certificate a statement by Port that, to its knowledge, such attachment is a true, correct and complete copy of this Lease, including all modifications thereto. Any such certificate may be relied upon by Tenant or any Mortgagee, prospective Mortgagee, prospective purchaser, Phase Transferee, or other prospective transferee of Tenant's interest under this Lease.

31. APPROVALS BY PORT; STANDARD OF REVIEW; FEES FOR REVIEW.

31.1. ***Approvals by Port.*** The Port's Executive Director or his or her designee, is authorized to execute on behalf of Port any closing or similar documents and any contracts, agreements, memoranda, or similar documents with State, regional or local authorities or other Persons that are necessary or proper to achieve the purposes and objectives of this Lease and do not materially increase the obligations of Port hereunder, if the Executive Director reasonably determines, after consultation with, and approval as to form by, the City Attorney, that the document is necessary or proper and in Port's best interests. The Port Executive Director's

signature of any such documents will conclusively evidence such a determination by him or her. Wherever this Lease requires or permits the giving by Port of its consent or approval, or whenever an amendment, waiver, notice, or other instrument or document is to be executed by or on behalf of Port, the Executive Director, or his or her designee, is authorized to execute such instrument on behalf of Port, except as otherwise provided by applicable Law, including the City's Charter and approval by the City's Attorney's Office to the extent applicable, or if the Executive Director determines, in his or her sole discretion, that Port Commission action is necessary prior to execution of such instrument.

31.2. ***Standard of Review.*** Except as expressly provided otherwise or when Port is acting in its regulatory capacity, the following standards will apply to the Parties' conduct under this Agreement.

(a) **Advance Writings Required**. Whenever a Party's approval or waiver is required: (i) the approval or waiver must be obtained in advance and in writing; and (ii) the Party whose approval or waiver is sought may not unreasonably withhold, condition, or delay its approval or waiver, as applicable.

(b) **Commercial Reasonableness**. Whenever a Party is permitted to make a judgment, form an opinion, judge the sufficiency of the other Party's performance, or exercise discretion in taking (or refraining from taking) any action or making any determination, or grant or withhold its approval or consent, unless otherwise stated in this Lease, that Party must employ commercially reasonable standards in doing so. In general, the Parties' conduct in implementing this Lease, including construction of Improvements, disapprovals, demands for performance, requests for additional information, and any exercise of an election or option, must be commercially reasonable.

31.3. ***Fees for Review.*** Unless a different time period is required in this Lease, within thirty (30) days after Port's written request, Tenant will pay Port, as Additional Rent, Port's reasonable costs, including, without limitation, Attorneys' Fees and Costs and costs of Port staff time incurred in connection with the review, investigation, processing, documentation, and/or approval of any proposed Transfer, Mortgage, estoppel certificate, or any other matter under this Lease requiring Port's approval or review excluding any such costs incurred by Port in its regulatory capacity, which costs will be paid separately by Tenant to the extent required by the applicable regulatory requirements. Tenant will pay such reasonable costs regardless of whether or not Port consents to such proposal.

32. NO MERGER OF TITLE.

There will be no merger of the Leasehold Estate with the fee estate in the Premises by reason of the fact that the same Person may own or hold (a) the Leasehold Estate or any interest in such Leasehold Estate, and (b) any interest in such fee estate. No such merger will occur unless and until all Persons having any interest in the Leasehold Estate and the fee estate in the Premises join in and record a written instrument effecting such merger.

33. QUIET ENJOYMENT.

Subject to the Permitted Encumbrances, the Premises being in and around construction throughout the Term, Construction Impacts from the adjacent and nearby Development Projects, the terms and conditions of this Lease and applicable Laws, Port agrees that Tenant, upon paying the Rent and observing and keeping all of the covenants under this Lease on its part to be kept, will lawfully and quietly hold, occupy and enjoy the Premises during the Term without hindrance or molestation by Port. Notwithstanding the foregoing, Port has no liability to Tenant in the event any defect exists in the title of Port as of the Commencement Date, whether or not such defect affects Tenant's rights of quiet enjoyment. Tenant's sole remedy with respect to any such existing title defect is to obtain compensation by pursuing its rights against any title insurance company or companies issuing title insurance policies to Tenant.

34. SURRENDER OF PREMISES.

34.1. *End of Lease Term.*

(a) **Conditions of Premises**. Except with respect to those portions of the Premises for which this Lease terminates upon conveyance of Development Parcels to Vertical Developers or the City upon Acceptance of Horizontal Improvements, as applicable, (either case of which will also be governed by the DDA and other Project Approvals), upon the expiration or other termination of the Term of this Lease, Tenant will quit and surrender to Port the Premises (i) in good order and condition, (ii) clean, free of debris, waste, and Hazardous Materials (other than any Pre-Existing Hazardous Materials that have not been Handled, Released, or Exacerbated by Tenant, its Agents, or Invitees), and (iii) free and clear of all liens and encumbrances other than the Permitted Encumbrances. If it is determined by Port that the condition of all or any portion of the Premises is not in compliance with the provisions of this Lease with respect to Hazardous Materials at the expiration or earlier termination of this Lease, then at Port's sole option, Port may require Tenant to hold over possession of the Premises until Tenant can surrender the Premises to Port in the condition required herein. Except as set forth in ***Section 34.1(b)***, the Premises will be surrendered with all Horizontal Improvements, other Improvements, repairs, alterations, additions, substitutions and replacements thereto. Tenant hereby agrees to execute all documents as Port or the City may deem necessary to evidence or confirm any such other termination.

(b) **Demolition of Improvements**.

(i) At the expiration or earlier termination of this Lease, at Port's sole election ("**Demolition Option**"), Port may require Tenant, at Tenant's sole cost, to Demolish and Remove the Improvements, including Horizontal Improvements that have not been Accepted by the City that Port or the City reasonably believe are defective, and surrender the Premises as a vacant parcel of real property. Port will notify Tenant of Port's election to exercise the Demolition Option (i) no later than twenty-four (24) months prior to the expiration of this Lease, or (ii) within ninety (90) days following termination of this Lease due to a Tenant Event of Default.

(ii) If Port exercises the Demolition Option in accordance with ***Section 34.1(b)(i)***, then if Port agrees that Tenant will complete the Demolition and Removal after the expiration or earlier termination of this Lease (or promptly thereafter if the Lease is terminated due to a Tenant Event of Default), Port and Tenant will enter into Port's standard license granting Tenant non-possessory access to the Premises in order for Tenant to perform the Demolition and Repair following the expiration or earlier termination of this Lease; provided, however, Tenant will perform the Demolition and Removal in compliance with ***Article 13*** (Subsequent Construction) and Port may require insurance, bond, guaranty, Indemnification, and other requirements that exceed the coverage amounts or licensee obligations set forth in Port's standard license, that Port determines are reasonably appropriate to protect its interest in light of the risks and liabilities associated with the Demolition and Removal.

(iii) Tenant must commence and complete the Demolition and Removal in a timely manner and with due diligence and care, and complete the same within the time period agreed to between the Parties.

(c) **Subleases**. Upon any termination of this Lease, all Subleases hereunder will automatically terminate.

(d) **Personal Property**. On or before expiration or earlier termination of this Lease, Tenant will remove and will cause all Subtenants to remove, all of their respective trade fixtures, signs and other Personal Property. If the removal of such Personal Property causes damage to the Premises, Tenant will promptly repair such damage, at no cost to Port. Any items not removed by Tenant as required herein will be deemed abandoned and may be stored, removed, and disposed of by Port at Tenant's sole cost and expense, and Tenant waives all

claims against Port for any Losses resulting from Port's retention, removal or disposition of such Personal Property; provided, however, that Tenant will be liable to Port for all costs incurred in storing, removing and disposing of such abandoned property or repairing any damage to the Premises resulting from such removal.

(e) **Quitclaim**. Upon the expiration or earlier termination of this Lease, the Premises will automatically, and without further act or conveyance on the part of Tenant or Port, become the property of Port, free and clear of all liens and without payment therefore by Port and will be surrendered to Port upon such date. Upon or at any time after the expiration or earlier termination of this Lease, if requested by Port, Tenant will promptly deliver to Port, without charge, a quitclaim deed to the Premises and any other instrument reasonably requested by Port to evidence or otherwise effectuate the termination of Tenant's leasehold estate hereunder and to effectuate such transfer or vesting of title to the Premises, the Improvements, the Horizontal Improvements (if applicable), and Personal Property that Port agrees are to remain within the Premises.

(f) **Survival**. The provisions of this ***Section 34.1*** will survive the expiration or earlier termination of this Lease.

35. NOTICES.

35.1. *Notices.*

All notices, demands, consents, and requests which may or are to be given by any Party to the other will be in writing, except as otherwise provided herein. All notices, demands, consents, and requests to be provided hereunder shall be deemed to have been properly given on the date of receipt if served personally on a day that is a business day (or on the next business day if served personally on a day that is not a business day), or, if mailed, on the date that is two (2) days after the date when deposited with the U.S. Postal Service for delivery by United States registered or certified mail, postage prepaid, in either case, addressed as follows:

To Port:	Port of San Francisco Pier 1 San Francisco, CA 94111 Attn: Deputy Director of Real Estate and Development Re: Mission Rock
With a copy to:	Port of San Francisco Pier 1 San Francisco, CA 94111 Attn: Deputy Director of Real Estate and Development Re: Mission Rock
Master Developer:	
With a copy to:	

or at such other place or places in the United States as each such Party may from time to time designate by written notice to the other in accordance with the provisions hereof. For convenience of the Parties, copies of notices may also be given by electronic-mail to the electronic-mail address set forth above (or such other address as may be provided from time to

time by notice given in the manner required hereunder); however, neither Party may give official or binding notice by electronic-mail.

35.2. ***Form and Effect of Notice.***

Every notice given to a Party or other Person under this Section must state (or shall be accompanied by a cover letter that states):

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

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

In no event will a recipient's approval of or consent to the subject matter of a notice be deemed to have been given by its failure to object thereto if such notice (or the accompanying cover letter) does not comply with the requirements of this ***Section 35.2***.

36. INSPECTION OF PREMISES BY PORT.

36.1. ***Entry for Inspection***. Subject to the rights of any Subtenants, Port and its authorized Agents have the right to enter the Premises without notice at any time during normal business hours of generally recognized business days, provided that Tenant or Tenant's Agents are present on the Premises (except in the event of an emergency), for the purpose of inspecting the Premises to determine whether the Premises is in good condition and whether Tenant is complying with its obligations under this Lease.

36.2. ***Entry for Horizontal Improvements***. With respect to the development of Horizontal Improvements, Port and its Agents have the right of entry onto Premises in accordance with [Section 14.8(b) of the DDA] to the extent reasonably necessary to carry out the purposes of the DDA.

36.3. ***General Entry***. In addition to its rights pursuant to ***Section 36.1***, subject to the rights of any Subtenants, Port and its authorized Agents will have the right to enter the Premises at all reasonable times and upon reasonable notice as stated below for any of the following purposes:

(a) To perform any necessary maintenance, repairs or restoration to the Premises or to perform any services which Port has the right or obligation to perform in accordance with ***Sections 11.2*** or ***24.2***;

(b) To serve, post, or keep posted any notices required or allowed under the provisions of this Lease;

(c) To obtain environmental samples and perform equipment and facility testing.

Port agrees to give Tenant reasonable prior notice of Port's entering on the Premises except in an emergency for the purposes set forth above. Such notice will be not less than one (1) days' prior notice. Tenant will have the right to have a representative of Tenant accompany Port or its Agents on any entry into the Premises. Notwithstanding the foregoing, no notice will be required for Port's entry onto public areas of the Premises during regular business hours unless such entry is for the purposes set forth in ***Section 36.3(a)***.

36.4. ***Emergency Entry***. Port may enter the Premises at any time, without notice, in the event of an emergency. Port will have the right to use any and all means which Port may deem proper in such an emergency in order to obtain entry to the Premises. Entry to the Premises by any of these means, or otherwise, will not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion of the Premises.

36.5. ***No Liability***. Port will not be liable in any manner, and Tenant hereby waives any claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, including without limitation any abatement or reduction in Rent, arising out of Port's entry onto the Premises as provided in ***Article 36*** or performance of any necessary or required work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, except damage resulting solely from the willful misconduct or gross negligence of Port or its authorized representatives.

36.6. ***Nondisturbance***. Port will use its commercially reasonable efforts to conduct its activities on the Premises as allowed in this ***Article 36*** in a manner which, to the extent reasonably practicable, will minimize annoyance or disturbance to Tenant.

36.7. ***Subtenant Agreement***. Tenant will require each Subtenant to permit Port to enter its premises for the purposes specified in ***Section 36.1*** through ***Section 36.4***.

37. MORTGAGES.

Tenant will have the right to Mortgage the Leasehold Estate in accordance with the attached ***Exhibit XX***.

38. NO JOINT VENTURE.

Nothing contained in this Lease will be deemed or construed as creating a partnership or joint venture between Port and Tenant or between Port and any other Person, or cause Port to be responsible in any way for the debts or obligations of Tenant. The subject of this Lease is a lease with neither Party acting as the agent of the other Party in any respect except as may be expressly provided for in this Lease.

39. ECONOMIC ACCESS.

Tenant will comply with the Workforce Development Plan attached hereto as ***Exhibit XX*** (collectively, the "**Workforce Development Plan**"). The Workforce Development Plan is designed to afford opportunities for San Francisco residents to participate in the construction and operation of the Horizontal Improvements. Tenant will comply with the Workforce Development Plan with respect to the operation and leasing of the Premises, and will include in its Subleases, applicable provisions of the Workforce Development Plan in accordance with the same.

40. REPRESENTATIONS AND WARRANTIES OF TENANT.

Tenant represents, warrants and covenants to Port as follows, as of the date hereof and as of the Commencement Date:

(a) **Valid Existence; Good Standing**. Tenant is a [limited liability company] duly organized and validly existing under the laws of the State of [_____]. Tenant has the requisite power and authority to own its property and conduct its business as presently conducted. Tenant is in good standing in the State of [_____].

(b) **Authority**. Tenant has the requisite power and authority to execute and deliver this Lease and the agreements contemplated hereby and to carry out and perform all of the terms and covenants of this Lease and the agreements contemplated hereby to be performed by Tenant and upon execution, are legal, valid and binding obligations of Tenant, enforceable against Tenant in accordance with its terms; and do not violate any provision of any agreement or judicial order to which Tenant is a party or to which Tenant is subject.

(c) **No Suspension**. That Tenant has not been suspended, disciplined or disbarred by, or prohibited from contracting with, any federal, state or local governmental agency. In the event Tenant has been so suspended, disbarred, disciplined or prohibited from contracting with any governmental agency, it will immediately notify the Port of same and the reasons therefore together with any relevant facts or information requested by Port. Any such

suspension, debarment, discipline or prohibition may result in the termination or suspension of this Agreement.

(d) **No Limitation on Ability to Perform**. Neither Tenant's [articles of organization or operating agreement], nor any applicable Law, prohibits Tenant's entry into this Lease or its performance hereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other Person is required for the due execution and delivery of this Lease by Tenant and Tenant's performance hereunder, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made. Except as may otherwise have been disclosed to Port in writing, there are no undischarged judgments pending against Tenant, and Tenant has not received notice of the filing of any pending suit or proceedings against Tenant before any court, governmental agency, or arbitrator, which might materially adversely affect the enforceability of this Lease or the business, operations, assets or condition of Tenant.

(e) **Valid Execution**. The execution and delivery of this Lease and the performance by Tenant hereunder have been duly and validly authorized. When executed and delivered by Port and Tenant, this Lease will be a legal, valid and binding obligation of Tenant.

(f) **Defaults**. The execution, delivery and performance of this Lease (i) do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default by Tenant under (A) any agreement, document or instrument to which Tenant is a party or by which Tenant is bound, (B) any law, statute, ordinance, or regulation applicable to Tenant or its business, or (C) the articles of organization or the operating agreement of Tenant, and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of Tenant, except as contemplated hereby.

(g) **Financial Matters**. Except to the extent disclosed to Port in writing, (i) Tenant is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) Tenant has not filed a petition for relief under any chapter of the U.S. Bankruptcy Code, (iii) there has been no event that has materially adversely affected Tenant's ability to meet its Lease obligations hereunder, (iv) to Tenant's knowledge, no involuntary petition naming Tenant as debtor has been filed under any chapter of the U.S. Bankruptcy Code, (v) no federal or state tax liens have been filed against Tenant, and (vi) there is no material adverse change in Tenant's financial condition and Tenant is meeting its financial obligations as they mature.

The representations and warranties herein survive any termination of this Lease.

41. MITIGATION AND IMPROVEMENT MEASURES.

In order to mitigate the significant environmental impacts of this Lease and operation of the Premises, Tenant agrees that the operation of the Project will be in accordance with the Mitigation and Improvement Measures attached to this Lease as ***Exhibit XX***. Tenant will incorporate such Mitigation and Improvement Measures into any contract for the operation of the Improvements and Horizontal Improvements.

42. SPECIAL PROVISIONS.

Tenant will comply with the Port and City Special Provisions attached hereto as *Exhibit XX*.

43. GENERAL.

43.1. *Time of Performance.*

(a) **Expiration**. All performance dates (including cure dates) expire at 5:00 p.m., San Francisco, California time, on the performance or cure date.

(b) **Weekend or Holiday**. A performance date which falls on a Saturday, Sunday or City holiday is deemed extended to 5:00 p.m. the next working day.

(c) **Days for Performance**. All periods for performance or notices specified herein in terms of days will be calendar days, and not business days, unless otherwise provided herein.

(d) **Time of the Essence**. Time is of the essence with respect to each provision of this Lease, including, but not limited, the provisions for the exercise of any option on the part of Tenant hereunder and the provisions for the payment of Rent and any other sums due hereunder, subject to Force Majeure.

43.2. ***Interpretation of Agreement.***

(a) **Exhibits and Schedule**. Whenever an "**Exhibit**" or "**Schedule**" is referenced, it means an attachment to this Lease unless otherwise specifically identified. All such exhibits and schedules are incorporated herein by reference.

(b) **Captions**. Whenever a section, article or paragraph is referenced, it refers to this Lease unless otherwise specifically identified. The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference only. Such captions will not define or limit the scope or intent of any provision of this Lease.

(c) **Words of Inclusion**. The use of the term "**include**", "**including**", "**such as**", or words of similar import, when following any general term, statement or matter will not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used with reference thereto. Rather, such terms will be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) **No Presumption Against Drafter**. This Lease has been negotiated at arm's length and between Persons sophisticated and knowledgeable in the matters dealt with herein. In addition, experienced and knowledgeable legal counsel has represented each Party. Accordingly, this Lease will be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Lease (including California Civil Code Section 1654).

(e) **Fees and Costs**. The Party on which any obligation is imposed in this Lease will be solely responsible for paying all costs and expenses incurred in the performance thereof, unless the provision imposing such obligation specifically provides to the contrary.

(f) **Lease References**. Wherever reference is made to any provision, term or matter "**in this Lease,**" "**herein**" or "**hereof,**" or words of similar import, the reference will be deemed to refer to any and all provisions of this Lease reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered article, section or paragraph of this Lease or any specific subdivision thereof.

(g) **Approvals**. Unless otherwise specifically stated in this Lease, wherever a Party hereto has a right of approval or consent, such approval or consent will not be unreasonably withheld, conditioned or delayed and such approval or consent will be given in writing.

(h) **Legal References**. Wherever reference is made to a specific code or section of a specific Law, the reference will be deemed to include any amendment, restatement or replacement.

43.3. ***Successors and Assigns***. This Lease is binding upon and will inure to the benefit of the successors and assigns of Port, Tenant, and any Mortgagee. Where the term "**Tenant,**" "**Port,**" "**Mortgagee**" is used in this Lease, it means and includes their respective successors and

assigns, or including, as to any Mortgagee, any transferee and any successor or assign of such transferee. Whenever this Lease specifies or implies Port as a Party or the holder of the right or obligation to give approvals or consents, if Port or the entity which has succeeded to Port's rights and obligations no longer exists, then the City will be deemed to be the successor and assign of Port for purposes of this Lease.

43.4. ***No Third-Party Beneficiaries.*** This Lease is for the exclusive benefit of the Parties hereto and not for the benefit of any other Person and will not be deemed to have conferred any rights, express or implied, upon any other Person, except as provided in ***Article 37*** with regard to Mortgagees.

43.5. ***Real Estate Commissions.*** Port is not liable for any real estate commissions, brokerage fees or finder's fees which may arise from this Lease or any Sublease. Tenant and Port each represents that neither has engaged any broker, agent or finder in connection with this transaction. In the event any broker, agent or finder makes a claim, through either Party, the Party through whom such claim is made agrees to Indemnify the other Party (including the Indemnified Parties) from any Losses arising out of such claim.

43.6. ***Counterparts.*** This Lease may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument.

43.7. ***Entire Agreement.*** This Lease (including the Exhibits) constitutes the entire agreement between the Parties with respect to the subject matter set forth therein, and supersede all negotiations or previous agreements between the Parties with respect to all or any part of the terms and conditions mentioned herein or incidental hereto. No parol evidence of any prior of other agreement will be permitted to contradict or vary the terms of this Lease.

43.8. ***Amendment.*** Neither this Lease nor any of the terms hereof may be terminated, amended or modified except by a written instrument executed by the Parties. If Master Developer seeks an amendment to the DDA pursuant to [Section 3.4 thereof,] and such amendment requires a corresponding amendment to this Lease, [then the provisions of Section 3.4 thereof shall be deemed incorporated herein by reference.]

43.9. ***Governing Law; Selection of Forum.*** This Lease will be governed by, and interpreted in accordance with, the laws of the State of California. As part of the consideration for Port's entering into this Lease, Tenant agrees that all actions or proceedings arising directly or indirectly under this Lease may, at the sole option of Port, be litigated in courts having situs within the State of California, and Tenant consents to the jurisdiction of any such local, state or federal court, and consents that any service of process in such action or proceeding may be made by personal service upon Tenant wherever Tenant may then be located, or by certified or registered mail directed to Tenant at the address set forth herein for the delivery of notices.

43.10. ***Recordation.*** This Lease will not be recorded by either Party. The Parties agree to execute and record in the Official Records a Memorandum of Lease in the form attached hereto as ***Exhibit XX***. Promptly upon Port's request following the expiration of the Term or any other termination of this Lease, Tenant will deliver to Port a duly executed and acknowledged quitclaim deed suitable for recordation in the Official Records and in form and content satisfactory to Port and the City Attorney, for the purpose of evidencing in the public records the termination of Tenant's interest under this Lease. Port may record such quitclaim deed at any time on or after the termination of this Lease, without the need for any approval or further act of Tenant.

43.11. ***Attorneys' Fees.*** The Prevailing Party in any action or proceeding (including any cross-complaint, counterclaim, or bankruptcy proceeding) against the other party by reason of a claimed default, or otherwise arising out of a party's performance or alleged non-performance under this Lease, will be entitled to recover from the other party its costs and expenses of suit, including but not limited to reasonable Attorneys' Fees and Costs, which will be payable whether or not such action is prosecuted to judgment. "**Prevailing party**" within the meaning of

this Section includes, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense. Attorneys' Fees and Costs under this Section includes attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal.

For purposes of this Lease, reasonable fees of attorneys of the City's Office of the City Attorney will be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

43.12. ***Severability***. If any provision of this Lease, or its application to any Person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision will not affect any other provision of this Lease or the application of such provision to any other Person or circumstance, and the remaining portions of this Lease will continue in full force and effect, unless enforcement of this Lease as so modified by and in response to such invalidation would be grossly inequitable under all of the circumstances, or would frustrate the fundamental purposes of this Lease.

44. DEFINITION OF CERTAIN TERMS.

For purposes of this Lease, initially capitalized terms shall have the meanings ascribed to them in this Section [to be cross-checked and finalized with final lease drafts]:***

"Access Rights" as defined in ***Section 4.5(b).***

"Acceptance" means, with respect to any Horizontal Improvement, the acceptance by the Port or City of such Horizontal Improvement in accordance with the applicable procedures set forth in the DDA. **"Accept"** and **"Accepted"** have correlative meanings. .

"Acquisition Agreement" means [agreement for acquisition of Horizontal Improvements.]

"Activation Areas" means one or more areas within the Project, designated from time to time pursuant to ***Section 4.5***, within which Tenant has the right to conduct Activation Uses.

"Activation Rent" is defined on ***Exhibit D***.

"Activation Uses" means retail, food and beverage uses, including service of alcoholic beverages, sales or information centers for the Project or any buildings or uses conducted within the Project, open space, pedestrian areas, cultural programming, entertainment events and opportunities for active recreation and public gathering, any of which may be conducted within interior spaces or in the open air.

"Additional Rent" means any and all sums (other than Base Rent) that may become due or be payable by Tenant under this Lease.

"Affiliate" means any Person directly or indirectly Controlling, Controlled by or under Common Control with the other Person in question.

"Agents" means, when used with reference to either Party to this Lease, the members, officers, directors, commissioners, employees, agents and contractors of such Party, and their respective heirs, legal representatives, successors and assigns.

"Agreement to Comply with Mission Rock CFD and Assessment Matters" as defined in ***Section 6.2(b)***.

"Ancillary Permitted Uses" as described in the Basic Lease Information.

"Anniversary Date" means each anniversary of the Commencement Date during the Term, unless the actual Commencement Date is not the first day of a month, in which case, each

Anniversary Date will be determined as if the Commencement Date were the first day of the first full month after the actual Commencement Date.

"**Anticipated Conveyance Date**" as defined in ***Section 1.4(a)(ii)***.

"**As Is With All Faults**" as defined in ***Section 1.2(c)***.

"**Attorneys' Fees and Costs**" means reasonable attorneys' fees, costs, expenses and disbursements, including, but not limited to, expert witness fees and costs, travel time and associated costs, transcript preparation fees and costs, document copying, exhibit preparation, courier, postage, facsimile, long-distance and communications expenses, court costs, and other reasonable costs and fees associated with any other legal, administrative or alternative dispute resolution proceeding, including such fees and costs associated with execution upon any judgment or order, and costs on appeal.

"**Award**" means all compensation, sums or value paid, awarded or received for a Condemnation, whether pursuant to judgment, agreement, settlement or otherwise.

"**Ballpark Events**" means baseball games and other full-venue events taking place in AT&T Park.

"**Base Rent**" as defined in ***Exhibit D***.

"**Bond**" is defined in the Basic Lease Information.

"**CASp**" is defined in ***Section 1.1(b)***.

"**Casualty**" is defined in ***Section 15.1(a)***.

"**Channel Wharf Parcel**" means [ ].

"**City**" means the City and County of San Francisco, a municipal corporation.

"**City Fiscal Year**" means the period beginning on July 1 of any year and ending on the following June 30.

"**Commencement Date**" as defined in the Basic Lease Information.

"**Condemnation**" means the taking or damaging, including severance damage, of all or any part of any property, or the right of possession thereof, by eminent domain, inverse condemnation, or for any public or quasi-public use under the law. Condemnation may occur pursuant to the recording of a final order of condemnation, or by a voluntary sale of all or any part of any property to any Person having the power of eminent domain (or to a designee of any such Person), provided that the property or such part thereof is then under the threat of condemnation or such sale occurs by way of settlement of a condemnation action.

"**Condemnation Date**" means the earlier of: (a) the date when the right of possession of the condemned property is taken by the condemning authority; or (b) the date when title to the condemned property (or any part thereof) vests in the condemning authority.

"**Construction Impacts**" as described in ***Section 5.1***.

"**Control**" means the ownership (direct or indirect) by one Person of more than fifty percent (50%) of the profits or capital of another Person. "**Controlled**" and "**Controlling**" have correlative meanings. "**Common Control**" means that two Persons are both Controlled by the same other Person.

"**DDA**" is defined in ***Recital E***.

["**Dedicated Parcel**" as defined in the Housing Plan attached to the DDA.]

["**Dedicated Parcel Completion Date**" as defined in the Housing Plan attached to the DDA.]

"Default Rate" means an annual interest rate equal to the greater of (i) ten percent (10%) or (ii) five percent (5%) in excess of the Prime Rate that is in effect as of the date payment is due.

"Demolition and Remove" means the demolition of the Improvements (and if applicable, the Horizontal Improvements) and the removal and disposal of all debris in accordance with all Laws. **"Demolition and Removal"** have a correlative meaning.

"Demolition Option" as defined in ***Section 34.1(b)(i).***

"Design for Development" means the [Mission Bay South]Design for Development approved by the Port Commission and the Planning Commission, as amended from time to time.

"Development Parcel" means a buildable parcel in the SUD.

"Development Projects" is defined in ***Section 5.1.***

"Encroachment Area" is defined in ***Section 1.1(d).***

"Encroachment Area Charge" is defined in ***Section 1.1(d).***

"Environmental Laws" is defined in ***Section 21.6.***

"Environmental Regulatory Action" is defined in ***Section 21.6.***

"Environmental Regulatory Agency" is defined in ***Section 21.6.***

"Environmental Regulatory Approval" is defined in ***Section 21.6.***

"Event of Default" as defined in ***Section 23.1.***

"Exacerbate" is defined in ***Section 21.6.***

"Executive Director" means the Executive Director of the Port or his or her designee.

"Exempt Parcel" means, depending on the context: (i) any assessor's parcel of a real property interest that is exempt from property taxation under California law; and (ii) any assessor's parcel of a real property interest that is exempt from Mello-Roos Taxes under an RMA. "Exempt Parcel" excludes any parcel that: (1) the Port or any other Regulatory Agency acquires by gift, devise, negotiated transaction, or foreclosure; (2) the Port acquires under the DDA; or (3) is in private use for taxable purposes. **"Final Construction Documents"** means plans and specifications sufficient for the processing of an application for a building permit in accordance with applicable Laws and the Interagency Cooperation Agreement.

"Final Map" means a final Subdivision Map meeting the requirements of the Subdivision Code and the Map Act, subject to amendments made by the DA Ordinance.

"FOG Ordinance" means Sections 140-140.7 of Article 4.1 of the San Francisco Public Works Code, or any subsequent amendment or replacement of the same that sets forth prohibitions, limitations and requirements for the discharge of fats, oils and grease into the City's sewer system by food service establishments.

"Force Majeure" means events which result in delays in a Party's performance of its obligations hereunder due to causes beyond such Party's control, including, but not restricted to: (i) domestic or international events disrupting civil activities, such as war, acts of terrorism, insurrection, acts of the public enemy, and riots; (ii) acts of nature, including floods, earthquakes, unusually severe weather, and resulting fires and casualties; (iii) epidemics and other public health crises affecting the workforce by actions such as quarantine restrictions; (iv) inability to secure necessary labor, materials, or tools (but only if the Party claiming delay has taken reasonable action to obtain them on a timely basis) due to any of the above events, freight embargoes, lack of transportation, or failure or delay in delivery of utilities serving the Premises; (v) Administrative Delay, Environmental Delay, or Down Market Delay (in each case as defined in the DDA); and (vi) in the case of Tenant, any delay resulting from a defect in Port's title to the

Premises. Force Majeure does not include failure to obtain financing or have adequate funds. The delay caused by Force Majeure includes not only the period of time during which performance of an act is hindered, but also such additional time thereafter as may reasonably be required to make repairs, to Restore if appropriate, and to complete performance of the hindered act. **[NOTE: Conform to DDA definition]**

"Foreclosure" means a foreclosure of a Mortgage or other proceedings in the nature of foreclosure (whether conducted pursuant to court order or pursuant to a power of sale contained in the Mortgage), deed or voluntary assignment or other conveyance in lieu thereof.

"Generator" is defined in ***Section 21.2(d).***

"Handle" is defined in ***Section 21.6.***

"Hard costs" is defined in ***Section 11.3***

"Hazardous Material" is defined in ***Section 21.6.***

"Hazardous Material Claim" is defined in ***Section 21.6.***

"Hazardous Material Condition" is defined in ***Section 21.6.***

"Horizontal Improvements" means any improvements constructed or to be constructed by the Master Developer pursuant to the DDA.

"Horizontal Improvement Parcel" is defined in ***Section 1.4(b).***

"Impositions" is defined in ***Section 6.1(b).***

"Improvements" means all buildings, structures, fixtures and other improvements erected, built, placed, installed, constructed, renovated, or rehabilitated, located upon or within the Premises on or after the Commencement Date. Notwithstanding the foregoing, for the purposes of this Lease, the term "Improvements" excludes the Horizontal Improvements.

"Indemnified Party" and **"Indemnified Parties"** means the City, including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, including, without limitation, the Port; all of the Agents of the California State Lands Commission, the City, including its Port, and all of their respective heirs, legal representatives, successors and assigns, all other Person acting on their behalf, and each of them.

"Indemnify" means indemnify, protect and hold harmless. **"Indemnification"** has a correlative meaning.

"Indemnifying Party" is defined in ***Section 19.6.***

"Index" means the Consumer Price Index for All Urban Consumers (base years 1982-1984 = 100) for the San Francisco-Oakland-San-Jose area, published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is modified during the Term hereof, the modified Index shall be used in place of the original Index. If compilation or publication of the Index is discontinued during the Term, Port shall select another similar published index, generally reflective of increases in the cost of living, subject to Tenant's approval, which shall not be unreasonably withheld or delayed, in order to obtain substantially the same result as would be obtained if the Index had not been discontinued.

"Indexed" means the product of the number to be Indexed multiplied by the percentage increase, if any, in the Index from the first day of the month in which the Commencement Date occurred to the first day of the most recent month for which the Index is available at any given time.

"Infrastructure CFD" means the City and County of San Francisco Community Facilities District No. [__] (Mission Rock Public Improvements).

"Infrastructure Plan" means the Infrastructure Plan attached to the DDA.

"Investigate" or "Investigation" are defined in ***Section 21.6***.

"Invitees" when used with respect to Tenant means the customers, patrons, invitees, guests, members, licensees, assignees, and subtenants of Tenant and the customers, patrons, invitees, guests, members, licensees, assignees and sub-tenants of subtenants.

"Known Pre-Existing Hazardous Materials" is defined in ***Section 21.6***.

"Law" or **"Laws"** means any one or more present and future laws, ordinances, rules, regulations, permits, authorizations, orders and requirements, to the extent applicable to the Parties or to the Premises or any portion thereof, whether or not in the present contemplation of the Parties, including, without limitation, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, authorities, boards of officers, any national or local board of fire underwriters, or any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Premises or any part thereof, including, without limitation, any subsurface area, the use thereof and of the buildings, Horizontal Improvements, and Improvements thereon. **"Laws"** include the Mitigation and Monitoring Program and the Mission Rock Risk Management Plan.

"Lease" means this lease, as it may be amended from time to time.

"Lease Year" means the one (1) year period commencing as of the Commencement Date and every year thereafter. [**Confirm**]

"Leasehold" or **"Leasehold Estate"** means Tenant's leasehold estate created by this Lease.

"Live/Work" as described in ***Section 4.5(a)(vi)***.

"Loss" or **"Losses"** when used with reference to any Indemnity means any and all claims, demands, losses, liabilities, damages (including foreseeable and unforeseeable consequential damages), liens, obligations, interest, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, (including, without limitation, reasonable Attorneys' Fees and Costs and consultants' fees and costs) of whatever kind or nature, known or unknown, contingent or otherwise.

"Maintenance Notice" is defined in ***Section 11.3.***

"Major Special Events" means a Special Event of 3 or more days (excluding set up and take down) or an event with 5,000 or more attendants daily.

"Master Developer" is defined in ***Recital B***.

"Master Tentative Map" means _____.

"Master Utilities Plan" is defined in the DDA.

"Memorandum of Lease" means the Memorandum of this Lease, between Port and Tenant, recorded in the Official Records, in the form of ***Exhibit XX*** attached hereto.

"Mello-Roos Taxes" means special taxes that the City levies in a City Fiscal Year on Taxable Parcels in the Mission Rock CFD in accordance with the RMA, including delinquent special taxes collected at any time by payment or through foreclosure.

"Minor Special Events" means a Special Event of 1 or 2 days (excluding set up and take down) with fewer than 5,000 attendants daily.

"Mission Rock CFD" is a term used to refer to CFD No. XXXX, if and when formed.

"Mitigation Monitoring and Reporting Program" means the Mitigation Monitoring and Reporting Program that the Port Commission adopted by Resolution No. [_____] and attached hereto as ***Exhibit XX***.

"Mortgage" means a mortgage, deed of trust, assignment of rents, fixture filing, security agreement or similar security instrument or assignment of Tenant's leasehold interest under this Lease recorded in the Official Records.

"Mortgagee" means the holder or holders of a Mortgage and, if the Mortgage is held by or for the benefit of a trustee, agent or representative of one or more financial institutions, the financial institutions on whose behalf the Mortgage is being held. Multiple financial institutions participating in a single financing secured by a single Mortgage shall be deemed a single Mortgagee for purposes of this Lease.

"Mortgagor" is defined in ***Section XX***.

"**Net Awards and Payments**" is defined in ***Section 16.4***.

"**New Hazardous Materials**" is defined in ***Section 21.6***.

"Notice of Special Tax" is defined in ***Section 6.2(a)***.

"Notice to Vacate" is defined in ***Section 1.1(d)***.

"Official Records" means, with respect to the recordation of Mortgages and other documents and instruments, the Official Records of the City and County of San Francisco.

[**"Operations Plan"** means XXX]

"**Outfall Infrastructure**" is defined in ***Section 1.2(a)***.

"**Outfall Infrastructure Area**" is defined in ***Section 1.3(a)***.

"**Outfall Work**" is defined in ***Section 1.3(a)***.

"Partial Condemnation" is defined in ***Section 16.3(b)***.

"**Parking Operations**" means all parking on the Premises, including parking in connection with Ballpark Events, Special Events and commuter parking.

"**Parking Operations Agreement**" is defined in ***Section XX***.

"**Parking Operator**" means a person who enters into a Parking Operations Agreement with Tenant.

"**Partial Release of Master Lease**" as defined in ***Section 1.1(b)(i)(1)*** and further depicted in ***Exhibit XX***.

"Party" means Port or Tenant, as a party to this Lease; **"Parties"** means both Port and Tenant, as Parties to this Lease.

"**Percentage Rent**" is defined in ***Exhibit D***.

"**Permitted Encumbrances**" is described in ***Section 1.2(a)***.

"Permitted Title Exceptions" is defined in ***Section 1.2(a)***.

"Permitted Transfer" means a Transfer to a Permitted Transferee.

"Permitted Transferee(s)" means any transferee of the Master Developer's interest in the DDA permitted or approved in accordance with the DDA.

"Permitted Uses" is defined in ***Section 4.1***.

"Person" means any individual, partnership, corporation (including, but not limited to, any business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or any other entity or association, the United States, or a federal, state or political subdivision thereof.

"Personal Property" means all fixtures, furniture, furnishings, equipment, machinery, supplies, software, and other tangible personal property that is incident to the ownership, development or operation of the Horizontal Improvements, Improvements and/or the Premises, whether now or hereafter located in, upon or about the Premises, belonging to Tenant and/or in which Tenant has or may hereafter acquire an ownership interest, together with all present and future attachments, accessions, replacements, substitutions and additions thereto or therefor.

"Pesticide Ordinance" is defined in ***Section 21.5.***

"Phase" means one of the integrated stages of horizontal and vertical development for the Project Site as shown in the Phasing Plan.

"Phase Area" means the Development Parcels and other land in the Project Site that are to be developed in a Phase.

"Phasing Plan" means DDA Exh A4, which shows the order of development of the Phases and the Development Parcels in each Phase Area, subject to revision under DDA art. 3 (Phase Approval).

"Phase Submittal" means Developer's application for Port Commission approval of a proposed Phase under [DDA art. 3 (Phase Approval)].

"Port" means the San Francisco Port Commission.

"Pre-Approved Sublease" is defined in ***Section 18.2.***

"Pre-Existing Hazardous Materials" is defined in ***Section 21.6.***

"Premises" is defined in the Basic Lease Information and ***Section 1.1.***

"Prevailing party" is defined in ***Section 43.11.***

"Primary Permitted Use" is defined in the Basic Lease Information.

"Prime Rate" means the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks, as published by the Wall Street Journal, or if the Wall Street Journal has ceased to publish the Prime Rate, then such other equivalent recognized source.

"Prohibited Use" or **"Prohibited Uses"** as defined in ***Section 4.5(a).***

"Project" means the [Mission Rock] project as generally described in the Project Approvals.

"Project Approvals" is defined in ***Recital B.***

"Promotional Signage" means signage containing advertising or promotional messages relating to events, subtenants or otherwise relating to the Premises, which signage is intended to be visible primarily to persons on the Premises.

"public work" is defined in ***Section 13.3(f).***

"reasonable wear and tear" is defined in ***Section 11.1(b).***

"Record Drawings" is defined in ***Section 13.5(a)***.**"Regulatory Agency"** means any governmental agency having jurisdiction over the Premises, including, but not limited to, the City, RWQCB, and the Army Corps of Engineers.

"Regulatory Approval" means any authorization, approval or permit required by any Regulatory Agency.

"Related Third Party" is defined in ***Section 21.6.***

"Release" is defined in ***Section 21.6.***

"Remediate" or **"Remediation"** is defined in ***Section 21.6.***

"Rent" means the sum of Base Rent (including all adjustments), Variable Rent, and Additional Rent. For purposes of this Lease, Rent includes all unpaid sums that are payable as Rent, but that are unpaid when earned and/or accrue for payment at a later time in accordance with the provisions of this Lease.

"Restoration" means the restoration, replacement, or rebuilding of the Improvements (or the relevant portion thereof) in accordance with all Laws then applicable. ("**Restore**" and "**Restored**" shall have correlative meanings.)

"**RMA**" is an acronym for the Rate and Method of Apportionment.

"RWQCB" shall mean the San Francisco Bay Regional Water Quality Control Board of Cal/EPA, a state agency.

"Security Deposit" is defined in the Basic Lease Information.

"**Site Preparation**" means physical work to prepare and secure the Project Site for installation and construction of Horizontal Improvements, such as demolition of existing structures, excavation and removal of contaminated soils, fill, grading, deep dynamic compaction, and construction fencing and other security measures, and temporary Improvements for interim uses before vertical development begins.

"Special Event" means exhibitions or presentations of sporting events, exhibitions and tournaments, concerts, musical and theatrical performances and other forms of live entertainment, public ceremonies, private and public gatherings, recreation, athletic events, filming, fairs, carnivals, commemorations, market places, shows, fundraising events or other public or private exhibitions and activities related thereto and includes setup/load in and demobilization/load out; parking for Special Events; temporary improvements; installation of tents and structures; administrative and security functions and other amenities and facilities to accommodate such Special Events.

"State" shall mean the State of California.

"Staging Rent" is defined on ***Exhibit D.***

"State" means the State of California.

"Sublease" means any lease, sublease, license, concession, or other agreement (including, without limitation, a Sublease to Port) by which Tenant leases, subleases, demises, licenses, or otherwise grants to any Person in conformity with the provisions of this Lease, the right to occupy or use any portion of the Premises (whether in common with or to the exclusion of other Persons).

"Subsequent Construction" means all repairs to and reconstruction, replacement, addition, expansion, Restoration, alteration, or modification of any Improvements, or any construction of additional Improvements. "**Subsequent Construction**" does not include any Horizontal Improvements.

"Substantial Condemnation" is defined in ***Section 16.3(a).***

"Subtenant" means any Person leasing, using, occupying or having the right to occupy any portion of the Premises under and by virtue of a Sublease.

"SUD" means Planning Code Section 249.XX establishing the [_____] Special Use District, as it may be amended from time to time.

"**Taxable Parcel**" means an assessor's parcel of real property or other real estate interest created by each Phase Final Map that is not an Exempt Parcel, which may include leased space occupied for private use in an Exempt Parcel.

"Tenant" is identified in the Basic Lease Information, and its permitted successors and assigns.

"Term" is defined in ***Section 2***.

"Total Condemnation" is defined in ***Section 16.2***.

"Transfer" means any of the following events or proposed events, whether voluntary, involuntary, or by operation of Law: (a) Tenant sells, assigns, encumbers, subleases, or otherwise transfers any of its interest in this Lease or in the Premises; (b) any Person other than Tenant occupies or claims a right of possession to any part of the Premises; (c) Tenant dissolves, merges, consolidates, or otherwise reorganizes, or sells, assigns, encumbers, or otherwise transfers cumulatively or in the aggregate 50 percent or more (25 percent or more if publicly traded) of its equity interests or business assets, such as goodwill, inventory, and profits; or (d) any subtenant, assignee, or other Transferee of Tenant sells, assigns, encumbers, sub-subleases, or otherwise Transfers any of its interest in its Sublease or premises.

Notwithstanding the foregoing, as used herein, the term "**Transfer**" does not include (i) Special Events; or (ii) any hypothecation, encumbrance or mortgage of this Lease, or pledge of the ownership interests in Tenant, made in accordance with ***Article 37***. [Conform to DDA]

"Vertical DDA" is defined in the DDA.

"Vertical Developer" is defined in the DDA.

"Vertical Improvements" is defined in the DDA.

"Work" is defined in ***Section 13.4***.

"worth at the time of award" is defined in ***Section 24.4.***

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

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

Tenant [INSERT NAME OF TENANT],

By: _____
Name: _____
Title: _____

Port **CITY AND COUNTY OF SAN FRANCISCO,**
a municipal corporation, operating by and through the
SAN FRANCISCO PORT COMMISSION

By: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Name: _____
Title: _____

Lease authorized by:

-Port Board of Directors Resolution No. [_____]
-Board of Supervisors Resolution No. [_____]

EXHIBIT XXXX

PROCEDURES FOR SPECIAL EVENTS

[To Follow

EXHIBIT D

RENT

3. RENT.

3.1. ***Covenant to Pay Rent.*** During the Term, Tenant will pay Rent for the Premises to Port at the times and in the manner provided in this ***Article 3***. If the Commencement Date is other than the first day of the month, or the Expiration Date is other than the last day of the month, the Base Rent for those months shall be apportioned based on a thirty (30) day month.

3.2. ***Parking Rent.***

(a) **Base Rent**. From and after the Commencement Date and continuing thereafter throughout the Term until the earlier of the opening of the Parcel D2 Garage or the expiration or earlier termination of this Lease, Tenant will pay to Port, in advance on the first day of each calendar quarter during the Term, without further notice or demand and without abatement, offset, rebate, credit or deduction for any reason whatsoever, annual base rent equal to $2,040,000, as adjusted in accordance with ***Section 3.2(b)*** (as adjusted from time to time, "**Base Rent**"). The Base Rent will be paid in quarterly installments, in advance on the first (1st) day of each Quarter. Additionally, ninety percent (90%) of the annual Base Rent will be allocated to the High Season and ten percent (10%) of the annual Base Rent will be allocated to the Low Season. Accordingly, during the first (1st) Lease Year, for the period between April 1—September 30 (the "**High Season**"), each quarterly installment will equal Nine Hundred Eighteen Thousand Dollars ($918,000). For the period between October 1—March 31 (the "**Low Season**"), each quarterly installment will equal One Hundred Two Thousand Dollars ($102,000). After opening of the Parcel D2 Garage, no Base Rent shall be paid by Tenant, but Tenant shall pay Variable Rent as set forth in this ***Exhibit D***.

(b) **Adjustment to Base Rent**.

(i) *Annual Adjustments*.

(1) On each Anniversary Date, annual Base Rent payable under this Lease will be adjusted to equal one hundred three percent (103%) of the annual Base Rent in effect immediately prior to the applicable Anniversary Date; provided, however, if the annual Base Rent for each of two (2) consecutive Lease Years is greater than the annual Percentage Rent due Port for each such Lease Year, then annual Base Rent will be adjusted in accordance with ***Section 3.2(b)(i)(2)***.

(2) If the annual Base Rent for each of two consecutive Lease Years is greater than the annual Percentage Rent due Port for each such Lease Year, then on the Anniversary Date immediately following the end of such two (2) Lease Year period, annual Base Rent will be adjusted to equal the average of the annual Percentage Rent due Port during the immediately prior two (2) year period.

(ii) **Adjustment after Leases for the Lead Parcels have Closed**. Immediately following the execution of leases for the Lead Parcels, annual Base Rent will increase by an amount equal to one hundred three percent (103%) of the then current Base Rent payable by Tenant, provided, however for purposes of calculating "**then current Base Rent**" the initial Base Rent which was payable by Tenant pursuant to Section 3.2(a) will be deemed to be $2,400,000, rather than $2,040.00 and will continue to be subject to the annual adjustments described in ***Section 3.2(b)(i)***. See Table 3.2. By way of example, if the Lead Parcels closed in Lease Year 3, the annual Base Rent amount used to calculate the appropriate adjustment will be $2,546,160.

Table 3.2

Lease year	Base Rent	"then current Base Rent"
1	$2,040,000	$2,400,000
2	$2,101,200	$2,472,000
3	$2,164,236	$2,546,160

(iii) **Adjustment after Release of Development Parcels**. Immediately following release of a Development Parcel in accordance with ***Section 1.4***, annual Base Rent will multiplied by a fraction, the numerator of which shall be equal to the number of parking spaces which are usable by Tenant on the Premises following the release of the applicable Development Parcel [XXX]

(c) **Parking Percentage Rent**.

(i) *Before Closing of Lead Parcels*. Tenant will pay Port on a quarterly basis, Percentage Rent equal to fifty-six percent (56%) of Gross Revenues from Parking Operations, less Parking Taxes and Extraordinary Expenses paid in such quarter up to the Extraordinary Expense Cap.

(ii) *After Closing of Lead Parcels*. Tenant will pay Port on a quarterly basis, Percentage Rent equal to sixty-six percent (66%) of Gross Revenues from Parking Operations, less Parking Taxes and Extraordinary Expenses paid in such quarter up to the Extraordinary Expense Cap.

(d) **Extraordinary Expenses**.

(i) *Allocation of Extraordinary Expense*. The Extraordinary Expense Cap during any Lease Year will be allocated as follows: ninety percent (90%) during the High Season and ten percent (10%) during the Low Season.

(ii) Deduction of Extraordinary Expense Overage Amount. If, in any given calendar year, there is any Extraordinary Expense Overage Amount and Tenant is paying Variable Rent, rather than Base Rent, Tenant will be permitted to deduct from Tenant's payment of Variable Rent, an amount equal to eighty-seven and one-half percent (87.5%) of the difference between the amount of Variable Rent payable in such calendar year and the 2017 Variable Rent Amount.

(iii) *Documentation*. Tenant will substantiate actual Extraordinary Expenses with proof of expenditure, which may include: (i) copies of canceled checks, (ii) copies of executed contracts, (iii) invoices for labor services and/or materials marked "Paid"; or otherwise evidenced as having been paid; bills of lading marked "Paid"; other bills, contracts and receipts for goods, materials and/or services marked "Paid", (iv) and such other proofs of expenditure as may be reasonably approved by Port. Port will have the right to examine and audit Extraordinary Expenses and deductions with reasonable advance notice in accordance with ***Sections 3.10*** and ***3.11***. All actual Extraordinary Expenses will be documented no later than in the Annual Statement.

3.3. ***Special Event Rent.***

(a) **Minimum Special Event Rent**. Tenant will pay to Port in advance on a quarterly basis, rent for each Special Event held at the Premises at the rates set forth in **Table 3.5** ("**Minimum Special Event Rent**"). Square footage used for parking in connection with a Special Event will not be included in determining the square footage used by such Special Event for

purposes of calculating the Minimum Special Event Rent. Minimum Special Event Rent will be adjusted on an annual basis in accordance with ***Section 3.3(b)***.

Table 3.5

Special Event Category	**Rate/square foot**
Minor Special Events:	(i) $0.0085 per square foot per day (e.g., the equivalent of $5,000 per day for the entire Premises) for each day of the event and (ii) $0.0043 per square foot per day for each day of set up and take down.
Major Special Events:	(i) $0.017 per square foot per day (e.g., the equivalent of $10,000 per day for the entire Premises) for the first day of the event; (ii) $0.0128 per square foot (equivalent of $7,500) per day for the second day of the event; (iii) $0.0085 per square foot (equivalent of $5,000) per day for each remaining day of the event; and (iv) fifty percent (50%) of the average daily event fee per day for each set up and take down day.

(b) **Adjustment of Minimum Special Event Rent**. On each Anniversary Date, the Special Event Rent for Minor Special Events and Major Special Events as set forth in **Table 3.5** will be adjusted to equal one hundred three percent (103%) of the Special Event Rent in effect immediately prior to such Anniversary Date.

3.4. ***Vertical Improvement Staging Rent.*** Any Vertical Staging Areas will be subleased by Tenant to Vertical Developers at fair market rates, as reasonably determined by Tenant; provided, however, with regard to any Subleases with Tenant Affiliates, Tenant will provide Port with documentation supporting its determination that the Sublease rent is at fair market rates. Prior to the opening of the Parcel D2 Garage, (i) to the extent that quarterly Vertical Improvement Staging Rent exceeds, on a prorata square footage basis, the quarterly Base Rent that is payable on such Vertical Staging Area(s), Tenant will pay to Port sixty-six percent (66%) of such excess and (ii) to the extent that quarterly Vertical Improvement Staging Rent is less than, on a prorata square footage basis, the quarterly Base Rent that is payable on such Vertical Staging Area(s), the Base Rent applicable to such Vertical Staging Area(s) shall be reduced to quarterly Vertical Improvement Staging Rent received by Tenant. After the opening of the Parcel D2 Garage, Tenant will pay to Port the Port Parameter Rent on such Vertical Staging Area(s) and, to the extent that quarterly Vertical Improvement Staging Rent exceeds, on a prorata square footage basis, the Port Parameter Rent which would be payable on such Vertical Staging Area(s), Tenant will also pay to Port sixty-six percent (66%) of such excess.

3.5. ***Activation Use Rent.*** Tenant will have no obligation to pay to Port any rent for the use of the Yard in its location as of the Commencement Date, as depicted on ***Exhibit XX***. If Tenant enters into any Sublease, license, or any other agreement for Activations Uses within a portion of the Premises, Tenant will pay Port , on a quarterly basis, additional rent equal to sixty-six percent (66%) of the quarterly gross lease revenue received by Tenant for such Activation Uses ("**Activation Use Rent**") less any amounts paid by Subtenant, licensee or other user of Activation Space solely to reimburse Tenant for its operating expenses, taxes and insurance costs; provided however, Tenant shall not be permitted to "net out" any expenses from gross lease revenue which are otherwise included in the calculation of Extraordinary Expenses.

3.6. ***Promotional Signage Rent.*** If Tenant enters into any Sublease, license, or any other agreement for Promotional Signage within a portion of the Premises, Tenant will pay Port

in advance, on a quarterly basis, additional rent equal to fifty percent (50%) of Gross Revenues from Promotional Signage (**"Promotional Signage Rent"**).

3.7. Alternative Return Rent Credits. Tenant shall be entitled to a quarterly credit against Rent calculated in accordance with Section 2.8 of the Financing Plan [define?] (the **"Alternative Return Rent Credits"**)

3.8. ***Additional Definitions.***

"2017 Variable Rent Amount" means [$_____] [parties to agree upon 2017 amount prior to execution]. After conveyance of a Development Parcel, the 2017 Variable Rent Amount shall be reduced, as and when necessary by multiplying the 2017 Variable Rent Amount then in effect by a fraction, the numerator of which shall be equal to the number of parking spaces which are usable by Tenant on the Premises at such time of recalculation and the denominator of which will be [xxx].

"Extraordinary Expenses" means the annual substantiated costs of: (i) security for Event Operations, including payments made under the San Francisco Police Department's 10B program; (ii) operation of an accessibility shuttle from the parking area(s) to the Ballpark for Event Operations; (iii) temporary bathroom facilities, including the cleaning thereof, for Event Operations; (iv) post- Event Operations cleaning of the Premises; (v) labor and uniform costs for parking attendants for Event Operations; (vi) commercial general liability insurance maintained in accordance with [Section 20] which can be equitably attributed to Event Operations; (vii) utilities which can be equitably attributed to Event Operations; (viii) the Department of Transportation fees attributed solely to Event Operations; and (ix) tickets and signage.

"Extraordinary Expense Cap" for calendar year 2018, shall equal [$_____][parties to agree upon cap amount prior to execution], which amount shall be increased in each subsequent calendar year by one hundred three percent (103%). After conveyance of a Development Parcel, the Extraordinary Expense Cap shall be reduced, as and when necessary by multiplying the Extraordinary Expense Cap then in effect by a fraction, the numerator of which shall be equal to the number of parking spaces which are usable by Tenant on the Premises at such time of recalculation and the denominator of which shall be equal to the number of parking spaces which are usable by Tenant on the Premises as of the Commencement Date.

"Extraordinary Expense Overage Amount" means the amount by which Extraordinary Expenses in the Annual Statement (or such other amount due as a result of an audit performed in accordance with Section 3.5) exceed the Extraordinary Expense Cap for the applicable year.

"Gross Revenues" means all sales, payments, revenues, income, fees, rentals, receipts, proceeds and amounts of any kind whatsoever, whether for cash, credit or barter, received or receivable by Tenant or any other party from any parking activity, parking revenues, sales of parking tickets, entry fees, and services related to Parking Operations or from Promotional Signage, or any combination thereof, transacted, arranged or performed, in whole or in part, on the Premises, including without limitation, all returns and refunds, discounted services or similar benefits and/or goodwill. Except as specified herein, Gross Revenues shall be determined without reserve or deduction for failure or inability to collect and without deduction or allowance for cost of goods sold or other costs, charges or expenses of purchasing or selling incurred by Tenant. No value added tax, no franchise or capital stock tax and no income, gross receipts or similar tax based upon income, profits or gross receipts as such shall be excluded or deducted from Gross Revenues.

"Parcel D2 Garage" means that certain parking structure to be constructed on Parcel D2.

"**Parking Taxes**" means all sums collected by Tenant to pay any parking tax required by Article 9 of the Business and Tax Regulations Code, to the extent such amounts are in fact paid to the appropriate governmental entities for which they are collected.

"**Port Parameter Rent**" means the then approved Port rental rate for paved land in the central waterfront area.

"**Variable Rent**" means Percentage Rent, Special Event Rent, Vertical Improvement Staging Rent and Activation Area Rent and Promotional Signage Rent and any other rent generated from or on the Premises.

"**Vertical Staging Areas**" means those portions of the Premises which are subleased by Tenant to Vertical Developers for the construction of the Vertical Improvements.

"**Yard Area**" means the pop-up village consisting of repurposed shipping containers located on a portion of the Premises.

3.9. ***Reporting of Variable Rent.***

(a) Tenant will deliver to Port a complete statement setting forth in reasonable detail the computation of Variable Rent for each calendar month in each calendar quarter, including an itemized list of all adjustments and deductions relating to the calculation of Variable Rent (the "**Quarterly Variable Rent Statement**") by the twentieth (20th) day of the immediately following calendar quarter, which shall be accompanied by all Variable Rent due for such calendar quarter. A financial officer or other accountant employed by Tenant who is authorized and competent to prepare such Quarterly Variable Rent Statement must certify each Quarterly Variable Rent Statement as accurate, complete and current.

(b) Tenant will provide Port within sixty (60) days after the expiration of each Lease Year, a complete statement, showing the computation of the Variable Rent for the immediately preceding Lease Year ("**Annual Statement;**" together with the Quarterly Variable Rent Statement, "**Variable Rent Statement**") substantially in the form of ***Exhibit XX***. Each Annual Statement will be certified as accurate, complete and current by Deloitte & Touche, Ernst & Young, KPMG, PwC, or an independent certified public accounting firm reasonably acceptable to Port. Tenant must submit payment of the balance owing together with any Annual Statement showing that Tenant has underpaid Base Rent or Variable Rent. At Port's option, overpayments may be refunded to Tenant, applied to any other amount then due under the Lease and unpaid, or applied to Rent due at the first opportunity following Tenant's delivery of any Annual Statement showing an overpayment.

(c) The Annual Statement is for verification and certification of Quarterly Variable Rent Statements and Extraordinary Expenses only and will not result in any averaging of quarterly Base Rent or Variable Rent. Each Quarterly Statement and Annual Statement will set forth in reasonable detail Gross Revenues for such immediately preceding calendar quarterly or Lease Year, as applicable, including an itemized list of any and all deductions or exclusions from Gross Revenues that Tenant may claim at that time and which are expressly permitted under this Lease, and a computation of the Variable Rent for the immediately preceding calendar quarterly or Lease Year, as applicable.

(d) If Port receives the Variable Rent payment but does not receive the applicable Quarterly Variable Rent Statement by the twentieth (20th) day of the immediately following calendar quarter, such failure, until cured, will be treated as a late payment of Variable Rent, subject to a Late Charge.

(e) If Tenant fails to deliver any Quarterly Variable Rent Statement within the time period set forth in this Section 3.3 (irrespective of whether any Variable Rent is actually paid or payable by Tenant to Port) and such failure continues for thirty (30) days after the date Port delivers to Tenant written notice of such failure, Port will have the right, among its other remedies under this Lease, to have a Port Representative examine Tenant's Books and Records

(and, to the extent permitted by the applicable Sublease, the Books and Records of any other occupant or user of the Premises) as may be necessary to determine the amount of Variable Rent due to Port for the period in question. The determination made by Port Representative will be binding upon Tenant, absent manifest error, and Tenant will promptly pay to Port the total cost of the examination, together with the full amount of Variable Rent due and payable for the period in question, including any Late Charge and interest at the Default Rate.

(f) In the event this Lease expires or terminates on a day other than the last day of a calendar quarter, Variable Rent for such fractional part of the calendar quarter preceding such expiration or termination date will be prorated to account for the partial calendar quarter and paid within twenty (20) days after such expiration or termination date, but if this Lease terminates as a result of a Tenant Event of Default, any amounts due hereunder will be payable immediately upon termination.

3.10. ***Books and Records.*** Tenant will keep, and will cause its Subtenants to keep, books and records according to generally accepted accounting principles consistently applied or such other method as is reasonably acceptable to Port. "Books and Records" means all of Tenant's books, records, and accounting reports or statements relating to this Lease and the operation and maintenance of the Premises, including, without limitation, cash journals, rent rolls, general ledgers, income statements, bank statements, income tax schedules relating to the Property, and any other bookkeeping documents Tenant utilizes in its business operations for the Premises. Tenant will maintain a separate set of accounts, including bank accounts, to allow a determination of expenses incurred and revenues generated directly from the Premises. If Tenant operates or Subleases all or any portion of the Premises through (or to) a Subtenant or Agent (other than Port), Tenant will cause such Subtenant or Agent to adhere to the foregoing requirements regarding books, records, accounting principles and the like.

3.11. ***Audit.*** Tenant agrees to make its Books and Records (and the Books and Records of any other person relating to the calculation of Variable Rent) available in the City and County of San Francisco to Port, or to any accountant employed or retained by Port or the City who is competent to examine and audit the Books and Records (hereinafter collectively referred to as "**Port Representative**"), for the purpose of examining said Books and Records to determine the accuracy of Tenant's reporting of Gross Revenues and Variable Rent, for a period of five (5) years after the applicable Annual Variable Rent Statement was delivered to Port. Tenant will reasonably cooperate with Port Representative during the course of any audit; provided however, once commenced, such audit will be diligently pursued to completion by Port within a reasonable time after its commencement. If an audit has commenced and Port claims that errors or omissions have occurred, Tenant will retain the Books and Records and make them available until those matters are resolved.

If an audit reveals that Tenant has understated its Gross Revenues or Variable Rent for said audit period, Tenant will pay Port, within fifteen (15) days after receipt of such audit results, the difference between the amount Tenant has paid and the amount it should have paid to Port, plus interest at the Default Rate. If Tenant understates its Gross Revenues for any audit period by five percent (5%) or more of Tenant's understated amount, Tenant will pay Port's cost of the audit. Any overpayments revealed by an audit will be credited towards Rent payments due subsequent to the audit until credited in full.

3.12. ***Manner of Payment.*** Tenant will pay all Rent to Port in lawful money of the United States of America at the address for notices to Port specified in this Lease, or to such other Person or at such other place as Port may from time to time designate by notice to Tenant. Variable Rent is payable without prior notice or demand. Rent is due and payable at the times provided in this Lease, provided that if no date for payment is otherwise specified, or if payment is stated to be due "upon demand," "promptly following notice," "upon receipt of invoice," or the like, then such Additional Rent is due thirty (30) days following the giving by Port and the

receipt by Tenant of such demand, notice, invoice or the like to Tenant specifying that such sum is presently due and payable.

3.13. ***Interest on Delinquent Rent.*** Rent not paid when due (or in the case of Variable Rent, if not reported when due or applied when due) will bear interest from the date due until paid (or, for Variable Rent, when reported or when applied) at an annual interest rate equal to the greater of (i) ten percent (10%) or (ii) five percent (5%) in excess of the Prime Rate that is in effect as of the date payment is due (the "**Default Rate**"). However, interest will not be payable on Late Charges incurred by Tenant or to the extent such payment would violate any applicable usury or similar law. Payment of interest will not excuse or cure any default by Tenant.

3.14. Late Charge. Tenant acknowledges and agrees that late payment by Tenant to Port of Rent, or Tenant's failure to provide the Variable Rent Statement to Port, will cause Port increased costs not contemplated by this Lease. The exact amount of such costs is extremely difficult to ascertain. Such costs include processing and accounting charges. Accordingly, without limiting any of Port's rights or remedies hereunder and regardless of whether such late payment results in a Tenant Event of Default, Tenant will pay a late charge (the "Late Charge") equal to the higher of (a) five percent (5%) of all Rent or any portion thereof which remains unpaid more than five (5) days following the date it is due (or with respect to a failure by Tenant to deliver the Variable Rent Statement to Port within five (5) days following the date it is due, five percent (5%) of Variable Rent due for the subject period of the Variable Rent Statement), or (b) [**Note: Increase following amount by $500 every 5 years after execution of the DDA**]: One Thousand Dollars ($1,000)], which amount will be increased by an additional One Thousand Dollars ($1,000) on the tenth (10th) anniversary of the Commencement Date and every ten (10) years thereafter; provided, however, Tenant will not be subject to a Late Charge more than once every calendar year if Tenant pays the unpaid Rent or delivers the Variable Rent Statement to Port, as applicable, within five (5) days of written notice from Port of such failure. The Parties agree that the Late Charge represents a fair and reasonable estimate of the cost that Port will incur by reason of a late payment by Tenant.

3.15. ***No Abatement or Setoff.*** Tenant will pay all Rent at the times and in the manner provided in this Lease without any abatement, setoff, credit (other than the Alternative Return Rent Credits), deduction, or counterclaim.

3.16. ***Net Lease.*** It is the purpose of this Lease and intent of Port and Tenant that all Rent is absolutely net to Port, so that this Lease yields to Port the full amount of Rent at all times during the Term, without deduction, abatement or offset. Under no circumstances, whether now existing or hereafter arising, and whether or not beyond the present contemplation of the Parties is Port expected or required to incur any expense or make any payment of any kind with respect to this Lease or Tenant's use or occupancy of the Premises. Without limiting the foregoing, Tenant is solely responsible for paying each item of cost or expense of every kind and nature whatsoever, the payment of which Port would otherwise be or become liable by reason of Port's estate or interests in the Premises, any rights or interests of Port in or under this Lease, or the ownership, leasing, operation, management, maintenance, repair, rebuilding, remodeling, use or occupancy of the Premises, or any portion thereof. No occurrence or situation arising during the Term, or any Law, whether foreseen or unforeseen, and however extraordinary, relieves Tenant from its liability to pay all of the sums required by any of the provisions of this Lease, or otherwise relieves Tenant from any of its obligations under this Lease, or except as set forth in this Lease, gives Tenant any right to terminate this Lease in whole or in part. Tenant waives any rights now or hereafter conferred upon it by any Law to terminate this Lease or to receive any abatement, diminution, reduction or suspension of payment of such sums, on account of any such occurrence or situation, provided that such waiver will not affect or impair any right or remedy expressly provided Tenant under this Lease.

3.17. ***Survival.*** Tenant's obligation to pay any unpaid Rent due and payable (and Port's obligation to repay any overpayments) will survive the expiration or earlier termination of this Lease.

Lodged with Board of Supervisors 2/1/18.

CITY AND COUNTY OF SAN FRANCISCO
MARK FARRELL, MAYOR

FINANCING PLAN

DDA EXHIBIT C1 TO DISPOSITION AND DEVELOPMENT AGREEMENT

BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO,
ACTING BY AND THROUGH THE SAN FRANCISCO PORT COMMISSION,

AND

SEAWALL LOT 337 ASSOCIATES, LLC

ELAINE FORBES, EXECUTIVE DIRECTOR

SAN FRANCISCO PORT COMMISSION

KIMBERLY BRANDON, PRESIDENT
WILLIE ADAMS, VICE PRESIDENT
LESLIE KATZ, COMMISSIONER
DOREEN WOO HO, COMMISSIONER

Lodged with Board of Supervisors 2/1/18.

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EXHIBITS AND OTHER ATTACHMENTS

FP Exhibit A: [Intentionally omitted]
FP Exhibit B: Form of Promissory Note
FP Exhibit C: RMA Outline
FP Exhibit D: Participation Agreement

FP Schedule 1: Summary Proforma
FP Schedule 2: Preliminary Entitlement Cost Statement
FP Schedule 3: Special Fund Trust Accounts
FP Schedule 4: Sample Credit Bid calculations

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FINANCING PLAN

This **FINANCING PLAN** implements and is attached as *DDA Exh C1* to and incorporated into the Disposition and Development Agreement (the "**DDA**") between the City and County of San Francisco (including its agencies and departments, the "**City**"), acting by and through the San Francisco Port Commission (the "**Port**" or the "**Port Commission**"), and Seawall Lot 337 Associates, LLC ("**Developer**") (each, a "**Party**").

The **Appendix** is an integral part of and is applicable to this Financing Plan and all other Transaction Documents. Refer to the **Appendix** for standard provisions and rules of interpretation *(App Part A)* and a glossary of defined terms used in the principal documents *(App Part B)*.

1. FINANCING OVERVIEW

1.1. Financing Plan Term.

(a) Effective Date. This Financing Plan is a part of the DDA and becomes effective on the Reference Date.

(b) Termination Date. Because certain financial obligations and rights will continue after the Horizontal Improvements are finally complete, the Parties have agreed that this Financing Plan, the Acquisition Agreement in the form of **FP Exhibit A**, and the Participation Agreement in **FP Exhibit E** will have independent termination dates as follows.

(i) Except for the Participation Agreement, this Financing Plan will terminate after both of the following have occurred.

(1) The Port has accepted the Final Audit.

(2) Developer has been paid any amounts due under **clause (ii)** or **clause (iii)** of **Subsection 2.4(c)** (Developer Return) and **Subsection 3.3(c)** (After Final Completion).

(ii) The Acquisition Agreement will terminate when all Payment Requests have been satisfied or all Project Payment Sources have been exhausted.

(iii) The Participation Agreement will terminate after the final distribution of Annual Participation Revenue is made.

1.2. Funding Goals. This Financing Plan establishes the contractual framework for financing horizontal development of the Project in accordance with the DDA and achieving the following Funding Goals.

- Construct Horizontal Improvements at the Project Site, coordinating to the extent practicable with vertical development to minimize carrying costs of horizontal development.
- Use Public Financing Sources from the Project Site to leverage other sources, reduce Project Risk by enhancing the Port's ability to satisfy the Project Payment Obligation, and increase Port participation in capital events and other benefits to the Parties, Vertical Developers, and the public.
- Provide Developer with a market-rate Developer Return on its use of Developer Capital for Horizontal Development Costs as illustrated by the sample calculations in **FP Schedule 4**.
- Provide the Port with Fair Market Value for Development Parcels at SWL 337 in compliance with SB 815.

- Repay the Port's investment in infrastructure with interest in compliance with AB 2797.
- Use Project-generated Impact Fees to assist Developer in meeting the affordable housing goals for the Project in the Housing Plan.
- Use tax-exempt debt to the extent reasonably feasible, consistent with this Financing Plan and Governing Law and Policy.
- Protect the Parties' investments in Horizontal Improvements by providing a funding source for Ongoing Maintenance Costs.
- Provide a mechanism for San Francisco to adapt to rising sea levels and protect its land, residents, and businesses by financing Shoreline Protection Facilities and other Port capital needs after full Project build-out.
- Implement sound and prudent municipal fiscal policies that protect the City General Fund, the Port Harbor Fund, and the City's and the Port's respective financial standings and fiduciary obligations, while operating within the constraints of this Financing Plan and Governing Law and Policy.

1.3. Financing Districts.

(a) IFD Project Area I. As part of the Project Approvals, the Board of Supervisors established Project Area I and Sub-Project Areas I-1 through I-13 of the IFD and approved Appendix I to the IFD Financing Plan for the IFD, as described in more detail in **Article 6** (Tax Increment).

(b) Mission Rock CFD. The Port has agreed to seek legislation to form the Mission Rock CFD over the Project Site on terms described in more detail in **Article 4** (Mello-Roos Taxes).

1.4. Summary Proforma.

(a) Contents. The Summary Proforma (**FP Schedule 1**) contains the following key projections and estimates for each Phase and for the Project as a whole:

(i) Entitlement Sum on the Reference Date;

(ii) Developer's line item estimates of Entitlement Costs, Site Preparation costs, and other Horizontal Development Costs by category and Phase;

(iii) application of Developer Capital and each other anticipated source, including Public Financing Sources, DRP Advances, and Port Capital Advances, if any, to Horizontal Development Costs by category;

(iv) accrual of Developer Return;

(v) accrual of Interest on DRP Advances and Return on Port Capital;

(vi) Fair Market Value and Parcel DRP of each Option Parcel;

(vii) development costs for Vertical Improvements, including the Parcel D2 Garage;

(viii) projected levy and allocation of Mello-Roos Taxes;

(ix) projected growth and allocation of Tax Increment; and

(x) bonding capacity by Phase.

(b) Assumptions. The Proforma incorporates certain assumptions that provide the basis for this Financing Plan. Key assumptions include the following.

(i) Development Parcels will be developed as entitled for parking, residential, and commercial-office uses at densities described in the Land Use Plan and Design Controls.

(ii) The Entitlement Sum will be paid by early Project Payment Sources expected to consist of a combination of Early Mello-Roos Bond Proceeds and DRP Advances from Prepaid Leases for the Lead Parcels.

(iii) The Port will convey each Option Parcel by a Parcel Lease in the form of *DDA Exh D2* under procedures described in *DDA art. 7 (Parcel Leases)*.

(iv) Developer will exercise its Option for all Option Parcels through Vertical Developer Affiliates, which will pay ground rent on terms described in the DDA and Parcel Leases.

(v) The Port will convey all four Phase 1 Option Parcels by Prepaid Leases.

(vi) The City will issue Mello-Roos Bonds on behalf of the Mission Rock CFD for each Phase.

(vii) Available Project Payment Sources will be used as specified in this Financing Plan to pay the Parties' Capital Costs or to pay Developer pass-throughs.

(viii) The Port will use Services Special Taxes to meet the Ongoing Maintenance Costs of Maintained Facilities.

(c) Future Events. Both Parties acknowledge that the Proforma contains the Parties' projections based on assumptions and is attached as **Schedule 1** for illustrative purposes only, and future events that do not conform to Proforma assumptions will not:

(i) provide either Party with a unilateral right to amend or terminate this Financing Plan or any Financing Document;

(ii) excuse a Party's performance of any obligation that is due; or

(iii) authorize a Party to take any other action that is not authorized by the Transaction Documents.

1.5. Project Sources. This Financing Plan describes the Parties' agreement as to the principal Project Payment Sources to reimburse Developer for its Horizontal Development Costs, pay Developer Return, and pay Developer pass-throughs. Project Payment Sources are expected, but not guaranteed, to be sufficient in the aggregate to satisfy the Project Payment Obligation in full. The Parties' underlying agreements on sources and uses are described briefly below.

(a) Mello-Roos Bond Proceeds.

(i) Mello-Roos Bonds issued under **Article 5** (Mello-Roos Bonds) will be the Port's preferred public financing mechanism for a significant portion of Horizontal Development Costs.

(ii) Governing Law and Policy will prevail over any conflict with this Financing Plan or any other part of the DDA relating to Mello-Roos Bond Proceeds except to the extent that the Board of Supervisors waives any provision of the CFD Goals.

(b) DRP Advances and Port Capital Advances.

(i) DRP Advances will be a significant Project Payment Source.

(ii) Subject to limitations in this Financing Plan and in the Phase Budget process under *DDA § 3.6 (Phase Budget Review and Approval)*, the Port

will have the right to use budgeted Port Capital Advances to satisfy any outstanding Developer Balance or to pay Developer pass-throughs.

(c) Developer Capital.

(i) Developer will use Developer Capital to pay for Site Preparation, Utility Infrastructure, Public Space, Public ROWs, Shoreline Improvements, and other Horizontal Development Costs.

(ii) Developer will own all Horizontal Improvements until the Acquiring Agencies acquire them in accordance with the DDA, the ICA, this Financing Plan, the Acquisition Agreement, and applicable laws. Payments to Developer under the Acquisition Agreement are expected, but not guaranteed, to fully reimburse Developer and pay Developer Return.

(d) Mello-Roos Taxes.

(i) Mello-Roos Taxes from the Mission Rock CFD will be used for Horizontal Development Costs as described in **Article 4** (Mello-Roos Taxes).

(ii) Governing Law and Policy will prevail over any conflict with this Financing Plan or any other part of the DDA relating to Mello-Roos Taxes except to the extent that the Board of Supervisors waives any provision of the CFD Goals.

(e) Tax Increment.

(i) Allocated Tax Increment from Project Area I will be used for Horizontal Development Costs as described in **Article 6** (Tax Increment).

(ii) Governing Law and Policy will prevail over any conflict with this Financing Plan or the DDA relating to Tax Increment.

(f) Port FY Budget. The Port Commission's approval of a Phase Budget or any amendment to a Phase Budget will obligate the Port to submit a Port FY Budget consistent with the approved Phase Budget for the next and each succeeding City Fiscal Year during which the Parties expect to use Public Financing Sources, DRP Advances, or Port Capital Advances to satisfy any part of the Project Payment Obligation.

1.6. Other Sources.

(a) Cooperation. The City, the Port, and Developer will cooperate to identify other sources and incentives that might be available for Horizontal Improvements and Vertical Improvements at the Project Site, such as incentives for historic rehabilitation, brownfield remediation, transit-oriented development, and sustainable development.

(b) Conditions to Other Sources. A Party may object to using any source that is not identified in this Financing Plan as a Project Payment Source for Horizontal Development Costs if funding is subject to conditions that the Parties reasonably conclude would have substantially negative impacts on the Funding Goals, the Phasing Plan, and the Schedule of Performance.

1.7. Limitation on Sources. Developer acknowledges that none of the following is a Project Payment Source under this Financing Plan:

(a) City General Fund;

(b) Port Harbor Fund other than: (i) Port Capital or other Port assets that the Port commits to use in its sole discretion; and (ii) Development Rights Payments;

(c) Mello-Roos Taxes from outside of the Mission Rock CFD; or

(d) Tax Increment from outside of Project Area I.

1.8. Developer Participation.

(a) Additional Return. As an incentive for Developer to implement the Project and maintain ongoing operations in a manner that will maximize revenues to the Port, Developer will receive an additional element of return on its investment in the Project. The Port will pay Developer a share of the Participation Revenue from the Project as set forth in the Participation Agreement attached as **FP Exhibit D**, which will survive the termination of this Financing Plan as specified in **clause (iii)** of **Subsection 1.1(b)** (Termination Date).

(b) Separate Agreement by Request. At the request of either Party, the Parties enter into a separate Participation Agreement containing the provisions of **FP Exhibit D**. The fully executed separate Participation Agreement will supersede **FP Exhibit D**, which will have no further effect.

1.9. Certain Vertical Transfers. Under *VDDA § 19.1 (Before Close of Escrow)*, Net Transfer Proceeds will be deposited into the DRP Fund and for use as a Project Payment Source.

2. FLOW OF FUNDS

2.1. Port Payments. References in any Transaction Document to Port payments or disbursements will mean any of the following funds of the Port, the Mission Rock CFD, or the IFD that are applied to satisfy the Project Payment Obligation or to pay Developer pass-throughs.

(a) Port Capital Advances are Port revenues that the Port loans to the Mission Rock CFD for Horizontal Development Costs, which the Port may disburse on its own account.

(b) DRP Advances are prepaid ground rent under Parcel Leases that the Port loans to the Mission Rock CFD for Horizontal Development Costs, which the Escrow Agent will disburse from Escrow or the Special Fund Trustee will disburse from the DRP Fund.

(c) Mello-Roos Taxes are Facilities Special Taxes that the Special Fund Trustee will disburse from the Special Tax Fund.

(d) Allocated Tax Increment is the portion of ad valorem property taxes, including possessory interest taxes, allocated to the IFD, which the Special Fund Trustee will disburse from the Tax Increment Fund.

(e) Mello-Roos Bond Proceeds (or proceeds of other Bonds) are the net proceeds available for an Indenture Trustee to disburse from the Mello-Roos Improvement Fund under an Indenture.

2.2. Payment Process. The Acquisition Agreement will govern procedures for payments to Developer or third parties on account of the Developer Balance.

(a) Disbursements from Escrow. Whenever an approved Payment Request authorizes the Escrow Agent to make a DRP Advance, the CFD Agent will provide confirmation to the Port of the actual application of funds for the Port's entry on the allonge to the Promissory Note in the form of **FP Exhibit B**. The Port will record the application of funds to Horizontal Development Costs, Allowed Return, and Additional Return on the allonge to the Promissory Note.

(b) Disbursements from Special Fund Trust Account. The Port, in its proprietary capacity and as CFD Agent and IFD Agent, will enter into a Special Fund Administration Agreement with the Special Fund Trustee for the administration of segregated accounts described in **Article 3** (Development Rights Payments), **Article 4** (Mello-Roos Taxes), and **Article 6** (Tax Increment). **FP Schedule 3** lists the anticipated

accounts and subaccounts in the Special Fund Trust Account, without prejudice to the Port's right to add additional accounts to facilitate implementation of this Financing Plan. The agreement will provide for the Special Fund Trustee to accept, hold, and disburse funds as directed in signed Payment Requests and to record all account activities.

(c) Disbursement of Bond Proceeds. Each Indenture will provide for the Indenture Trustee to make disbursements of Bond proceeds in accordance with signed Payment Requests and to record all activities the Indenture Trustee takes with respect to the funds.

(d) Calculation of Interest. Whenever an interest rate applies to a Capital Cost to be repaid under this Financing Plan, interest will accrue daily on the basis of a 365-day year, compounded quarterly, on the outstanding balance of the cost to be repaid.

2.3. Entitlement Costs.

(a) Preliminary Entitlement Cost Statement.

(i) Before the Reference Date, Developer spent Developer Capital on Entitlement Costs. Developer Return on Developer's Entitlement Costs began to accrue on the later of January 1, 2012, or the date on which Developer incurred the costs. Developer's Preliminary Entitlement Cost Statement is attached as **FP Schedule 2**, showing Developer's line item breakdown of Entitlement Costs and accrued Developer Return for the period ending about 90 days before the Reference Date and estimates up to the Reference Date.

(ii) Developer has agreed to provide its final Entitlement Cost Statement reflecting the Entitlement Sum within 90 days after receiving the Port's statements for costs payable to the Port under the ENA.

(b) Project Payment Sources for Entitlement Sum.

(i) After the Entitlement Sum is determined, the Port will instruct the Escrow Agent, the Special Fund Trustee, and the Indenture Trustee, as applicable, to disburse Project Payment Sources to Developer as they become available to pay the Entitlement Sum.

(ii) The Parties expect the Entitlement Sum to be paid in full by the Port's DRP Advances of Parcel DRPs under Prepaid Leases for the Lead Parcels as described in **Section 3.4** (Lead Parcels).

2.4. Horizontal Development.

(a) Phase Budget. Under *DDA § 3.3 (Phase Budget)*and *DDA § 3.5 (Phase Budget Review Process)*, each Phase Budget and each modification of a Phase Budget will specify the Parties' collective best estimates, as updated, of:

(i) the Horizontal Development Costs of Phase Improvements, which will be refined by information in Phase Quarterly Reports and Acquisition Price Updates; and

(ii) the amounts and timing of DRP Advances, Developer Capital, Port Capital Advances, and Public Financing Sources to be used to pay Horizontal Development Costs and reimburse the Parties for costs incurred and accrued return.

(b) Developer Capital.

(i) Developer will account for its use of Developer Capital in its Developer Quarterly Reports by Phase, which will update Developer's Horizontal

Development Costs, and provide prior notice when Developer expects Horizontal Development Costs to reach or exceed the Phase Budget for any Current Phase.

(ii) Developer must record its use of Developer Capital for Horizontal Development Costs on the Developer Capital Schedule by Phase, which must be updated and attached to each Developer Quarterly Report. Developer must record promptly on the Developer Capital Schedule, on the date received, each receipt of funds from a Project Payment Source applied to the Developer Balance.

(iii) Each Developer Quarterly Report will specify the Peak Developer Equity for each Phase to date.

(iv) The Parties are allocating Horizontal Development Costs between those eligible for reimbursement from Public Financing Sources and those that must be paid from other sources. Developer acknowledges that the City's bond counsel will make the final determination as to costs eligible to be paid from Public Financing Sources.

(c) Developer Return.

(i) Developer will indicate in the appropriate Phase Quarterly Report when Developer believes that its Capital Costs will reach Peak Developer Equity. The Parties will use this information to determine whether to adjust the Phase Budget for projected Minimum Phase Return.

(ii) Each Phase Audit will state the amount of Developer Return that Developer received through the end of the reporting period for the Phase. If any Phase Audit indicates that the Developer Return paid to Developer is less than the Minimum Phase Return, the Port will pay the difference, without additional Developer Return, from available Project Payment Sources with priority over the Horizontal Development Costs of any Later Phase.

(iii) The Final Audit will state the aggregate amount of Developer Return that Developer received through the end of the reporting period for the Project. If the Final Audit indicates that the Developer Return paid to Developer is less than $40.5 million, the Port will pay the difference, without additional Developer Return, from available Project Payment Sources with priority over any other authorized uses.

(d) Priorities for Payment. The Port will provide instructions for DRP Advances and Public Financing Sources from each Current Phase to be disbursed as funds become available in accordance with the following priorities.

(i) Payment of the Entitlement Sum will be the first priority for application of all Project Payment Sources. The Entitlement Sum will be paid before the Horizontal Development Costs of Phase 1.

(ii) Payments to reimburse each Party's Capital Costs will be applied to balances bearing Developer Return or Return on Port Capital, as applicable, before being applied to balances bearing Alternative Return.

(iii) Payment Requests will have priority in the order approved, subject, as applicable, to the Interest Cost Limitation and other priorities specified in this Financing Plan.

(iv) Horizontal Development Costs of a Current Phase will be paid before Horizontal Development Costs of a Later Phase.

(v) An Advance of Port Capital may be used to pay the pre-existing Developer Balance.

(vi) After the Port makes a Port Capital Advance, Project Payment Sources will be applied to the Developer Balance and the Port Balance by pro rata payments as described in **Subsection 2.4(e)** (Pro Rata Payment).

(vii) To the extent that a Developer Balance and a Port Balance are not satisfied by Project Payment Sources available during a Current Phase, the priorities for paying each Party's balance will be preserved by the previously Approved Payment Request.

(viii) After the Project Payment Obligation is satisfied in full, the Mission Rock CFD (and the IFD, subject to the Interest Cost Limitation, and to the extent payable under the pledge of Tax Increment to debt of the Mission Rock CFD) will make payments on the Promissory Note until fully paid as described in **Subsection 7.2(b)** (Promissory Note).

(e) Pro Rata Payment.

(i) After the Port has paid Developer the Entitlement Sum, this Subsection will apply whenever the Project Payment Obligation includes a Developer Balance and a Port Balance. The Port must use DRP Advances and Public Financing Sources from each Current Phase as funds become available to pay the Developer Balance and the Port Balance pro rata.

(ii) In applying this Subsection, components of the Project Payment Obligation will be paid in the following order: (1) Additional Return; (2) Allowed Return; and (3) Developer Capital and Port Capital.

(iii) To the extent that the Project Payment Obligation for a Phase is not satisfied by Project Payment Sources available during a Current Phase, each Party's outstanding balance will be carried over and added to the Developer Balance and the Port Balance for the succeeding Later Phase.

2.5. Deferred Infrastructure.

(a) Contractual Obligation. Consistent with each Phase Approval, the Port will enter into Vertical DDAs obligating Vertical Developers to construct Deferred Infrastructure in coordination with vertical development.

(b) Treatment of Costs.

(i) The Appraisal Instructions will specify a preliminary budget, including contingency, for the Vertical Developer's cost to construct the Deferred Infrastructure based on third-party estimates. The amount of the preliminary budget will be deemed to be a DRP Advance, which the Port will record on the allonge to the Promissory Note as a disbursement made on the Closing Date of the Option Parcel.

(ii) The Vertical Developer will be required to provide evidence of its actual costs to build the Deferred Infrastructure to the Port. The Port will revise its entries on the allonge to the Promissory Note accordingly, dating them back to the Closing Date.

(c) Alternative Treatment of Costs. Through the Phase Budget process, Developer may propose to reimburse any Vertical Developer obligated to construct Deferred Infrastructure in the Current Phase as a Horizontal Development Cost subject to reimbursement with Developer Return. In that case, the Port Commission's approval of the Phase Budget will include its decision to accept or reject Developer's proposal.

2.6. Phase 1 Cost Containment.

(a) Notice. Developer will provide notice to the Port promptly after Developer becomes aware that actual Horizontal Development Costs of Phase Improvements for Phase 1 are likely to exceed the line item amount and line item contingency approved in the Phase 1 Budget. In addition, Developer will provide updated cost information in its next Phase Quarterly Report.

(b) Negotiation Period. Subject to extension by agreement, the Parties will meet and confer for the 30-day period beginning on the day after Developer delivers the notice. The purpose of the negotiations will be to:

(i) identify steps consistent with obligations under the Transaction Documents that could be taken to reduce the potential Phase 1 Overage and stay within the budgeted amounts; and

(ii) if necessary, discuss whether and when to initiate plans to revise the Phase Budget to pay for the Phase 1 Overage.

(c) Port Election. If the Parties are unable to identify measures to eliminate the Phase 1 Overage or to agree on measures that could be taken, the Port its sole discretion may elect one of the following measures to fund the Phase 1 Overage on 60 days' prior notice to Developer, subject to Port Commission approval of a revised Phase Budget if necessary.

(i) The Port may elect to fund the Phase 1 Overage by a Port Capital Advance, which will bear Alternative Return.

(ii) The Port may elect to require that the Developer fund the Phase 1 Overage with Developer Capital. Up to $10 million of Developer Capital used for the Phase 1 Overage will bear Alternative Return. Developer Capital above $10 million used to pay the Phase 1 Overage will bear Developer Return.

(iii) The Port may elect to fund part of the Phase 1 Overage and require Developer to fund the balance, subject to the limitations of **clause (ii)** of this Subsection.

2.7. Jobs/Housing Equivalency Fee.

(a) Minimum Fees. As indicated in *DA § 5.4(b)(ii) (Jobs/Housing Equivalency Fee)*, Developer's Phase Submittal will include an estimate of the Jobs/Housing Equivalency Fee payable for each Development Parcel. When each Development Parcel is developed, the Vertical Developer will be required to pay the greater of:

(i) the minimum Jobs/Housing Equivalency Fee established under this Section, subject to adjustment as provided in *DA § 5.4(b)(ii) (Jobs/Housing Equivalency Fee)*; and

(ii) the amount of the Jobs/Housing Equivalency Fee, as adjusted under *DA § 5.4(b)(ii) (Jobs/Housing Equivalency Fee)*, that would otherwise be due for the actual uses for which the Development Parcel is built.

(b) Calculation of Minimum Fee. The Parties have agreed to the following procedures to establish the initial minimum Jobs/Housing Equivalency Fee payable for those parcels, even if the use of the designated parcels later changes. The amount of the minimum fees will be subject to adjustment under *DA § 5.4(b)(ii) (Jobs/Housing Equivalency Fee).*

(i) Minimum Jobs/Housing Equivalency Fees for each Development Parcel will be based on:

(1) the projected square footage of each use in Vertical Improvements assumed in the Summary Proforma attached to the Financing Plan on the Reference Date; and

(2) the anticipated principal use of the parcel on the Reference Date, as reflected in *DDA § 1.5 (Land Use Table)*.

(ii) For parcels anticipated to be developed for commercial-office use in the Land Use Table, the minimum fee is based on the assumed square footage of office use in the Summary Proforma. For parcels anticipated to be developed for residential use in the Land Use Table, the minimum fee is based on the assumed square footage of nonresidential use in the Summary Proforma.

(iii) For Flex Parcels, the minimum fee is shown in the alternative, based on assumed square footage of residential, office, or other uses. For example, the minimum Jobs/Housing Equivalency Fee for a Flex Parcel if it is not developed as a Residential Project will be established by the assumed amount of office square footage§.

(c) Use of Jobs/Housing Equivalency Fees. Under *DDA § 3.3(b)(v) (Budget Narrative)*, each Phase Budget must specify a minimum amount for the Jobs/Housing Equivalency Fee to be collected for the Commercial Parcels in the Phase, regardless of the actual amount of commercial space developed. In the Development Agreement, the City has agreed that Vertical Developers of Commercial Parcels at the Project Site will pay Jobs/Housing Equivalency Fees to the Port. The Port will deposit these funds into an Affordable Housing Fund held by the Special Fund Trustee.

(d) Affordable Housing Subsidy. Each Phase Submittal will:

(i) specify the number of Inclusionary Units at each AMI Percentage to be provided in each Residential Project in the Phase; and

(ii) include a proposal to balance the Affordable Housing Subsidy allocated to each Residential Project with projected Jobs/Housing Equivalency Fees generated by commercial/retail development in the Project.

(e) Affordable Housing Overage. If Jobs/Housing Equivalency Fees collected in a Phase result in an Affordable Housing Overage, the excess Jobs/Housing Equivalency Fees will be retained in the Affordable Housing Fund held by the Special Fund Trustee. The Port will apply any Affordable Housing Overage to Later Phases.

(f) Affordable Housing Shortfall. If the Phase Budget projects an Affordable Housing Shortfall, Developer will propose one or a combination of the following options with respect to the Affordable Housing Shortfall.

(i) Any portion of the Affordable Housing Shortfall may be unfunded. The unfunded portion of the Affordable Housing Shortfall would be treated as a DRP Advance.

(ii) Developer may fund the Affordable Housing Shortfall with Developer Capital as an Alternative Return Cost.

(iii) The Port may fund the Affordable Housing Shortfall by a Port Capital Advance as an Alternative Return Cost.

(g) Affordable Housing Fund Delays. If Affordable Housing Funds from the Current Phase are not available when the Affordable Housing Subsidy is payable to the Vertical Developer, the Port may elect to fund itself or require Developer to fund the Affordable Housing Subsidy as an Alternative Return Cost.

(h) Effect of TAY Units. As specified in *DDA § 7.4(e) (Appraisal Instructions)*, deeper affordability of TAY Units in a Residential Project will be disregarded for the purpose of any appraisal of the applicable Development Parcel to preserve the anticipated Fair Market Value of the parcel.

2.8. Alternative Return.

(a) Priority of Payments. Each Party will record Alternative Return Costs as a separate line item in their respect Capital Schedules. Payments to reimburse each Party's Capital Costs will be applied to balances bearing Developer Return or Return on Port Capital, as applicable, before being applied to reimburse Alternative Return Costs.

(b) Reimbursements from Affordable Housing Fund. If not previously reimbursed from Project Payment Sources, any Affordable Housing Shortfall or Affordable Housing Subsidy funded as an Alternative Return Cost will be reimbursed with priority from Jobs/Housing Equivalency Fees deposited into the Affordable Housing Fund in the Current or Later Phases.

(c) Alternative Return Rent Credits. The Master Lease Tenant will be entitled to Alternative Return Rent Credits. The amount of the first year's Alternative Return Rent Credit will be calculated by amortizing the Alternative Return Balance for Phase 1 and Alternative Return over the then remaining term of the Master Lease. The Alternative Return Rent Credit will be recalculated after any year in which either:

(i) Project Payment Sources were applied to reduce the Alternative Return Balance; or

(ii) Developer incurs additional Alternative Return Costs.

(d) Treatment of Rent Credits. When Alternative Return Rent Credits are applied to reduce Base Rent under the Master Lease:

(i) the Developer Balance will be reduced simultaneously by the same amount; and

(ii) the Port will be deemed to have made a Port Capital Advance in the same amount, which will be added to the Port Balance.

(e) Carryover. If the Developer Alternative Return Balance has not been satisfied by Alternative Return Rent Credits or Project Payment Sources before Phase Approval of the succeeding Later Phase, the unpaid balance will be carried over into the Phase Budget for the Later Phase.

(f) Termination of DDA. If the DDA terminates before the Alternative Return Balance is satisfied, the Alternative Return Rent Credits will continue to abate Rent over the remaining term of the Master Lease.

(g) Master Lease Termination or Expiration. If the Port wishes to terminate the Master Lease before Developer's Alternative Return Balance is satisfied, the Port will be required to pay off the unamortized balance of the Alternative Return Rent Credits as a condition of termination under *Master Lease § 2.2 (Port's Early Termination Right)*. If the Master Lease expires before the Developer Alternative Return Balance is satisfied, the Alternative Return Balance will be deemed satisfied.

(h) Port Advances. Any Port payment under this Section will be treated as a Port Capital Advance, except for the priority for repayment. Port Capital Advances used to pay Developer's Alternative Return Balance may be repaid from Project Payment Sources generated by development in Phase 1, but only after the Developer Balance is paid. To the extent not recovered from Phase 1 Project Payment Sources, Port may elect

to be paid from Phase 2 Project Payment Sources, with first priority, or to defer any portion to Phase 3.

2.9. Special Facility Designation.

(a) Port Revenue Bonds. The Port previously issued Port Revenue Bonds secured by a pledge of Port revenues under the Port Master Indenture. As defined in the Port Master Indenture, pledged Port revenues specifically exclude revenues pledged to repay financing for public facilities that have been designated by the Port as "Special Facilities."

(b) Designation and Effect. The Port hereby designates the Project Site as a Special Facility and declares Port revenues from and with respect to the Project Site, including Development Rights Payments, to be Special Facility Revenue pledged to pay Special Facility Revenue Bonds. As a result, the Port revenues from and with respect to the Project Site are not "Revenue" subject to and as defined in the Port Master Indenture.

3. DEVELOPMENT RIGHTS PAYMENTS

3.1. Use of DRP Advances.

(a) Horizontal Development Cost Reimbursement. The Port will apply DRP Advances, using Parcel DRPs as funds become available, to pay the Developer Balance and any Port Balance as specified in this Financing Plan.

3.2. Amount of Parcel DRPs. The amount of the Parcel DRP for a specific Option Parcel will be determined by the following steps for inclusion in the Phase Budget.

(a) Remaining Developer Costs. Developer will provide updated estimates of:

(i) the outstanding Project Payment Obligation on the Closing Deadline, including any carryover of Entitlement Costs or Horizontal Development Costs from the Prior Phase; and

(ii) estimated additional Horizontal Development Costs required to complete the Phase Improvements.

(b) Port Costs and Public Financing Sources. The Port will:

(i) provide estimates of any outstanding Port Balance on the Closing Deadline, including any carryover from the Prior Phase; and

(ii) confirm Public Financing Sources available for the remaining Horizontal Development Costs of Phase Improvements.

(c) Calculation. The Parties will calculate the minimum amount of the Parcel DRP by the funding gap remaining after making the following assumptions.

(i) Developer will spend Developer Capital on Phase Improvements on projected spending dates occurring before the Closing Deadline to the extent that Public Financing Sources or Development Rights Payments are not used to pay Developer pass-throughs. Estimated costs that Developer does not have under contract will not be considered for this purpose.

(ii) If the Port committed to do so in the Phase Budget, the Port will make one or more Port Capital Advances to pay for a portion of Phase Improvements on projected spending dates occurring before the Closing Deadline.

(iii) The balance of Public Financing Sources will be applied as specified in the Phase Budget.

(iv) Estimated Parcel DRPs for any remaining Option Parcels will be applied as specified in the Phase Budget.

(d) Adjustments. The Parties will use Phase Quarterly Reports as the basis to confer on whether the Parcel DRP estimates should be revised based on new information and projections.

3.3. Uses for DRP Fund. The funds in the DRP Fund will be disbursed as follows.

(a) Application to Project Payment Obligation. If funds in the DRP Fund are available at any time when the Project Payment Obligation is satisfied on an interim basis, the Parties will discuss which of the following options best suits the circumstances.

(i) The Port could direct the Special Fund Trustee to disburse a DRP Advance to the Mission Rock CFD to pay Developer pass-throughs as they are due.

(ii) The Parties could agree to direct the Special Fund Trustee to hold the funds to pay Developer pass-throughs for any Later Phases until the Port has issued the Phase Completion Certificate for the final Phase of the Project.

(iii) The Parties could agree to direct the Special Fund Trustee to hold the funds until needed to pay Developer the Developer Balance or anticipated Minimum Developer Return arising in any Later Phases.

(b) Application to Additional Return. Periodically, but no less frequently than at the inception of each Phase after Phase 1, the Parties will review the Horizontal Development Costs that Developer has incurred, Developer Return accrued, and the application of DRP Advances and other Project Payment Sources to meet the Project Payment Obligation and reconcile them to the Phase Budget and the latest Phase Quarterly Report to the extent practicable. Based on these figures, the Parties will agree whether to retain funds in the DRP Fund to pay Additional Return until Developer has completed, and the Port has accepted, the Final Audit for the Project.

(c) After Final Completion. All funds remaining in the DRP Fund after the Port has issued the final Phase Completion Certificate for the Project will be disbursed in the following order of priority:

(i) to Developer until Developer has been paid the greater of Developer Return and Minimum Developer Return under **Subsection 2.4(c)** (Developer Return); then

(ii) to Developer to pay unreimbursed Horizontal Development Costs; and

(iii) to pay down or create additional reserves for any existing or anticipated Bonds for Horizontal Improvements.

(d) After Final True-Up. After all disbursements required under **Subsection 3.3(c)** (After Final Completion) have been made, any amounts remaining in the DRP Fund will be transferred to the Port Harbor Fund.

3.4. Lead Parcels. The Parties have agreed that the Port will enter into Prepaid Leases with Vertical Developers for Lead Parcels. Developer will designate the Lead Parcels in its Phase Submittal for Phase 1 in accordance with this Section.

(a) Option Exercise Deadline. Subject to *DDA § 7.2 (Phase 1 Put)*, Developer will exercise its Option for the Lead Parcels no later than the date when all of the following have occurred:

(i) Developer obtains a Phase Approval for Phase 1;

(ii) Public Works has approved the Phase Tentative Map; and

(iii) Developer has entered into a Public Improvement Agreement with Public Works for Phase 1 Horizontal Improvements.

(b) Lead Parcel Conveyances. Developer's designated Vertical Developer Affiliates will enter into Prepaid Leases for the Lead Parcels and pay the Parcel DRPs in cash or by Credit Bid at Developer's election. The Port in turn will make DRP Advances to be applied first to the unpaid balance of the Entitlement Sum, then:

(i) if the Entitlement Sum is fully paid, any remainder will be disbursed into the DRP Fund; or

(ii) the Entitlement Sum is not fully paid, Developer Return will begin to accrue on the unpaid balance on the date the Prepaid Leases Close.

(c) Expiration of DDA. If the DDA expires before the Entitlement Sum is fully satisfied, the Entitlement Sum will be deemed satisfied.

(d) Early DDA Termination. If the DDA terminates before the Entitlement Sum is fully satisfied, the following will apply.

(i) The Master Lease will remain in effect subject to the Alternative Return Rent Credit and **clause (ii)** of this Subsection.

(ii) The Port will have the right to terminate the Master Lease under *Master Lease § 2.2 (Port's Early Termination Right)* by paying Developer the unpaid balance of the Entitlement Sum and the unamortized balance of the Alternative Return Rent Credit. [Please confirm this.]

3.5. Right to Credit Bid.

(a) Exercise of Right. *Under DDA art. 7* (Parcel Leases), Developer, through its Vertical Developer Affiliates, has the right to tender a Credit Bid instead of cash for some or all of a Parcel DRP. This Section will apply to any Credit Bid of a Parcel DRP. **FP Schedule 4** provides examples of the application of funds according to the priorities in this Section, assuming the Port conveys an Option Parcel to a Vertical Developer Affiliate by Prepaid Lease at Fair Market Value.

(i) If no Port Balance will be outstanding on the Credit Bid Determination Date, the amount that a Vertical Developer Affiliate may Credit Bid for the Port's conveyance of the Option Parcel will be determined under **Subsection 3.5(b)** (Value Higher than Developer Balance) or **Subsection 3.5(c)** (Value Less than Developer Balance), as appropriate.

(ii) If both a Developer Balance and a Port Balance will be outstanding on the Credit Bid Determination Date, the amount that a Vertical Developer Affiliate may Credit Bid for the Port's conveyance of the Option Parcel will be determined under **Subsection 3.5(d)** (Balances Owed to Both Parties).

(iii) A Vertical Developer Affiliate's exercise of this right will not affect its obligation to pay Escrow Closing Costs in cash to Close Escrow on the Parcel Lease.

(iv) The Vertical Developer Affiliate's Credit Bid will be deemed to have been delivered into Escrow and paid to the Port at the Close of Escrow. The Port will instruct, or be deemed to instruct, the Escrow Agent to disburse the funds as described in **Subsection 3.5(b)** (Value Higher than Developer Balance) or **Subsection 3.5(d)** (Balances Owed to Both Parties), as applicable.

(v) The Port will record the application of the Credit Bid to capital, Allowed Return, and Additional Return on the allonge to the Promissory Note. As appropriate, Developer will make corresponding entries on the Developer Capital Schedule, and the Port will make corresponding entries on the Port Capital Schedule.

(b) Value Higher than Developer Balance. When the Project Payment Obligation consists solely of a Developer Balance that is less than the Fair Market Value of the Option Parcel, the Vertical Developer Affiliate's Credit Bid will be limited to the amount required to pay off the Developer Balance in full. The Vertical Developer Affiliate will be required to pay the difference between Fair Market Value and the Developer Balance in cash to be disbursed from Escrow to the Special Fund Trustee for deposit into the DRP Fund or to the Port as Annual Ground Rent.

(c) Value Less than Developer Balance. When the Project Payment Obligation consists solely of a Developer Balance that exceeds the Fair Market Value of the Option Parcel, the Vertical Developer Affiliate may the Credit Bid the Fair Market Value of the parcel. The Credit Bid will be applied to the Developer Balance in the following order: (i) Additional Return; (ii) Allowed Return; (iii) Alternative Return; and (iii) Developer Capital, including Alternative Return Costs. Except for Alternative Return Costs bearing Alternative Return, the unpaid Developer Balance will continue to accrue Developer Return until paid.

(d) Balances Owed to Both Parties. When the Project Payment Obligation includes both a Developer Balance and a Port Balance, the Credit Bid will be applied in accordance with **Subsection 2.4(e)** (Pro Rata Payment).

3.6. Treatment of Third-Party Payments.

(a) No Credit Bids. Unrelated Vertical Developers will not be allowed to Credit Bid.

(b) Escrow. Each Unrelated Vertical Developer must deposit into Escrow the Parcel DRP and Escrow Closing Costs in accordance with its Vertical DDA. The Joint Escrow Instructions will direct the Escrow Agent to obtain demands for the Developer Balance and the Port Balance as of the Closing Deadline with daily accrual rates, subject to verification.

(c) Disbursements. The Port will direct the Escrow Agent to disburse funds from the Escrow Account at the Close of Escrow for the following purposes and in the following order:

(i) to pay the Escrow Closing Costs;

(ii) to pay any remaining balance of the Entitlement Sum and accrued Developer Return on unpaid balance of the Entitlement Sum;

(iii) to pay accrued and unpaid Developer Return and, if applicable, Return on Port Capital on costs of Phase Improvements according to **Subsection 2.4(e)** (Pro Rata Payment);

(iv) to pay the balances of any unreimbursed Developer Capital and any unreimbursed Port Capital Advance according to **Subsection 2.4(e)** (Pro Rata Payment); and

(v) to disburse the balance of the Parcel DRP to the Special Fund Trustee for deposit in the DRP Fund.

3.7. Recapture. Under certain circumstances set forth in *VDDA § 19.1 (Before Close of Escrow)* and *Parcel Lease Exh D* the Port will be entitled to 100% of a Vertical Developer's

Net Proceeds if it sells its interest in an Option Parcel to a third party before the Port issues the first building permit for Vertical Improvements on the parcel. Funds will be disbursed from Escrow and deposited into the DRP Fund for uses specified in this Financing Plan.

3.8. Reporting. Developer's Phase Quarterly Reports must reflect the flow of all funds into and from Escrow for each Port conveyance of an Option Parcel. For each Option Parcel, payments to the Port must show how much of the Fair Market Value any Vertical Developer paid by Credit Bid or in cash, or both, and the Port's corresponding disbursements by Credit Bid or in cash at the Close of Escrow. Developer's next Phase Quarterly Report must include an updated Developer Capital Schedule reflecting the reduction of the Developer Balance on the Closing Date and the cumulative return on Developer Capital through the end of the quarter.

4. MELLO-ROOS TAXES

4.1. Purpose.

(a) CFD Goals. Developer acknowledges that the CFD Goals will prevail in the event of any inconsistency with this Financing Plan, unless the Board of Supervisors in its sole discretion approves a waiver of the CFD Goals.

(b) Authorized Actions. Subject to Governing Law and Policy, the Mission Rock CFD will be authorized to:

(i) incur indebtedness for Port Advances as described in **Article 7** (Port Advances), subject to a separate authorized bonded indebtedness limit for the Mission Rock CFD;

(ii) finance Horizontal Development Costs with Development Special Taxes, Office Special Taxes, and Zone 1 Shoreline Special Taxes;

(iii) issue Mello-Roos Bonds secured by any combination of Special Taxes listed in **clause (ii)** of this Subsection through the City at the Port's request in accordance with **Article 5** (Mello-Roos Bonds);

(iv) enter into Pledge Agreements under which the IFD will provide Pledged Tax Increment to secure Mello-Roos Bonds;

(v) use Zone 2 Special Taxes to pay directly for, issue Bonds, or pledge as security for Bonds to finance Shoreline Adaption Studies, Shoreline Protection Facilities and, subject to Port Commission (for facilities on Port land) and Board of Supervisors approval, for other uses permitted under the RMA;

(vi) after the Project Payment Obligation is satisfied:

(1) repay the Port for DRP Advances using Facilities Special Taxes and Mello-Roos Bond Proceeds; and

(2) use Facilities Special Taxes to pay directly for, issue Bonds, or pledge as security for Bonds issued to finance Shoreline Protection Facilities on or to protect Port land through the City at the Port's request; and

(vii) use Services Special Taxes to pay the Ongoing Maintenance Costs of Maintained Facilities.

(c) Special Tax Levy on Leasehold Interests. Under the CFD Law and this Financing Plan, Mello-Roos Taxes levied on the leasehold interests in Development Parcels in the Mission Rock CFD will be payable by the Tenants under the Parcel Leases. The City, the Port, and Developer agree that the Port's rights to terminate these leasehold

interests for any reason may be limited by the Parcel Leases and applicable Indentures to preserve the City's rights to collect the Mello-Roos Taxes.

4.2. City Implementation. By the CFD resolution of intention, and Board of Supervisors Resolution Nos. XXXX [approving the DDA, approving the Tax Allocation MOU, etc.], the City has agreed to take the following actions with respect to the Mission Rock CFD.

(a) Agreement to Form CFD. At the request of the Port, the City will form the Mission Rock CFD with Special Tax rates as generally described in **FP Exhibit C** and other terms as required by this Financing Plan or otherwise agreed by the Parties. The Mission Rock CFD will consist of a Facilities CFD and a Services CFD.

(b) Approval of RMA. The RMA will establish the rates at which the Mission Rock CFD may levy Mello-Roos Taxes on each Taxable Parcel in the Mission Rock CFD. Under the RMA, the Mission Rock CFD will levy Mello-Roos Taxes at different rates for Residential Projects and Commercial Projects, generally consistent with the outline in **FP Exhibit C**.

(c) Agreement to Allocate Special Taxes. The City has agreed to allocate to the Mission Rock CFD the Mello-Roos Taxes as set forth in the Port FY Budget for use in the Mission Rock CFD in accordance with the RMA and this Financing Plan.

(d) Appointment of Port as Agent. The City will appoint the Port as CFD Agent to take all authorized actions on behalf of the Mission Rock CFD, including:

(i) directing the Special Fund Trustee to disburse Mello-Roos Taxes for the purposes specified in the CFD Formation Proceedings;

(ii) determining in collaboration with the Office of Public Finance whether, in what amounts, and the terms by which the City will issue Bonds on behalf of the Mission Rock CFD;

(iii) directing the Indenture Trustees' disbursement of Mello-Roos Bond Proceeds;

(iv) incurring and repaying indebtedness to the Port for its Advances; and

(v) preparing on behalf of the Mission Rock CFD an annual CFD Report to the Board of Supervisors reporting on the amount of funds collected and expended and the status of the Project in compliance with section 53411 of the California Government Code.

(e) Tax Allocation MOU. The Board of Supervisors authorized the Controller and the Treasurer-Tax Collector to enter into the Tax Allocation MOU with the Port under Charter section B7.320 in furtherance of the Financing Documents. For the Mission Rock CFD, the Board of Supervisors authorized the following actions.

(i) The Treasurer-Tax Collector will levy and collect in a segregated fund Mello-Roos Taxes from the Mission Rock CFD as directed by the Port as CFD Agent, consistent with the Financing Documents.

(ii) The Controller will disburse Mello-Roos Taxes from the Mission Rock CFD to the Special Fund Trustee as directed by the Port as CFD Agent, consistent with the Financing Documents.

(iii) The Port will consult with the Public Finance Division of the Controller's Office on timing, amounts, and other matters relating to Mello-Roos Bonds, and the Port, the Treasurer-Tax Collector, and the Controller will cooperate to implement the objectives of the Financing Documents.

4.3. Special Fund for Special Taxes. Under section 53410 of the California Government Code, Mello-Roos Taxes must be deposited into a designated account. In compliance with CFD Law, the Port will establish the Special Tax Fund with the Special Fund Trustee with authorization to establish the segregated accounts listed in **FP Sched 3** and any additional segregated accounts necessary or convenient for the administration of Project Payment Sources, after consultation with the Port.

(a) Facilities Account. The Facilities Account will hold: (i) Development Special Taxes levied on all Taxable Parcels; (ii) Office Special Taxes levied on all Taxable Parcels in Commercial Parcels developed for office use in the Mission Rock CFD; and (iii) Zone 1 Shoreline Special Taxes levied in Zone 1. Funds in this account will be disbursed to pay the Parties for Capital Costs, to make current Developer pass-through payments, and for any other purpose allowed under this Financing Plan.

(b) Services Account. The Services Account will hold Services Special Taxes levied on all Taxable Parcels and will be used to pay Ongoing Maintenance Costs of Maintained Facilities.

(c) Shoreline Account. The Shoreline Account will hold Zone 2 Shoreline Special Taxes and other Facilities Special Taxes that will fund Shoreline Adaptation Studies and, after the Shoreline Protection Project is approved, Shoreline Protection Facilities.

(d) Remainder Account. The Remainder Account will be established to hold any funds remaining in the Facilities Account after each Principal Payment Date. Until the Project Payment Obligation and any obligation to pay Minimum Developer Return are satisfied, the Special Fund Trustee will be instructed to disburse these funds only for Horizontal Development Costs, including debt service on any outstanding Mello-Roos Bonds, priority and any other CFD Administrative Costs, and to replenish any reserves specified in the applicable Indenture.

4.4. Notice of Contract to Maintain Levy of CFD Financing. Under section 3 of article XIIIC of the California Constitution, under certain circumstances, voters may vote to reduce or repeal the levy of special taxes in a CFD. Section 9 of article I of the California Constitution, however, prohibits the passage of a law resulting in an impairment of contract.

(a) Notice. This Section provides notice of the following:

(i) The DDA, including this Financing Plan, is a contract between the Port and Developer.

(ii) Financing Horizontal Development Costs, Ongoing Maintenance Costs, the Shoreline Protection Facilities, and the CFD Administrative Costs through the application of Mello-Roos Taxes and Mello-Roos Bonds secured by Mello-Roos Taxes is an essential part of the consideration for the DDA.

(iii) Any reduction in the City's ability to levy and collect Mello-Roos Taxes on behalf of the Mission Rock CFD for purposes specified in this Financing Plan would materially impair Developer's and the Port's contractual obligations under the DDA.

(b) Intent to Maintain Contract. To further preserve the contractual obligations under the DDA, the Port agrees that:

(i) until all Mello-Roos Bonds have been repaid in full or defeased before maturity for any reason other than a refunding and the Port has satisfied the Project Payment Obligation, the Port will not initiate or conduct proceedings under CFD Law to reduce the Mello-Roos Tax rates except by agreement with

Developer or if legally compelled to do so (e.g., by a final order of a court of competent jurisdiction); and

(ii) if the voters adopt an initiative ordinance under section 3 of article XIIIC of the California Constitution that purports to reduce, repeal, or otherwise alter the Mello-Roos Tax rates before all Mello-Roos Bonds have been repaid in full or defeased before maturity for any reason other than a refunding and the Port has satisfied the Project Payment Obligation, the City and the Port will meet and confer with Developer to consider commencing and pursuing reasonable legal action to preserve the Port's ability to comply with its obligations under the DDA and this Financing Plan.

(iii) Developer is relying on the use of Mello-Roos Taxes and Mello-Roos Bond Proceeds to pay for Shoreline Protection Facilities and Ongoing Maintenance.

4.5. RMA Generally.

(a) Cooperation. Developer and the Port will cooperate to develop an RMA that is generally consistent with the outline in **FP Exhibit C** and sets Maximum Special Tax Rates and the method of levying and collecting Mello-Roos Taxes. Each category of Mello-Roos Taxes (Development Special Taxes, Zone 1 and Zone 2 Shoreline Special Taxes, Office Special Taxes, and Services Special Taxes) will be separately calculated and collected against the applicable Taxable Parcels.

(b) Administrative Costs. The Parties will determine the amount of the Priority CFD Administrative Costs through the CFD formation Proceedings, based on:

(i) actual administration costs of other CFDs in San Francisco;

(ii) the CFD's complexity and size; and

(iii) estimated costs of administrative services to be provided by Port and City staff and consultants.

(c) Annual Levy. Each City Fiscal Year, the CFD Administrator will determine what development has occurred in the prior City Fiscal Year, the amount of Tax Increment that is available in the Tax Increment Fund, the Mello-Roos Bonds Debt Service Requirement, and the anticipated CFD Administrative Costs for the City Fiscal Year to determine the applicable Special Tax Requirement for each category of Mello-Roos Taxes.

(d) Changes in Special Taxes Due to Changes in Land Use or Phasing. The RMA may include a provision that will prevent Maximum Special Tax Rates for a Taxable Parcel from declining as a result of a proposed land use or phasing change that would interfere with the Mission Rock CFD's ability to pay debt service on Mello-Roos Bonds and meet debt-service coverage requirements.

(e) Reduction of Special Tax Rates. The RMA will provide for the administrative reduction of Mello-Roos Taxes before the first series of Mello-Roos Bonds secured by Development Special Taxes is issued if the anticipated average Annual Allocated Tax Increment from Taxable Parcels in the Mission Rock CFD would be less than 90% of the amount projected at formation of the Mission Rock CFD. The Port, the City, and Developer will take the steps necessary to lower the rates for Development Special Taxes in the RMA to yield an average amount equivalent to the anticipated average Annual Allocated Tax Increment from the Taxable Parcels.

(f) Delinquencies. The RMA will limit the levy of Facilities Special Taxes on any Taxable Parcel due to the delinquencies in the payment of Facilities Special Taxes

on any other Taxable Parcels in the Mission Rock CFD to 10% of the applicable Maximum Special Tax Rate.

(g) Annual Increases. The RMA will specify that the Maximum Special Tax Rates for each category of Mello-Roos Taxes levied to finance capital costs will increase 2% annually.

(h) Material Changes to CFD Law. If CFD Law materially changes to make Mello-Roos Taxes unavailable or severely impair the uses authorized by the Financing Documents, the Port and Developer in consultation with the City will negotiate in good faith to establish a substitute financing program equivalent in nature and function as allowed under then-current Governing Law and Policy.

4.6. Services Special Taxes.

(a) Authorized Costs. The RMA will authorize the City to levy Services Special Taxes annually in the amounts needed to provide a perpetual pay-as-you-go source to fund Ongoing Maintenance Costs.

(b) Annual Increases. The RMA will specify the maximum rates for Services Special Taxes and the rate of annual increases.

(c) No Prepayment. Taxpayers will not be allowed to prepay Services Special Taxes.

(d) Other Sources for Ongoing Maintenance Costs.

(i) Although the City and the Port will acquire all Horizontal Improvements from Developer under this Financing Plan, the Maintained Facilities are important to the ongoing success and identity of the Project. To protect its investment, Developer has agreed to establish a supporting framework if needed or desired to replace or supplement the Services Special Tax, which may include assessments through a property owners association as generally described in *DDA Exh C7*, to assist in funding Ongoing Maintenance Costs if necessary.

(ii) In addition, the Port may establish maintenance obligations among consenting adjacent landowners who benefit from adjacency of Maintained Facilities, to contribute their equitable shares toward Ongoing Maintenance Costs.

(e) Covenants. Developer agrees to obtain Port approval of and establish maintenance covenants to be recorded in the Official Records before the Port conveys any Taxable Parcel or any parcel that will contain Taxable Parcels. The maintenance covenants will specify that the City, including the Port, is an intended beneficiary and obligate every owner of a Taxable Parcel to pay an amount equivalent to Services Special Taxes that would have been levied if the Mission Rock CFD or its taxing powers are ever eliminated or reduced for any reason, including any vote of the qualified electors in the Mission Rock CFD. Maintenance covenants will run with the land and be binding on successor owners in perpetuity.

4.7. Shoreline Account.

(a) Zone 1. Zone 1 Shoreline Special Taxes will be:

(i) a Project Payment Source for Phase 1 Improvements;

(ii) pledged to secure and pay debt service on Mello-Roos Bonds for Phase 1 Improvements; and

(iii) used for all purposes authorized for Zone 2 Shoreline Special Taxes after the Project Payment Obligation for Phase 1 is satisfied.

(b) Zone 2. Zone 2 Shoreline Special Taxes will be:

(i) a source to fund Shoreline Adaption Studies; and

(ii) after appropriate environmental review, Shoreline Protection Facilities.

(c) Creation of Account.

(i) The CFD Formation Proceedings will authorize the Mission Rock CFD to levy Shoreline Special Taxes for authorized purposes.

(ii) The Special Fund Administration Agreement will authorize the Special Fund Trustee to disburse Shoreline Special Taxes for Shoreline Adaption Studies and Shoreline Protection Facilities.

(d) Shoreline Protection Facilities. The Mission Rock CFD will be authorized to continue to levy Shoreline Special Taxes to fund the Shoreline Protection Project subject to the following conditions.

(i) Environmental review of the Shoreline Protection Project is complete, and the City has approved the Shoreline Protection Project to protect persons and property in San Francisco from the potential effects of climate change and sea-level rise.

(ii) If applicable, the Port Commission and the Board of Supervisors have approved the Port Capital Plan incorporating the construction of Shoreline Protection Facilities.

4.8. Shortfall Provisions.

(a) Developer Waiver and Covenant. Developer agrees that, should it enter into a Parcel Lease for a Taxable Parcel in Project Area I, as follows.

(i) Developer may initiate a Reassessment to reduce the Baseline Assessed Value of its leased Taxable Parcel, but may not initiate a Reassessment of the Subsequent Assessed Value of that Taxable Parcel until the IFD Termination Date.

(ii) In addition, Developer covenants that should it initiate a Reassessment on its leased Taxable Parcel in violation of this waiver, and subject to **Subsection 4.8(c)** (Circumstances Causing Shortfall), Developer and the Port will take the following measures to avoid shortfalls.

(1) Developer will pay the Port the Assessment Shortfall within 20 days after the Port delivers its payment demand. Amounts not paid when due will bear interest at the rate of 10%, compounded annually, until paid.

(2) The obligation to pay the Assessment Shortfall will begin in the City Fiscal Year following the Reassessment and continue until the earlier to occur of the following dates: (A) the applicable IFD Termination Date; and (B) when the Assessment Shortfall is reduced to zero.

(b) Vertical Developer Waiver and Covenant. The Parties have agreed on forms of a Vertical DDA and Parcel Lease for Vertical Developers that include the following provisions.

(i) Vertical Developer may initiate a Reassessment to reduce the Baseline Assessed Value of a Taxable Parcel in Project Area I, but may not initiate a Reassessment of the Subsequent Assessed Value of a Taxable Parcel until the IFD Termination Date.

(ii) A covenant by the Vertical Developer that should the Vertical Developer initiate a Reassessment on a Taxable Parcel in Project Area I in violation of the waiver, and subject to **Subsection 4.8(c)** (Circumstances Causing Shortfall), the Vertical Developer and the Port will take the following measures to avoid shortfalls.

(1) The Vertical Developer will pay the Port the Assessment Shortfall within 20 days after the Port delivers its payment demand. Amounts not paid when due will bear interest at the rate of 10%, compounded annually, until paid.

(2) The obligation to pay the Assessment Shortfall will begin in the City Fiscal Year following the Reassessment and continue until the earlier to occur of the following dates: (A) the applicable IFD Termination Date; and (B) when the Assessment Shortfall is reduced to zero.

(c) Circumstances Causing Shortfall. This Section will apply if Developer or any Vertical Developer initiates a Reassessment on a Taxable Parcel in Project Area I in violation of **Subsection 4.8(a)** (Developer Waiver and Covenant) or **Subsection 4.8(b)** (Vertical Developer Waiver and Covenant).

(d) Tax Exemption. Developer and the Port do not intend for this Section to affect the tax-exempt status of any Bonds. Should the Tax Code change, or the Internal Revenue Service or a court of competent jurisdiction issue a ruling that might cause any tax-exempt Bonds to be deemed taxable due to the requirements under this Section, the Port will release the obligations under this Section and it will be deemed severed from this Financing Plan under *App ¶ A.4.3 (Severability)*.

(e) Mutual Expectations as to Shortfall Measures. Neither Developer nor the Port expects the Port to make demand for payment under this Section. In light of the Parties' mutual expectations, Developer has agreed to the waiver in **Subsection 4.8(a)** (Developer Waiver and Covenant) and to include waiver and covenant language in documents with Vertical Developers as described in **Subsection 4.8(b)** (Vertical Developer Waiver and Covenant).

(f) No Negotiation. Developer understands that the Port would not be willing to enter into this Financing Plan without this Section.

5. MELLO-ROOS BONDS

5.1. Legal Limitations. The following limitations and priorities will apply to the use of Mello-Roos Bond Proceeds.

(a) Fair Market Price. To comply with CFD Law section 53313.51, the Acquisition Agreement for the Horizontal Improvements specifies a fair market price or method to determine a fair market price for each capital facility or discrete portion or phase of a capital facility to be acquired, including "an amount reflecting the interim cost of financing cash payments that must be made during the construction of the project."

(b) Interest Cost Limitation. Any Mello-Roos Bonds secured by a pledge of Tax Increment will be subject to the Interest Cost Limitation.

5.2. Use of Proceeds.

(a) Priorities before Project Payment Obligation is satisfied. Until the satisfaction of the Project Payment Obligation if earlier, Mello-Roos Bond Proceeds will be available for purposes described in **Subsection 4.1(b)** (Authorized Actions) only after the following are fully funded:

(i) required reserves and costs of issuance; and

(ii) capitalized interest.

(b) Priorities after Pay-Off. After the Project Payment Obligation and any obligation to pay amounts due under **clause (ii)** or **clause (iii)** of **Subsection 2.4(c)** (Developer Return) are satisfied, the Port may use Mello-Roos Bond Proceeds for any eligible use consistent with applicable Indentures and the CFD Formation Proceedings that the Port Commission and the Board of Supervisors approve, each in its sole discretion.

(c) Financing Temporarily Excused. The City will not be obligated to issue any Mello-Roos Bonds under this Financing Plan at any time during which:

(i) Developer or any Vertical Developer Affiliate is in default in the payment of any ad valorem tax or Mello-Roos Taxes levied on any Taxable Parcel in Project Area I or the Mission Rock CFD;

(ii) Developer is in Material Breach or has not cured a Prospective Breach by Developer under the DDA;

(iii) any Vertical Developer Affiliate is in Material Breach under provisions of its Vertical DDA incorporating DDA obligations;

(iv) Developer or any Vertical Developer Affiliate fails to cooperate reasonably with the Port or the City as necessary to place developed Taxable Parcels on the assessment rolls, levy special taxes, or issue Bonds;

(v) in the judgment of the Port or the City, as applicable, and based on the Funding Goals and advice of Port or City staff and consultants, market conditions, or conditions affecting the Project Site (such as tax delinquencies, assessment appeals, damage or destruction of improvements, or litigation) make it fiscally imprudent or infeasible to issue Bonds; or

(vi) the underwriter exercises any right to cancel its obligation to purchase Mello-Roos Bonds during the occurrence and continuation of events specified in its bond purchase agreement with the City.

5.3. Issuance.

(a) Financing Assumptions. At the Port's request, the City will issue Mello-Roos Bonds secured by Mello-Roos Taxes when the Port, in consultation with the Office of Public Finance, determines that land value and the financing needs for the Phase warrant debt issuance. This Financing Plan is based on certain assumptions regarding Mello-Roos Bonds for the Project, summarized below.

(i) Except as provided in **Section 5.5(a)** (Intent to Issue Early Bonds), all Mello-Roos Bonds issued to finance Horizontal Development Costs will be secured by a pledge of Development Special Taxes or Office Special Taxes, or both, from Taxable Parcels in the applicable Phase according to rates and priorities to be established in the RMA.

(ii) Most Mello-Roos Bonds issued to finance Horizontal Development Costs will be secured by an additional pledge of the Allocated Tax Increment. Proceeds of any Bonds secured by Allocated Tax Increment will be subject to the Interest Cost Limitation.

(iii) Except for Zone 1 Shoreline Special Taxes pledged as a Project Payment Source for Phase 1, Shoreline Special Taxes will not be pledged or used to finance Horizontal Improvements.

(iv) All available Development Special Taxes will be used before Zone 1 Shoreline Special Taxes are spent.

(v) Mello-Roos Bonds secured by Development Special Taxes or Office Special Taxes, or both, will be issued to finance Additional Return.

(b) Meet and Confer.

(i) Developer will have the right to request through the Port that the City issue Mello-Roos Bonds to finance Horizontal Development Costs. The City and the Port will retain discretion to elect not to issue Bonds on the dates, in the amounts, or on the terms requested.

(ii) Port and City staff and consultants will meet and confer with Developer before the Port requests that the City sell Mello-Roos Bonds to discuss the terms of the proposed bond issue, but the Port and the City in consultation with the Port's financing consultants will determine reasonable and appropriate issuance dates, principal amounts, and primary financing terms in light of the purpose of the financing, the City's CFD Goals, and the Port IFD Guidelines if applicable.

(c) Consistency with CFD Goals. Mello-Roos Bonds will be issued in amounts that take into account the debt-service coverage ratios and value-to-lien requirements set forth in the applicable Indenture and the CFD Goals, unless the Board of Supervisors authorizes otherwise.

(d) Credit Enhancement.

(i) If the bond underwriter requires or recommends security to enhance the marketability of any Bonds or provide better terms, the Parties will cooperate to identify forms of security that would provide the greatest financial benefit to the Project. Examples of additional security include designating a portion of Mello-Roos Bond Proceeds to fund capitalized interest, a letter of credit in the amount of a specified period of debt service, and a guaranty.

(ii) Neither Party will be required to provide credit enhancement, but a Party choosing to do so will be entitled to reimbursement of associated costs, such as issuance and annual fees, as Capital Costs.

(e) Tax-Exempt or Taxable. Developer and the Port agree to cooperate to maximize the tax-exempt treatment of any Mello-Roos Bonds that the City issues to finance Horizontal Development Costs, subject to the following.

(i) After consultation with Developer, the Port and the City, each in its sole discretion, will determine whether Bonds should be taxable or tax-exempt. Bond tax counsel for the Port or the City, or both, will evaluate each proposed use of tax-exempt debt for the possibility of meeting the private use test (such as management agreements that do not comply with IRS safe harbors, etc.), the private payment test, and the private loan test under the Tax Code.

(ii) Bond tax counsel for a planned Bond issuance will determine whether all planned uses of Bond proceeds will qualify for tax-exempt treatment under the Tax Code, based on information provided by Developer.

(iii) Developer must indemnify the City against the impacts of an adverse ruling by the Internal Revenue Service caused by Developer's misrepresentation regarding planned uses for tax-exempt Bond proceeds.

5.4. Bond Indenture.

(a) Covenant to Foreclose. The Port will cause the City to covenant with Mello-Roos Bond bondholders to foreclose any lien of delinquent Mello-Roos Taxes consistent with the general practice for CFDs in California and otherwise as determined

by the City in consultation with its underwriter or financial advisor for the Mello-Roos Bonds and other consultants.

(b) Reserve Fund Earnings. The Indenture for each issue of Mello-Roos Bonds will provide that earnings on any reserve fund that are not then needed to replenish the reserve fund to the reserve requirement will be transferred to: (i) the Mello-Roos Improvement Fund for allowed uses until it is closed in accordance with the Indenture; then (ii) the debt service fund held by the Indenture Trustee under the Indenture.

(c) Continuing Disclosure. Developer agrees to execute a continuing disclosure agreement upon request of an underwriter of Mello-Roos Bonds or any other Port or City financing consultant. Developer must comply with all obligations under any continuing disclosure agreement that it executes in connection with the offering and sale of any Mello-Roos Bonds.

(d) No Recourse to General Fund or Harbor Fund. Under no circumstances will any bondholder of Mello-Roos Bonds issued under this Financing Plan have recourse to either the City General Fund or the Port Harbor Fund.

5.5. Mello-Roos Bonds for Phases.

(a) Intent to Issue Early Bonds.

(i) The Port will seek Board of Supervisors approval for the City to issue Early Mello-Roos Bonds in each Phase where issuance is in the approved Phase Budget, subject to **Subsection 5.3(a)** (Financing Assumptions). The Port will request that the City issue Early Mello-Roos Bonds as soon as feasible after each applicable Phase Approval Date.

(ii) The Port will size the Early Mello-Roos Bonds by Facilities Special Tax rates applicable to Taxable Parcels in the area to be taxed, value-to-lien limitations, and underwriter requirements. Although the Port intends to request that the City issue Early Mello-Roos Bonds, the Port reserves the right to refrain from requesting issuance during the pendency of any of the circumstances described in **Subsection 5.2(c)** (Financing Temporarily Excused).

(b) Phase 1. Phase 1 Early Mello-Roos Bonds will be secured by all Development Special Taxes, Office Special Taxes, Zone 1 Shoreline Special Taxes, and Pledged Tax Increment.

(c) Other Phases. Mello-Roos Bonds issued for each Phase after Phase 1 will be secured by Development Special Taxes, Office Special Taxes, and Pledged Tax Increment.

(d) Developer's Agreement.

(i) By entering into the DDA, including this Financing Plan, Developer:

(1) acknowledges that the Port has the right to request that the City issue Early Mello-Roos Bonds; and

(2) agrees that its failure to pay any Facilities Special Taxes levied on a Taxable Parcel before the Port leases the parcel to a Vertical Developer will be a Prospective Breach under the DDA and, subject to notice and cure rights, under the Master Lease.

(ii) In consideration of this agreement, the Port agrees that Developer's Mello-Roos Tax payments made to service Early Mello-Roos Bonds under this Section will be Soft Costs.

6. TAX INCREMENT

6.1. City Implementation. By Ordinance No. XXXX [approving Appendix I] and Board of Supervisors Resolution Nos. XXXX [approving the DDA, approving the Tax Allocation MOU, etc.], the City agreed to take the following actions with respect to the IFD.

(a) Agreement to Allocate Tax Increment. The City agreed to allocate to the IFD the Annual Allocated Tax Increment as set forth in in each Port FY Budget for use in Project Area I in accordance with Appendix I and this Financing Plan.

(b) Appointment of Port as Agent. The City appointed the Port as the IFD Agent and as the CFD Agent with the authority to act on behalf of the IFD to implement this Financing Plan, including:

(i) disbursing Allocated Tax Increment as provided in Appendix I;

(ii) determining in collaboration with the Office of Public Finance whether and in what amounts the IFD will issue Bonds for use in Project Area I;

(iii) directing the Indenture Trustees' disbursement of Bonds proceeds;

(iv) executing and delivering an agreement pledging the Allocated Tax Increment as security for any Mello-Roos Bonds to be issued for Horizontal Development Costs or to the Mission Rock CFD's indebtedness to the Port under the Promissory Note; and

(v) preparing on behalf of the IFD an annual Statement of Indebtedness in compliance with section 53395.8(i)(2) of the IFD Law reporting on the IFD's revenues and debts, listing the following debts:

(1) the obligation to apply any Allocated Tax Increment from Project Area I as provided in Appendix I;

(2) payment obligations under the Promissory Note;

(3) any pledge of Tax Increment to secure Bonds; and

(4) any Bonds issued by the IFD.

(c) Tax Allocation MOU. The Board of Supervisors authorized the Controller and the Treasurer-Tax Collector to enter into the Tax Allocation MOU with the Port under Charter section B7.320 in furtherance of the Financing Documents with respect to the IFD. More specifically, the Board of Supervisors authorized the following actions.

(i) The Treasurer-Tax Collector will levy ad valorem taxes in Project Area I and collect Allocated Tax Increment in a segregated fund as directed by the Port as IFD Agent to the extent consistent with the Financing Documents and the approved Port FY Budget.

(ii) The Controller will disburse Allocated Tax Increment from Project Area I to the IFD for use in Project Area I as directed by the Port as IFD Agent to the extent consistent with the Financing Documents and the approved Port FY Budget.

(iii) The Treasurer-Tax Collector and the Controller will cooperate otherwise with the Port to ensure that the objectives of the Financing Documents will be fulfilled.

6.2. Allocated Tax Increment.

(a) Special Fund for Tax Increment. Section 53396(b) of the IFD Law requires tax increment to be allocated to and paid into a special fund of the district. In

compliance with this requirement, the Port has established the Tax Increment Fund, with the segregated accounts listed in **FP Schedule 4**, within the Special Fund Trust Account.

(b) Waterfront Set-Aside. Under section 53395.8(g)(3)(C)(ii) of the IFD Law, the IFD may spend the Waterfront Set-Aside "solely on shoreline restoration, removal of bay fill, or waterfront public access to or environmental remediation of the San Francisco waterfront." Appendix I authorizes the IFD to use Allocated Tax Increment from all of the Sub-Project Areas in Project Area I to meet the Waterfront Set-Aside requirement under IFD Law across Project Area I rather than in each Sub-Project Area. Both Parties acknowledge that the IFD Law will prevail over any conflicting provision in this Financing Plan or Appendix I.

(c) IFD Administrative Costs. Appendix I authorizes the IFD to fund IFD Administrative Costs from Annual Allocated Tax Increment.

(d) IFD Financing Plan. Allocated Tax Increment from Project Area I will be used in the priority listed below:

(i) to offset the Potential Development Special Tax Levy of each Current Parcel under **Section 6.6** (Tax Increment Credit).

(ii) to pay IFD Administrative Costs;

(iii) to pledge as security for and pay debt service on Tax Allocation Bonds or Mello-Roos Bonds, or both, in the order of priority established by the applicable Indentures;

(iv) to pay the Project Payment Obligation, including Developer pass-throughs, subject to the Interest Cost Limitation; and

(v) after the Project Payment Obligation is satisfied, to pay off the Promissory Note subject to the Interest Cost Limitation and for any other purpose authorized by Appendix I, the IFD Law, the Port Commission, and the Board of Supervisors.

(e) Horizontal Development Costs. The following will apply until the Project Payment Obligation and any obligation to pay Minimum Developer Return are satisfied.

(i) Until the City or the IFD issues Bonds secured by Tax Increment, the Allocated Tax Increment will be available, subject to the Interest Cost Limitation, on a pay-as-you-go basis for any purpose described in **Subsection 6.2(d)** (IFD Financing Plan).

(ii) After the City or the IFD issues Bonds secured by Tax Increment, the IFD may use the Allocated Tax Increment on a pay-as-you-go basis for the purpose described in **clause (iv)** of **Subsection 6.2(d)** (IFD Financing Plan) only to the extent that the Allocated Tax Increment exceeds debt service obligations.

6.3. IFD Project Area.

(a) Base Year. Under IFD Law, the base year for Project Area I will be the City Fiscal Year in which the assessed value of taxable property in the Project Area was last equalized prior to the effective date of Ordinance No. XXXX (2016-2017).

(b) Tax Increment Limit. Subject to the Tax Increment Limit, Appendix I authorizes the allocation of Tax Increment from each Sub-Project Area to the IFD, in general, for 45 years from the date the IFD actually receives $100,000 of Allocated Tax Increment from the pertinent Sub-Project Area.

(c) Pledge of Tax Increment.

(i) Appendix I allocates Tax Increment to the IFD for the purposes specified in this Financing Plan. The Board of Supervisors authorized the IFD to incur debt and to pledge and use Tax Increment as provided in Appendix I and this Financing Plan by Ordinance No. XXXX.

(ii) As described in **Article 7** (Port Advances), the Port intends to meet the Project Payment Obligation under this Financing Plan in part by making DRP Advances to the Mission Rock CFD, and may elect to make Port Capital Advances for the same purpose. Under IFD Law, "debt" includes the Developer Balance and the Port Balance.

(iii) The Tax Increment Limit does not limit the amount of debt that the Port, the Mission Rock CFD, or the IFD will undertake under this Financing Plan. The Port represents and warrants that it has not, in its capacity as IFD Agent, made any pledges of Tax Increment from Project Area I to any other debt as defined under IFD Law.

(d) Acquisition Prices. In accordance with IFD Law section 53395.8(g)(12), the Acquisition Agreement for the Acquiring Agencies' purchases of Horizontal Improvements specifies a price or method to determine a price for each public facility or discrete portion or phase of a facility, including the interim cost of financing construction. Developer Return will accrue on the initial acquisition prices specified in *AA Exh B*, as revised under *AA § 1.3 (Acquisition Price Updates)* to reflect actual costs as they become known. Payments under the Acquisition Agreement using the Allocated Tax Increment or the proceeds of Bonds secured by the Allocated Tax Increment will be subject to the Interest Cost Limitation.

(e) Increment Carryover. As long as Developer is not in Material Breach of the DDA, the Allocated Tax Increment remaining after payment of all costs and debt incurred for Horizontal Development Costs in any Current Phase will be available for use in Later Phases, subject to the 5-year limit on Tax Increment accrual under IFD Law section 53395.2 and other provisions of Governing Law and Policy.

6.4. Validation. Developer agrees to cooperate with any City or Port judicial validation actions relating to the formation of Project Area I and actions authorized under Appendix I and this Financing Plan. Attorneys' fees associated with these validation actions will be Port Costs or City Costs that are reimbursable under **Section 9.2** (Port Accounting and Budget).

6.5. Tax Allocation Bonds. Appendix I authorizes the IFD to issue Tax Allocation Bonds in compliance with Governing Law and Policy, subject to the same Project-based constraints, limitations, and procedures applicable to Mello-Roos Bonds under this Financing Plan. Should the Parties later agree to use Tax Allocation Bonds to finance Horizontal Improvements, any reference in this Financing Plan to Bonds will also mean the proceeds of any Tax Allocation Bonds that the City issues for the stated purposes.

6.6. Tax Increment Credit. The procedures in this Section will apply only to Development Special Taxes. Available Tax Increment will not be used to reduce the Office Special Taxes or the Shoreline Special Taxes on any Taxable Parcel in the Mission Rock CFD.

(a) Step 1. By May 30 in each City Fiscal Year, the Treasurer-Tax Collector will prepare a Payment Report that specifies the Parcel Increment Amount for each Assessed Parcel and deliver the report to the CFD Administrator.

(b) Step 2. At the beginning of the next City Fiscal Year, the CFD Administrator will:

(i) inform the Treasurer-Tax Collector of the Potential Development Special Tax Levy on each Assessed Parcel according to the RMA; and

(ii) prepare an Assessed Parcel Credit Report to the Treasurer-Tax Collector that calculates the Development Special Tax Credit under this Section for each Current Parcel.

(c) Step 3 Alternative 1. If the Available Tax Increment is equal to or greater than the Potential Development Special Tax Levy on each Current Parcel as shown in the Assessed Parcel Credit Report, the following will apply to the current City Fiscal Year.

(i) The Controller will direct the transfer of the amount of Available Tax Increment equal to the Potential Development Special Tax Levy on all Current Parcels to the applicable Mello-Roos Bond debt service account in the amounts directed by the CFD Administrator and the balance to the Project Account of the Tax Increment Fund.

(ii) The CFD Administrator will not levy any Development Special Taxes on the Current Parcels.

(iii) The CFD Administrator will levy the Potential Development Special Tax Levy on every Taxable Parcel other than the Current Parcels according to the RMA.

(d) Step 3 Alternative 2. If the Available Tax Increment is less than the Potential Development Special Tax Levy on each Current Parcel as shown in the Assessed Parcel Credit Report, the following will apply in the current City Fiscal Year.

(i) The Controller will direct the transfer of all Available Tax Increment to the applicable Mello-Roos Bond debt service account as directed by the CFD Administrator.

(ii) Because Available Tax Increment is not sufficient to offset the Potential Development Special Tax Levy on each Current Parcel, the CFD Administrator will apply the specific Parcel Increment Amount to the Current Parcel that generated it.

(iii) The CFD Administrator will levy Development Special Taxes on each Current Parcel in the amount equal to its Potential Development Special Tax Levy less the amount allocated under **clause (ii)** of this Subsection.

(iv) The CFD Administrator will levy the Potential Development Special Tax Levy on every Taxable Parcel other than the Current Parcels.

7. PORT ADVANCES

7.1. Port Revenues.

(a) Allowed Uses of Port Revenues. Under the Burton Act, SB 815, and Charter section B6.406, the Port's Development Rights Payment are public trust revenues that must be deposited into the Port Harbor Fund. Once deposited into the Port Harbor Fund, the Port may spend those revenues subject to any priorities established under any indenture or other debt instrument secured by those funds, for:

(i) uses specified in section 3 and section 5 of the Burton Act;

(ii) uses specified in Charter appendix B;

(iii) uses specified in SB 815, AB 2797, and any other state legislation authorizing Port expenditures; and

(iv) other uses consistent with the public trust.

(b) Trust Consistency. The Port Commission has determined that the Port's use and handling of Development Rights Payments as specified in this Financing Plan is authorized under SB 815 and the Charter and is otherwise consistent with the public trust and the Burton Act.

(c) Fair Market Value. The Port has submitted information and documents to State Lands, seeking its approval of the DDA procedures for determining the Fair Market Value of the Development Parcels, the form of the Parcel Lease, and the Port's use of DRP Advances to pay for Horizontal Development Costs of Horizontal Improvements, all in accordance with AB 2797.

7.2. DRP Advances.

(a) Parcel DRPs. The Port will use Parcel DRPs paid to the Port under *DDA art. 7 (Parcel Leases)* to make DRP Advances to the Mission Rock CFD as specified in **Article 3** (Development Rights Payments).

(b) Promissory Note.

(i) Before the Port makes the first DRP Advance by application of cash or a Credit Bid to the Project Payment Obligation, the CFD Agent will sign a Promissory Note in the form of **FP Exhibit B** and deliver it to the Port.

(ii) Within one business day after receiving each DRP Advance, the CFD Agent will provide to the Port the following information with respect to the application of funds:

(1) the Phase to which each entry applies;

(2) amounts applied to pay the Developer Balance, accounting separately for amounts applied to the Entitlement Sum, with detail on Allowed Return and Additional Return, Developer Capital spent after the Reference Date, and Allowed Return, Additional Return, Alternative Return, and Reduced Return, as applicable, accrued after the Reference Date; and

(3) amounts applied to pay any Port Balance, accounting separately for the Port's Horizontal Development Costs, Allowed Return, Additional Return, and Alternative Return.

(iii) The Port will enter on the allonge all specified information regarding the Advance.

(iv) Interest will begin to accrue on the principal balance of the Promissory Note from the date of each Advance until paid, at the rates specified in **FP Exhibit B**.

(v) Contemporaneously with each payment that the Mission Rock CFD or the IFD makes to the Port to apply to the Promissory Note, the Port will enter on the allonge the application of the funds. The Port will apply payments first to accrued interest, then to principal in chronological order of each DRP Advance.

7.3. Lead Parcel Proceeds.

(a) Equal to Entitlement Sum. If the aggregate Fair Market Value of the Lead Parcels is equal to the Entitlement Sum on the date the Port's conveyances Close, the Port's obligation to pay the Entitlement Sum to Developer will be satisfied in full by the Port's delivery of the Parcel Leases for the Lead Parcels.

(b) More than Entitlement Sum.

(i) If the aggregate Fair Market Value of the Lead Parcels is more than the Entitlement Sum when the Parcel Leases Close, the Port's obligation to pay the Entitlement Sum to Developer will be satisfied in full by the Port's delivery of the Parcel Leases for the Lead Parcels.

(ii) The Vertical Developer Affiliate will be required to pay the overage into Escrow in cash either as a lump sum to be disbursed to the Special Fund Trustee for deposit into the DRP Fund.

7.4. Port Election. At its sole election in the Phase Budget process under the DDA, the Port will have the right to use any source that is less costly than Developer Capital for purposes consistent with this Financing Plan. Each Port Capital Advance will be treated as specified in this Article.

(a) By Agreement in Phase Budget. The Port has the right to invest Port Capital subject to the following limitations to allow for a coordinated plan of finance and associated capital formation activities by Developer.

(i) During its review of a Phase Budget, Port staff may agree to recommending that the Port Commission commit to use Port Capital to fund Phase Improvements by notice. The Parties will meet and confer before the Phase Budget is approved to agree on the timing and amount of any proposed Port Capital Advances.

(ii) The Port may propose to invest Port Capital at other times. Except in connection with **Section 2.6** (Phase 1 Cost Containment) or **Section 2.7** (Jobs/Housing Equivalency Fee Shortfalls), a Port proposal to make additional Port Capital Advances will be subject to Developer's prior consent in Developer's sole discretion.

8. ACQUISITION OF HORIZONTAL IMPROVEMENTS

8.1. Commercially Reasonable Costs. Under this Financing Plan, Horizontal Development Costs that Developer incurs will be deemed commercially reasonable if incurred under contracts meeting the criteria specified in *DDA § 13.4 (Contracting Procedures)*.

8.2. Ownership of Horizontal Improvements. Developer will own each Horizontal Improvement until its Acquisition Price has been paid by Project Payment Sources, and the Horizontal Improvement has been delivered to and accepted by the applicable Acquiring Agency.

8.3. Progress Payments. Under the Acquisition Agreement, the Port will make progress payments from time to time using Project Payment Sources as each source becomes available.

8.4. Payment Conditions. Developer acknowledges that it must satisfy all conditions to payment in the Acquisition Agreement before the Port will be obligated to approve a Payment Request.

8.5. Reimbursements for Horizontal Development Costs. Developer and the Port acknowledge the following.

(a) Expenditures in Reliance of Reimbursement and Return. Developer's use of Developer Capital before Development Rights Payments and Public Financing Sources are available is not a gift or a waiver of Developer's right to reimbursement for Horizontal Development Costs and to receive Developer Return.

(b) Payments in Installments. Developer will be reimbursed for Horizontal Development Costs and receive Developer Return in installments as Project Payment Sources become available in accordance with this Financing Plan and the Acquisition Agreement, and Developer Return will accrue on any unpaid balance until the Port satisfies Developer Balance or Project Payment Sources are no longer available for that purpose.

(c) Limited Project Revenue. Both Parties wish to use Public Financing Sources to the greatest extent and as early as feasible for Horizontal Development Costs. Developer acknowledges that the Port's sources to pay Additional Return will be limited to Project Payment Sources that are not subject to the Interest Cost Limitation.

9. PROJECT ADMINISTRATION

9.1. Developer Accounting.

(a) Phase Accounts. Developer agrees to establish and maintain separate Phase Accounts for each Phase in form reasonably approved by the Port to track Developer's Horizontal Development Costs for Phase Improvements as they are incurred, the accrual of Developer Return on its unreimbursed Horizontal Development Costs, and the application of Project Payment Sources to accrued Developer Return and unreimbursed Horizontal Development Costs. For each Phase Account accrual of Developer Return up to the Interest Cost Limitation and accrual of Additional Return shall be calculated separately.

(b) Phase Quarterly Reports. Developer will prepare and deliver to the Port a Phase Quarterly Report in a form reasonably acceptable to the Port until the Project Payment Obligation has been fully satisfied. Phase Quarterly Reports must include the following information, reported separately for each Phase for which Developer has obtained a Phase Approval and in the aggregate for the Project as a whole:

(i) if applicable, a statement of Horizontal Development Costs previously incurred by Developer but not yet reimbursed;

(ii) updated estimates of additional Horizontal Development Costs for Phase Improvements and actual Horizontal Development Costs incurred as specified in *DDA § 13.5(b) (Estimated Costs)*;

(iii) accrued paid and unpaid Developer Return, accounting separately for Developer Return up to the Interest Cost Limitation and Additional Return;

(iv) if applicable, adjustments to the prior Phase Quarterly Report;

(v) application of Project Payment Sources that Developer has received during the reporting period, accounting separately for each source;

(vi) new development expected to occur or that is in progress, the assessed value of which is expected to be included on the secured real property tax roll in the City Fiscal Year before the next Developer Quarterly Report will be due;

(vii) any Parcel Leases that Developer expects to Close Escrow, if the assessed value is expected to be included on the secured real property tax roll for a City Fiscal Year before the next Developer Quarterly Report will be due;

(viii) Cumulative IRR;

(ix) Capital Costs incurred in the Phase and in the aggregate for the Project;

(x) projected or, if known, actual Peak Developer Capital;

(xi) the amount of Developer Return and any Reduced Return paid in the Phase and in the aggregate;

(xii) any Alternative Return paid to date; and

(xiii) Port Costs and City Costs billed, paid, and unpaid.

(c) Effect of Termination.

(i) Subject to **clause (ii)** of this Subsection, Phase Quarterly Reports shall cover all Phases, Developer's obligation to provide Phase Quarterly Reports will terminate as to any Terminated Phase after Developer has provided to the Port the Phase Quarterly Report covering the reporting period ending on the applicable Termination Date.

(ii) Unless the Terminated Phase was terminated on account of a default by the Port, Developer will be obligated to provide a Phase Audit under **Subsection 9.3(a)** (Phase Audit) for any Terminated Phase covering the Phase up to the Termination Date and to cooperate with any successor master developer to the extent necessary for the successor to complete any Phase Audit required under **Subsection 9.3(a)** (Phase Audit) and Final Audit required under **Subsection 9.3(b)** (Final Audit).

9.2. Port Accounting and Budget.

(a) Port FY Budget Preparation.

(i) The Port and Developer will meet and confer to create a Port FY Budget of projected Port Costs, City Costs, and Public Financing Sources for the period ending June 30 of the 2018-2019 City Fiscal Year and each City Fiscal Year until the Port has satisfied all of its payment obligations to Developer under this Financing Plan. By May 1 of each year during the DDA Term, the Port and Developer will meet and confer on a Port FY Budget for the next City Fiscal Year.

(ii) To aid the Port in preparing its Port FY Budget, Developer will provide its estimates of Horizontal Development Costs for all Horizontal Improvements that it expects to build in the next City Fiscal Year by quarter. By March 1 of each City Fiscal Year, the Port will advise Developer of Port Capital Advances that the Port intends to include in its proposed budget as a Project Payment Source, subject to the City's annual budget approval process.

(b) Contents of Port FY Budget.

(i) The Port will prepare preliminary estimates of Port Costs and request estimates of City Costs from each other City Agency, including those to be provided by Public Works under *ICA § 3.6 (Cost Recovery)*. The preliminary budget will provide quarterly estimates of projected Public Financing Sources, Port Costs, and City Costs for allocated Port and City staff by department and category and include estimated fees payable to third-party professionals that the Port and other City Agencies have engaged or expect to engage. The Port will update its preliminary budget through an iterative process and discussions with Developer as the Port obtains more information.

(ii) In each Port FY Budget, the Port will include the projected amount of Available Tax Increment and, if necessary, propose additional Project Payment Sources in accordance with the Phase Budget for any Current Phase to:

(1) offset the Potential Development Special Tax Levy of each Current Parcel under **Section 6.6** (Tax Increment Credit);

(2) pay debt service and other costs associated with any Mello-Roos Bonds or Tax Allocation Bonds for which Allocated Tax Increment was pledged;

(3) pay for projected Horizontal Development Costs; and

(4) satisfy the portion of the Project Payment Obligation and obligations under **clause (ii)** and **clause (iii)** of **Subsection 2.4(c)** (Developer Return) to be paid with Allocated Tax Increment.

(iii) Through this process, the Port and Developer will agree on the Port FY Budget and agree on the amount that the Port will retain from Public Financing Sources to offset Port Costs and City Costs and an estimate of the remaining amount that Developer will be required to pay.

(c) City and State Authority. Developer acknowledges that the Port FY Budget and budget supplements are subject to review and approval by the Port Commission and the Board of Supervisors, each in its sole discretion. Developer also acknowledges that the Port FY Budget is subject to Applicable Port Laws.

(d) Reporting.

(i) Within 90 days after the end of each quarter during the DDA Term, the Port Director will deliver to Developer a Port Quarterly Report that states the Port's Horizontal Development Costs for Port Improvements, Port Costs, Other City Costs, and Project Payment Sources for the previous quarter and in comparison to the Port FY Budget. Each Port Quarterly Report will include copies of third-party statements and be binding on Developer in the absence of error that Developer demonstrates within six months after receipt.

(ii) The Port will provide additional information and supporting documentation about Port Costs at Developer's reasonable request. The Port and Developer agree to cooperate to develop a reporting format that satisfies Developer's reasonable informational needs without divulging any privileged or confidential information of the Port, the City, or their respective Agents.

(iii) Within XXXX months after the Project Payment Obligation is satisfied, the Port will prepare a Final Port Report providing cumulative, detailed information about the Port's Horizontal Development Costs and Return on Port Capital spent for Port Improvements. The Final Port Report will be subject to Developer's rights under **Subsection 9.4(b)** (Developer Audit).

(e) Reimbursement. Developer will pay the Port the sum of unreimbursed Port Costs and City Costs within 60 days after receipt of each Port Quarterly Report. The Parties will meet and confer in good faith to resolve any disputes regarding a Port Quarterly Report. In addition to the other remedies provided in this DDA, the Port has the right to terminate or suspend any work under this DDA if Developer fails to pay the amount due, until the Port is paid in full.

(f) Unreimbursed Port Costs. To the extent that Developer does not pay or reimburse the Port for any Port Costs when due under **Subsection 9.2(e)** (Reimbursement), the Port may elect to recover the unpaid sum from any available Project Payment Sources (to the extent permitted), plus the Port's costs of collection or to issue a notice of Prospective Breach to Developer under *DDA § 18.1 (Notices)*.

9.3. Audit Obligations.

(a) Phase Audit.

(i) In reference to each Phase, except as to any portion for which this DDA has been terminated or unless otherwise approved by the Port Director, Developer shall submit to the Port a Phase Audit prepared by a CPA that updates all financial matters included in previously submitted Phase Quarterly Reports through the Phase Audit Date and prepared according to a commercially reasonable scope of review approved by the Port. The cost of a Phase Audit will be a Soft Cost.

(ii) Subject to **clause (iii)** of this Subsection, the Phase Audit Date for each Phase will be six months after the later of the date that the Port has:

(1) conveyed the last Option Parcel to be conveyed in the Phase; or

(2) issued the SOP Compliance Certificate for the last Phase of the Project.

(iii) The Phase Audit Date for any Terminated Phase will be six months after the Termination Date.

(iv) The Port will have six months to review and accept each Phase Audit without prejudice to its rights under **Subsection 9.4(a)** (Port Audit).

(b) Final Audit. The Final Audit Date for the Horizontal Improvements will be six months after the Port has satisfied the Project Payment Obligation, subject to **Subsection 9.3(c)** (Final True-Up). Developer will submit to the Port the Final Audit prepared by a CPA, except as to any terminated Phase, which updates all of the matters included in all Phase Audits through the Final Audit Date, prepared according to a commercially reasonable scope of review approved by the Port. The Port will have six months to review each Phase Audit and will provide notice to Developer when the Port's review is complete, without prejudice to its rights under **Subsection 9.4(a)** (Port Audit).

(c) Final True-Up. Developer's delivery of a Phase Audit and of the Final Audit will be without prejudice to its right to payment under **clause (ii)** or **clause (iii)** of **Subsection 2.4(c)** (Developer Return).

9.4. Audit Rights.

(a) Port Audit. The Port will have the right to conduct a Port Audit of matters covered by each Phase Audit and of the Final Audit. The Port will provide notice to Developer no more than four years after accepting the Phase Audit or Final Audit that the Port intends to review.

(i) The Port will bear its own audit costs unless a Port Audit reveals that Developer's Horizontal Development Costs for any category, including accrued Developer Return, are overstated by 5% or more from those stated in the Phase Audit or Final Audit under review. In that case, the costs of the Port Audit will be reimbursable Port Costs under the DDA.

(ii) The Parties may agree to submit disputes over whether any of Developer's Horizontal Development Costs for any category are overstated by 5% or more to nonbinding arbitration under *DDA § 9.3 (General Arbitration Procedures)*.

(b) Developer Audit. Developer will have the right to conduct a Developer Audit of the Port's Horizontal Development Costs as reported in the Final Port Report.

Developer will provide notice of its intent to conduct a Developer Audit to the Port no more than four years after receiving the Final Port Report.

(i) Developer will bear its own audit costs unless a Developer Audit reveals that the Port's Horizontal Development Costs for any category are overstated by 5% or more from those stated in the Final Port Report. In that case, the Port will pay the costs of the Developer Audit.

(ii) The Parties may agree to submit disputes over whether any of the Port's Horizontal Development Costs for any category are overstated by 5% or more to nonbinding arbitration under *DDA § 9.3 (General Arbitration Procedures)*.

(c) Audit Rights for Participation Agreement. Each Party will have the right to audit the other Party's records regarding the Participation Agreement at its sole cost.

9.5. Books and Records.

(a) Developer's Books and Records. Developer will keep in its San Francisco office, for each Phase for the longer of four years after the applicable Phase Closing Date and the date on which any Port Audit is final or any litigation or dispute resolution proceeding relating to Developer's Books and Records or any Port Audit is finally concluded, Books and Records of all:

(i) Horizontal Improvements;

(ii) Developer Capital spent on Horizontal Development Costs of Horizontal Improvements;

(iii) application of Project Payment Sources and any other sources to pay for or reimburse Developer's Horizontal Development Costs and pay Developer Return, organized by Phases; and

(iv) Phase Accounts, Phase Quarterly Reports, Phase Audits, and the Final Audit.

(b) Port Books and Records. The Port will provide Developer the following documents promptly after they are released.

(i) Until the Final Audit Date, the Port will provide copies of its annual audited financial statements, Statement of Indebtedness for Appendix I, and reports to the Controller for the RMA to Developer as soon as practicable following their public filing or release.

(ii) The Port will provide Developer with copies of each annual report to State Lands accounting for the Port's receipt and uses of lease revenues from Seawall Lot 337 as soon as practicable following its public filing or release.

(c) Format and Availability. The chief financial officers of each Party will meet to discuss and agree on formats for all Books and Records to be kept and provided under this Financing Plan, to the extent not dictated by Governing Law and Policy. After reasonable notice, a Party will make its Books and Records available to the other Party during regular business hours.

9.6. Consultants.

(a) Port Consultants. The Port, following consultation with Developer, will select any consultants that the Port deems reasonably necessary to form the CFD and Project Area I; prepare Appendix I and the RMA; issue Bonds; and otherwise implement this Financing Plan. The Port currently anticipates engaging special tax consultants, tax increment fiscal consultants, appraisers, financial advisors, bond underwriters, absorption

consultants, bond counsel, bond trustees, escrow agents, and escrow verification agents, without prejudice to its right to engage other consultants as the need arises. Under this Financing Plan, any of the Port's reasonable out-of-pocket costs for financing consultants that are not reimbursed as CFD Administrative Costs or IFD Administrative Costs will be Port Costs.

(b) Developer Consultants. Developer may engage its own consultants to advise it on matters related to this DDA or any Debt, and its reasonable out-of-pocket costs that are not reimbursed from Public Financing Sources will be Soft Costs.

9.7. Payment of Costs. The following procedures will apply to any demand from one Party to the other Party for other payments required under the DDA, including the defense, compromise, and resolution of an action, except as otherwise provided. This Section does not apply to Payment Requests under the Acquisition Agreement.

(a) Demand. The Party seeking payment will deliver its demand for payment to the other Party together with proof of payment. The Party obligated to pay will have the right to engage a CPA to review the other Party's claimed costs, and the Party seeking payment will cooperate in providing information necessary for the review. The Party conducting the review will bear its own costs unless the review reveals that the other Party's costs are overstated by 5% or more, in which case, the amount of the reimbursement will be reduced by the amount of the review costs.

(b) Time for Payment. Except as otherwise provided in any Transaction Document, or during any period of review or arbitration, payment demands are payable within 30 days after their receipt.

Developer and the Port have executed this Financing Plan as of the last date written below.

DEVELOPER:

SEAWALL LOT 337 ASSOCIATES, LLC,
a Delaware limited liability company

By: Giants Development Services LLC,
Its: Member

By: _____
Laurence M. Baer
Its: Chief Executive Officer

Date: _____

PORT:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating by and through the San Francisco Port Commission

By: _____
Elaine Forbes,
Executive Director

Date: _____

Authorized by Port Reso. No. _____
and Board of Supervisors Reso. No. _____.

APPROVED AS TO FORM:
Dennis J. Herrera, City Attorney

By: _____
Joanne Sakai
Deputy City Attorney

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FP EXHIBIT B

Form of Promissory Note

By executing and delivering this **PROMISSORY NOTE** (this "**Note**"), **CITY AND COUNTY OF SAN FRANCISCO SPECIAL TAX DISTRICT XXXX** (the "**CFD**"), acting through the Port Commission of San Francisco, its duly appointed agent (the "**CFD Agent**"), promises to pay to the **CITY AND COUNTY OF SAN FRANCISCO** (the "**City**"), acting by and through the **PORT COMMISSION OF SAN FRANCISCO** (the "**Port**"), the principal amount of each DRP Advance (each, an "**Advance**") that the Port makes from time to time to the CFD in accordance with the Financing Plan (the "**Financing Plan**") to the Disposition and Development Agreement between the Port and Seawall Lot 337 Associates, LLC ("**Developer**"), dated as of XXXX (the "**DDA**").

Initially capitalized and other terms are defined in the Appendix to the DDA, which contains definitions, rules of interpretation, and standard provisions applicable to all Transaction Documents and this Note.

1. Within one business day after receiving each Advance from the Port, the CFD Agent will identify the Payment Request to which the Advance applies and confirm to the Port in writing that the CFD applied the funds as specified in the signed Payment Request or provide an explanation for any variance from the Payment Request. Variances in the application of funds will be allowed only to the extent consistent with the Financing Plan, such as the availability of additional Mello-Roos Taxes between the date the Payment Request is approved and the date of the Advance. The Port will enter the information that the CFD Agent provides on the allonge to this Note.

In each case, the CFD Agent must provide the following information to the Port:

(a) Phase to which each Advance applies;

(b) amounts applied to pay the Developer Balance, accounting separately for amounts applied to the Entitlement Costs, Developer Capital spent after the Reference Date, Allowed Return (including if applicable, any Alternative Return and Reduced Return), and Additional Return accrued to and after the Reference Date; and

(c) amounts applied to pay the Port Balance, accounting separately for the Port's Horizontal Development Costs, Allowed Return (including any Alternative Return) and Additional Return.

2. The CFD promises to pay interest on the unpaid principal amount of each Advance .applied to:

(a) Horizontal Development Costs and Allowed Return from the date made until the principal amount is paid in full, at an annual rate of XXXX percent, compounded quarterly until paid; and

(b) Additional Return from the date made until the principal amount is paid in full, at an annual rate of 10 percent, compounded quarterly until paid.

3. No payments will be due under this Note until the Port has fully satisfied the Project Payment Obligation. After that has occurred, the CFD Agent will instruct the Special Fund Trustee or the Indenture Trustee, as applicable, to begin to make payments of

principal and interest to the Port from available Public Financing Sources in the priorities established under the Financing Plan.

4. Each payment under this Note will be due 10 business days after the Controller disburses Mello-Roos Special Taxes and Allocated Tax Increment to the Special Fund Trustee in a City Fiscal Year. Until the principal balance and accrued interest have been paid in full, additional payments will be due annually, without presentment or demand.

5. Each payment under this Note from Mello-Roos Bond Proceeds will be payable as directed under the applicable Indenture.

6. Unless the Port directs otherwise, the CFD Agent must instruct that each payment to the Port be made by wire as follows:

[Insert wiring instructions.]

The Port will make entries on the allonge to reflect the date and application of each CFD payment.

7. The CFD may prepay the principal balance and accrued interest without penalty. Late payments will bear interest at the default rate of 10% until paid.

Executed at San Francisco, California on _____.

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT XXXX,
acting through the Port Commission of San Francisco,
its duly appointed agent

By: _____

ALLONGE TO PROMISSORY NOTE

DRP ADVANCES

Date & Phase	Entitlement Costs	Aff Hsg Shortfall	Horiz Dev Costs	Allowed Return	Alternative Return	Reduced Return	Additional Return

PAYMENTS APPLIED TO HORIZONTAL COSTS AND ALLOWED RETURN

Date of pmt	Amount Paid	Payment Source	Principal balance on pmt date	Accrued interest on pmt date	Applied to principal	Applied to interest

PAYMENTS APPLIED TO ADDITIONAL RETURN

Date of pmt	Amount Paid	Payment Source	Principal balance on pmt date	Accrued interest on pmt date	Applied to principal	Applied to interest

FP Exhibit B-3

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FP EXHIBIT C

RMA Outline

(To be attached.)

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FP EXHIBIT D

Participation Agreement

Developer Participation will be calculated and payable as described below.

1. **Participation Threshold**. The Participation Threshold in each City Fiscal Year during the Participation Period is $2.5 million, without escalation.

2. **Participation Revenue**.

   (a) Source. The Port will pay Developer Participation from Annual Ground Rent receipts as provided in **Paragraph 5**.

   (b) Calculation. The amount of Participation Revenue in each City Fiscal Year during the Participation Period will be the sum of:

   (i) Annual Ground Rent and Percentage Rent paid to the Port from all Participating Parcels; and

   (ii) Shoreline Taxes collected in a City Fiscal Year from all Participating Parcels outside of Zone 1.

   (c) Exclusions. Participation Revenue excludes Port participation in capital events described in described in *FP § 1.8(c) (Port Participation in Lease Capital Events)* or in *Parcel Lease § XXXX (XXXX)*, or both.

3. **Participation Period**. The Participation Period will:

   (a) begin when the Participation Threshold is met in two consecutive City Fiscal Years; and

   (b) end on the earlier of:

   (i) 75 years; and

   (ii) the date on which all Parcels Leases have expired or have been earlier terminated.

4. **Developer Participation**. Developer will be entitled to Developer Participation in Participation Revenue during the Participation Period as follows.

   (a) 45% of the amount above $2.5 million in Participation Revenue that the Port receives in each of years 1 through 25 of the Participation Period;

   (b) 35% of the amount above $2.5 million in Participation Revenue that the Port receives in each of years 26 through 50 of the Participation Period; and

   (c) 25% of the amount above $2.5 million in Participation Revenue that the Port receives through the end of the Participation Period.

5. **Payment**. Within 120 days after the end of each City Fiscal Year during the Participation Period, the Port will:

   (a) provide Developer with a copy of the Port's annual report to State Lands on receipt and uses of lease revenues from SWL 337 as required under SB 815; and

   (b) pay Developer its Developer Participation if the Participation Threshold was met.

6. **Port Books and Records**. Port books and records available to Developer under *FP § 9.5(b) (Port Books and Records)* will continue to be available under this Participation Agreement.

7. **Audit Rights**. Each Party will have audit rights as described in *FP § 9.4(c) (Audit Rights for Participation Agreement)* with respect to matters covered by this Participation Agreement.

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FP SCHEDULE 3
Special Fund Trust Accounts

Fund Category	**Accounts within Fund**
DRP Fund	o Project Account o Additional Return Reserve Account

Special Tax Fund	o Facilities Account
	  o Development Account
	  o Office Account
	  o Zone 1 Shoreline Account
	o Zone 2 Shoreline Account
	o Remainder Account
	o Services Account
	o DRP Advance Proceeds Account

Tax Increment Fund	o Project Account o DRP Advance Proceeds Account
Bond Accounts	o Dev Special Taxes o Office Special Taxes o Zone 1 Shoreline Special Taxes o Zone 2 Shoreline Special Taxes o Tax Increment
Impact Fees	o Affordable Housing Fund (Jobs/Housing Equivalency Fees) o Childcare Equivalency Fees

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FP SCHEDULE 4

Sample Credit Bid Calculations

All figures chosen to illustrate mechanics of calculation only.

EXAMPLE 1

Project Payment Sources: $10 million Parcel DRP

Project Payment Obligation: $10,515,000

- Developer Balance: $8.5 million, consisting of:
  - Entitlement Sum: $2 million, no Additional Return
  - Developer Capital spent after the Reference Date: $6 million
  - Allowed Return after the Reference Date: $125,000
  - Additional Return: $375,000
- Port Balance: $2,015,000, consisting of:
  - Port Capital: $2 million
  - Allowed Return: $15,000

Step 1 - Pay Entitlement Sum:

- Developer may Credit Bid $2 million to pay off Entitlement Sum
  - $8 million Parcel DRP remains after payment
  - Payment is entered on Developer Capital Schedule and Promissory Note-DRP

Step 2 – Pay Developer Balance and Port Balance Pro Rata: *[Note: Under this example, pro rata only applies to portions that cannot be fully paid.]*

- First pay off Developer Return and Allowed Return
  - Developer may Credit Bid $500,000 to pay off Developer Return
  - Developer must deposit $15,000 in cash to pay off Allowed Return
  - $7,485,000 Parcel DRP balance after payment
  - Payment is entered on Developer Capital Schedule, Port Capital Schedule, Promissory Note-DRP, and Promissory Note-X
- Next, pay Developer Capital and Port Capital pro rata
  - $6 million Developer Capital + $2 million Port Capital exceeds DRP balance
  - Ratio of $6 million Developer Capital to $2 million Port Capital is 3:1
  - Developer may Credit Bid $5,613,750, which is ¾ of DRP balance, to reduce Developer Balance to $386,350
  - Developer may deposit $1,871,250, ¼ of DRP balance, in cash to reduce Port Balance to $128,750
  - Payment is entered on Developer Capital Schedule, Port Capital Schedule, and Promissory Note-DRP

EXAMPLE 2

Project Payment Sources: $14 million

- $8 million Parcel DRP
- $6 million Mello-Roos Bond Proceeds secured by Tax Increment

Project Payment Obligation: $14,025,000

- Future Phase Improvements: $2 million
- Developer Balance: $10 million, consisting of:
  - Entitlement Sum: $3.5 million
    - $2,925,000 Developer Capital
    - $150,000 Allowed Return
    - $425,000 Additional Return
  - Developer Capital: $6 million
  - Allowed Return after the Reference Date: $125,000
  - Additional Return after the Reference Date: $375,000
- Port Balance: $2,025,000, consisting of:
  - Port Capital: $2 million
  - Allowed Return: $25,000

Step 1 –Set Aside Bond Proceeds for Future Phase Improvements:

- $6 million Bond Proceeds available
  - $2 million set-aside for future Phase Improvements
  - $4 million Bond Proceeds balance after set-aside

Step 2 - Pay Entitlement Sum:

- $8 million Parcel DRP available
  - Developer may Credit Bid $3,500,000 to pay off Entitlement Costs
  - $4,500,000 Parcel DRP balance after payment
  - Payment is entered on Developer Capital Schedule and Promissory Note-DRP

[Remainder of page intentionally left blank.]

<u>Step 3 – Pay Post-Approval Developer Balance and Port Balance</u>: *[Note: Under this example, pro rata only applies to portions that cannot be fully paid.]*

- $4 million Bond Proceeds is enough to pay Allowed Return and Allowed Return; Additional Return is not an permitted use
  - $125,000 applied to pay off Allowed Return
  - $25,000 applied to pay off Allowed Return
  - $3,850,000 Bond Proceeds balance after payment
  - Payments are entered on Developer Capital Schedule and Port Capital Schedule
- $4,500,000 Parcel DRP balance must be used to pay Additional Return
  - Developer may Credit Bid $375, 000 to pay off Additional Return
  - $4,125,000 Parcel DRP balance after payment
  - Payments are entered on the Developer Capital Schedule and Promissory Note-X
- Available sources: $7,975,000 ($3,850,000 Bond Proceeds + $4,125,000 Parcel DRP)
- Outstanding capital balances: $8 million ($6 million Developer + $2 million Port)
  - Ratio of Developer Capital to Port Capital is 3:1
  - Developer is entitled to $5,981,250, which is ¾ of the remaining sources
  - Port is entitled to $1,993,750, which is ¼ of the remaining sources
  - To minimize Developer's cash payments, the Port is paid $1,993,750 from Bond Proceeds, leaving an outstanding Port Balance of $6,250
  - Developer receives the remaining $1,856,250 in Bond Proceeds and may Credit Bid the $4,125,000 Parcel DRP, leaving an outstanding Developer Balance of $18,750
  - Payments are entered on Developer Capital Schedule, the Port Capital Schedule, and Promissory Note-DRP

EXAMPLE 3

Project Payment Sources: $16 million

- $10 million Parcel DRP
- $6 million Mello-Roos Bond Proceeds secured by Tax Increment

Project Payment Obligation: $12,525,000

- Remaining Phase Improvements: $4 million
- Developer Balance: $6.5 million, consisting of:
  - Developer Capital: $6 million
  - Allowed Return: $125,000
  - Additional Return: $375,000
- Port Balance: $2,025,000, consisting of:
  - Port Capital: $2 million
  - Allowed Return: $25,000

Step 1 –Set Aside Bond Proceeds for Remaining Phase Improvements:

- $6 million Bond Proceeds available
  - $4 million set aside for Phase Improvements.
  - $2 million Bond Proceeds balance

Step 2 – Pay Developer Balance and Port Balance:

- Available sources: $10 million DRPs + $2 million Bond Proceeds
- Pay Developer Return from Parcel DRP
  - Developer may Credit Bid $125, 000 to pay off Allowed Return
  - Developer may Credit Bid $375, 000 to pay off Additional Return
  - $9,500,000 DRP balance
  - Payments are entered on Developer Capital Schedule and Promissory Note-DRP
- Pay Port Return from Bond Proceeds
  - $25,000 applied to Return on Port Capital
  - $1,975,000 Bond Proceeds balance
  - Payment is entered on Port Capital Schedule
- Use sources to pay $2 million Port Capital to minimize cash payments from Developer
  - $1,975,000 Bond Proceeds balance applied to Port Capital
  - Developer must deposit $25,000 in cash to pay off Port Capital
  - Payment is entered on Port Capital Schedule
- Developer may Credit Bid $6 million to pay off Developer Capital
  - Payment is entered on Developer Capital Schedule and Promissory Note-DRP
  - $3,475,000 DRP balance to be deposited into DRP Fund

EXHIBIT C
to Financing Plan

Special Tax Rates

A. Facilities Special Taxes

1. Development Special Tax

The Development Special Tax will be applicable to all taxable parcels. The rates set forth below are intended to yield annual taxes approximately equal to the estimated Allocated Tax Increment from each parcel at completion. After the completed building is enrolled on the ad valorem tax rolls, the Allocated Tax Increment from each building (i.e., 65% of ad valorem taxes paid) will be credited against the Development Special Tax.

The Development Special Tax rate for developed property will be as follows, escalated at 2% per year from 2017:

Office	$4.01 / gross square foot (gsf)
Market Rate Residential	$6.54 / net rentable square foot (nrsf)
Inclusionary Residential:	
45% AMI	$1.14 per nrsf
55% AMI	$1.34 per nrsf
90% AMI	$2.21 per nrsf
120% AMI	$2.99 per nrsf
150% AMI	$3.75 per nrsf
Parking Structure	$[$X.XX] / gross square foot (gsf)

The Development Special Tax will not be applied to [under discussion] up to XX square feet of ground floor retail or PDR space .

2. Office Property Special Tax

Special Tax B will be applicable only to taxable parcels with office space and will not be subject to any Allocated Tax Increment credit on account of ad valorem property taxes. The initial Special Tax B rate for developed property will be $1.55 per gsf of office space, and will escalate at 2% per year from 2017.

The Office Property Special Tax will not be applied to ground floor retail or PDR space.

3. Shoreline Special Tax

The Shoreline Special Tax will be applicable to all taxable parcels and will not be subject to any Allocated Tax Increment credit on account of ad valorem property taxes. The Shoreline Special Tax rates for developed property will be as follows, escalated at 2% per year from 2017:

Office	$0.62 per gsf
Market Rate Residential	$1.01 per nrsf
Inclusionary Residential:	
45% AMI	$0.18 per nrsf
55% AMI	$0.21 per nrsf
90% AMI	$0.34 per nrsf
120% AMI	$0.46 per nrsf
150% AMI	$0.58 per nrsf
Parking Structure	$[$X.XX] / gross square foot (gsf)

The Shoreline Special Tax will not be applied to [under discussion] up to XX square feet of ground floor retail or PDR space.

B. Services Special Tax

The Services Special Tax will be applied against each taxable parcel. The Services Special Tax rates for developed property will be as follows, escalated at the lesser of (i) the change in CPI or (ii) [under discussion X%] per year from 2017:

Office	$1.35 / gsf
Market Rate Residential	$1.11 / nrsf
Inclusionary Residential:	
45% AMI	$0.19 / nrsf
55% AMI	$0.23 / nrsf
90% AMI	$0.37 / nrsf
120% AMI	$0.51 / nrsf
150% AMI	$0.63 / nrsf

The Services Special Tax will not be applied to [under discussion] up to XX square feet of ground floor residential or PDR uses.

Lodged with Board of Supervisors 2/1/18

SCEHDULE 1

TO

FINANCING PLAN

SUMMARY PRO-FORMA UNDERWRITING (a)

A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES (b)		
Predevelopment Project Entitlement Expenditures	$	29,006,332
Phase 1 Infrastructure for Parcels A, B, G & K	$	141,435,805
Phase 2 Infrastructure for Parcels C, D1 & D2	$	51,085,903
Phase 3 Infrastructure for Parcels E & F	$	27,931,872
Phase 4 Infrastructure for Parcels H, I & J	$	31,165,676
Total Horizontal Infrastructure Uses	$	280,625,588
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES (c)		
CFD Mello Roos Bonds - Unimproved Land		
Phase 1 CFD Mello Roos Bonds	$	35,200,000
Phase 2 CFD Mello Roos Bonds	$	-
Phase 3 CFD Mello Roos Bonds	$	-
Phase 4 CFD Mello Roos Bonds	$	-
Total CFD Mello Roos Bonds - Unimproved Land	$	35,200,000
CFD Mello Roos Bonds - Completed Buildings (d)		
Phase 1 CFD Mello Roos Bonds	$	109,126,642
Phase 2 CFD Mello Roos Bonds	$	43,773,265
Phase 3 CFD Mello Roos Bonds	$	23,062,745
Phase 4 CFD Mello Roos Bonds	$	24,555,075
Total CFD Mello Roos Bonds - Completed Buildings	$	200,517,727
Pay Go Tax Increment		
Phase 1 Pay Go Tax Increment	$	26,115,495
Phase 2 Pay Go Tax Increment	$	7,312,639
Phase 3 Pay Go Tax Increment	$	4,869,127
Phase 4 Pay Go Tax Increment	$	6,610,600
Total Pay Go Tax Increment	$	44,907,861
Total Horizontal Infrastructure Investment Sources	$	280,625,588
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY		
Predevelopment Entitlement	$	29,006,332
Phase 1	$	96,278,267
Phase 2	$	44,627,758
Phase 3	$	24,813,136
Phase 4	$	27,725,417
Cumulative Master Developer Infrastructure Equity	$	222,450,911
D.) MASTER DEVELOPER PEAK EQUITY (e)		
Predevelopment Entitlement	$	29,006,332
Phase 1	$	37,377,186
Phase 2	$	35,990,559
Phase 3	$	24,261,355
Phase 4	$	22,691,846

E.) NET DEVELOPMENT RIGHTS PAYMENTS		
Phase 1 Lead Parcel Development Rights for Parcels A & G	$	38,060,625
Phase 1 Development Rights for Parcels B & K	$	31,812,938
Phase 2 Development Rights for Parcels C, D1 & D2	$	9,096,250
Phase 3 Development Rights for Parcels E & F	$	718,125
Phase 4 Development Rights for Parcels H, I, & J	$	4,883,250
Total Lead Parcel & Net Development Right Payments	$	84,571,188
F.) PROJECT CASH FLOW AFTER DEBT SERVICE		
Horizontal Infrastructure Costs and Eligible Cost of Carry	$	(280,625,588)
Eligible Cost of Carry	$	58,174,677
Net CFD Mello Roos Bonds - Unimproved Land	$	35,200,000
Net CFD Mello Roos Bonds - Completed Buildings	$	200,517,727
Pay Go Tax Increment	$	44,907,861
Net Development Right Payments	$	84,571,188
Less: Port of San Francisco Unused Reserves	$	(5,427,132)
Total Cash Flow After Debt Service	$	137,318,733
G.) PORT OF SAN FRANCISCO REVENUE THROUGH 2094		
Total Anticipated Ground Lease Revenue Through 2094		
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$	10,614,530
New Development Base Ground Rent	$	689,406,118
New Development Percentage Rent	$	239,668,714
Horizontal Sponsor Ground Rent Participation	$	(213,711,920)
Total Port of San Francisco Ground Lease Revenue	$	725,977,442
Port of San Francisco Retail Percentage Rent	$	155,980,779
Port of San Francisco Net Participation upon Sale/Refinance	$	27,714,165
Port of San Francisco Unused Reserves	$	5,427,132
Total Port of San Francisco Economic Benefit	$	915,099,518
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094		
Total Gross Ad Valorem Property Tax Increment	$	3,263,420,266
Development Period Tax Increment	$	27,470,789
Less: Set Aside for ERAF and Other State Programs	$	(1,151,176,329)
City & County of San Francisco Net Tax Increment	$	2,139,714,726
Total SWL 337 CFD Special Tax (h)	$	217,142,038
Total SWL 337 Shoreline Improvement Special Tax (i)	$	275,054,767
Total CFD and Shoreline Improvement Special Tax	$	492,196,805
Net Tax Increment & CFD Special Tax	$	2,631,911,532
Less: Total Project Tax Increment Applied to Infrastructure	$	(44,907,861)
Less: Total Tax Increment Applied to Debt Service	$	(522,106,596)
Net Tax Increment & CFD After Infrastructure & Debt Service	$	2,064,897,075

Notes:

**** All numbers are preliminary estimates and subject to further change. ****

(a) Numerical estimates are expressed in nominal terms unless otherwise denoted. The horizontal infrastructure development phasing is estimated and subject to change.
(b) Includes the eligible cost of carry on an annual basis.
(c) All bond proceeds are net of issuance costs and interest reserve. The Port of San Francisco has the right but not the obligation to invest up to $10 million toward horizontal infrastructure costs.
(d) CFD Mello Roos Bonds on completed buildings is secured by a twenty five basis points CFD special tax for the office parcels plus ten basis points applied to phase I parcels for shoreline improvements.
(e) Peak equity reflects the estimated maximum outstanding balance of master developer equity capital funded for a given phase (used for multiple return calculations).
(f) Existing SWL 337 Lot Ground Rent Allocation includes Lot A and Shed A. Base rent is estimated according to the horizontal development schedule.
(g) Pier 48 base rent will be determined in the future according to projected revenue and capital improvements.
(h) CFD Special Tax represents twenty five basis points applied to the office parcels.
(i) Shoreline Improvement Special tax is equal to ten basis points applied to all parcels in Phase I (Parcels A, B, G & K).

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	Total	2012	2013	2014	2015	2016	2017	2018
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ 29,006,332	$ 3,175,151	$ 3,118,359	$ 3,518,848	$ 2,277,234	$ 5,589,963	$ 7,897,871	$ 3,428,906
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ 141,435,805	$ 40,691	$ 159,691	$ 328,091	$ 478,594	$ 627,674	$ 925,180	$ 6,571,486
Phase 2 Infrastructure for Parcels C, D1 & D2	$ 51,085,903	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ 27,931,872	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ 31,165,676	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ 280,625,588	$ 3,215,842	$ 3,278,050	$ 3,846,940	$ 2,755,828	$ 6,217,637	$ 8,823,051	$ 10,000,392
Cumulative Horizontal Project Uses		*$ 3,215,842*	*$ 6,493,892*	*$ 10,340,831*	*$ 13,096,659*	*$ 19,314,296*	*$ 28,137,347*	*$ 38,137,739*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ 35,200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 35,200,000
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ 35,200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 35,200,000
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ 109,126,642	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ 43,773,265	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ 23,062,745	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ 24,555,075	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ 200,517,727	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ 26,115,495	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ 7,312,639	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ 4,869,127	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ 6,610,600	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ 44,907,861	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ 280,625,588	$ -	$ -	$ -	$ -	$ -	$ -	$ 35,200,000
Cumulative Horizontal Project Sources		*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 35,200,000*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ 29,006,332	$ 3,175,151	$ 3,118,359	$ 3,518,848	$ 2,277,234	$ 5,589,963	$ 7,897,871	$ 3,428,906
Phase 1	$ 96,278,267	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,197,566
Phase 2	$ 44,627,758	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ 24,813,136	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ 27,725,417	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ 193,444,579	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,197,566
Total Master Developer Infrastructure Equity		*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 5,197,566*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement	$ 29,006,332							
Phase 1	$ 37,377,186	NA	NA	NA	NA	NA	NA	NA
Phase 2	$ 35,990,559	NA	NA	NA	NA	NA	NA	NA
Phase 3	$ 24,261,355	NA	NA	NA	NA	NA	NA	NA
Phase 4	$ 22,691,846	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity	$ 149,327,278							
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ 38,060,625	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ 31,812,938	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ 9,096,250	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ 718,125	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ 4,883,250	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ 84,571,188	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment		*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ (280,625,588)	$ (3,215,842)	$ (3,278,050)	$ (3,846,940)	$ (2,755,828)	$ (6,217,637)	$ (8,823,051)	$ (10,000,392)
Eligible Cost of Carry	$ 58,174,677	$ 40,691	$ 159,691	$ 328,091	$ 478,594	$ 627,674	$ 925,180	$ 1,373,920
Net CFD Mello Roos Bonds - Unimproved Land	$ 35,200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 35,200,000
Net CFD Mello Roos Bonds - Completed Buildings	$ 200,517,727	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ 44,907,861	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ 84,571,188	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ (5,427,132)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ 137,318,733	$ (3,175,151)	$ (3,118,359)	$ (3,518,848)	$ (2,277,234)	$ (5,589,963)	$ (7,897,871)	$ 26,573,528
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ 10,614,530	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,400,000
New Development Base Ground Rent	$ 689,406,118	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Percentage Rent	$ 239,668,714	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Horizontal Sponsor Ground Rent Participation	$ (213,711,920)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Port of San Francisco Ground Lease Revenue	$ 725,977,442	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,400,000
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 3,263,420,266	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total SWL 337 CFD Special Tax	$ 217,142,038	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Shoreline Improvement Special Tax	$ 275,054,767							
City & County of San Francisco Development Period Tax Increment	$ 27,470,789	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 2,631,911,532	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Project Tax Increment Applied to Infrastructure	$ 44,907,861	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ 522,106,596	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 2,064,897,075	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including entitlement costs.

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2019	2020	2021	2022	2023	2024	2025	2026
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ 30,689,528	$ 40,179,925	$ 24,616,065	$ 6,218,976	$ 4,250,778	$ 3,900,608	$ 3,637,593	$ 3,329,808
Phase 2 Infrastructure for Parcels C, D1 & D2	$ 677,934	$ 10,395,978	$ 22,259,679	$ 14,164,950	$ 2,082,498	$ 1,501,034	$ 3,830	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ 1,540,737	$ 10,728,006	$ 13,513,697	$ 1,082,328	$ 1,064,190	$ 2,915
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ 1,281,417	$ 8,806,194	$ 14,845,829	$ 4,776,778	$ 1,182,287
Total Horizontal Infrastructure Uses	$ 31,367,461	$ 50,575,903	$ 48,416,481	$ 32,393,348	$ 28,653,167	$ 21,329,798	$ 9,482,390	$ 4,515,011
Cumulative Horizontal Project Uses	*$ 69,505,201*	*$ 120,081,103*	*$ 168,497,585*	*$ 200,890,933*	*$ 229,544,101*	*$ 250,873,898*	*$ 260,356,288*	*$ 264,871,299*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ 21,011,666	$ 1,156,233	$ 16,746,673	$ 2,818,929
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ 43,584,430	$ 188,834	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ 23,034,371	$ 28,375
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,281,904
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ 21,011,666	$ 44,740,664	$ 39,969,878	$ 27,129,207
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ 1,382,472	$ 604,535	$ 850,128	$ 486,458	$ 386,713
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ 1,819,623	$ 4,134,344	$ 1,358,672	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ 590,470	$ 1,348,847	$ 1,285,493	$ 1,644,316	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ 46,443	$ 510,053	$ 1,110,250	$ 1,396,916	$ 3,546,939
Total Pay Go Tax Increment	$ -	$ -	$ -	$ 3,839,008	$ 6,597,778	$ 4,604,543	$ 3,527,690	$ 3,933,652
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ 3,839,008	$ 27,609,444	$ 49,345,206	$ 43,497,568	$ 31,062,859
Cumulative Horizontal Project Sources	*$ 35,200,000*	*$ 35,200,000*	*$ 35,200,000*	*$ 39,039,008*	*$ 66,648,453*	*$ 115,993,659*	*$ 159,491,227*	*$ 190,554,086*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ 29,930,608	$ 38,427,922	$ 21,019,822	$ 1,702,349	$ -	$ -	$ -	$ -
Phase 2	$ 1,360,614	$ 18,078,216	$ 16,920,231	$ 8,268,697	$ -	$ -	$ -	$ -
Phase 3	$ -	$ 374,975	$ 1,525,268	$ 13,304,689	$ 9,608,203	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ 1,695,052	$ 11,766,993	$ 14,263,373	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ 31,291,222	$ 56,881,114	$ 39,465,321	$ 24,970,788	$ 21,375,196	$ 14,263,373	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 36,488,788*	*$ 93,369,902*	*$ 132,835,222*	*$ 157,806,010*	*$ 179,181,206*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ 38,060,625	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ 31,812,938	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ 9,096,250	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ 718,125	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ 4,883,250	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ 69,873,563	$ 9,096,250	$ 718,125	$ -	$ 4,883,250	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 69,873,563*	*$ 78,969,813*	*$ 79,687,938*	*$ 79,687,938*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ (31,367,461)	$ (50,575,903)	$ (48,416,481)	$ (32,393,348)	$ (28,653,167)	$ (21,329,798)	$ (9,482,390)	$ (4,515,011)
Eligible Cost of Carry	$ 758,920	$ 1,871,808	$ 4,570,485	$ 6,533,567	$ 7,198,866	$ 7,154,295	$ 5,883,595	$ 4,515,011
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ 21,011,666	$ 44,740,664	$ 39,969,878	$ 27,129,207
Pay Go Tax Increment	$ -	$ -	$ -	$ 3,839,008	$ 6,597,778	$ 4,604,543	$ 3,527,690	$ 3,933,652
Net Development Right Payments	$ 69,873,563	$ 9,096,250	$ 718,125	$ -	$ 4,883,250	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ 39,265,021	$ (39,607,845)	$ (43,127,872)	$ (22,020,773)	$ 11,038,393	$ 35,169,703	$ 39,898,774	$ 31,062,859
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ 2,751,000	$ 2,803,530	$ 660,000	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ -	$ 700,833	$ 2,217,500	$ 3,030,000	$ 3,463,333	$ 3,550,000	$ 3,550,000	$ 3,550,000
New Development Percentage Rent	$ -	$ -	$ 65,400	$ 146,262	$ 241,550	$ 355,296	$ 472,455	$ 593,129
Horizontal Sponsor Ground Rent Participation	$ -	$ -	$ (111,749)	$ (403,758)	$ (606,790)	$ (658,744)	$ (712,256)	$ (767,374)
Total Port of San Francisco Ground Lease Revenue	$ 2,751,000	$ 3,504,363	$ 2,831,151	$ 2,772,504	$ 3,098,093	$ 3,246,552	$ 3,310,199	$ 3,375,755
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ -	$ -	$ -	$ 1,356,526	$ 5,793,705	$ 10,470,545	$ 14,644,859	$ 18,138,601
Total SWL 337 CFD Special Tax	$ -	$ -	$ -	$ -	$ -	$ 368,716	$ 612,431	$ 938,556
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ 1,288,954	$ 4,269,103	$ 5,544,659	$ 5,400,289	$ 6,025,416	$ 2,639,715	$ 1,798,298	$ 504,355
Net Tax Increment & CFD Special Tax	$ 833,767	$ 2,761,493	$ 4,253,943	$ 8,242,400	$ 11,201,646	$ 11,980,360	$ 14,126,267	$ 16,852,135
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ 3,839,008	$ 6,597,778	$ 4,604,543	$ 3,527,690	$ 3,933,652
Total Tax Increment Applied to Debt Service	$ 833,767	$ 2,398,278	$ 2,634,122	$ 2,675,486	$ 4,603,868	$ 7,375,817	$ 10,598,577	$ 12,272,249
Net Tax Increment & CFD After Infrastructure & Debt Service	$ -	$ 363,215	$ 1,619,820	$ 1,727,905	$ (0)	$ 0	$ 0	$ 646,234

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2027	2028	2029	2030	2031	2032	2033	2034
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ 3,193,696	$ 2,747,138	$ 2,273,609	$ 1,841,464	$ 1,504,121	$ 1,284,617	$ 1,049,420	$ 797,700
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ 273,171	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ 3,466,867	$ 2,747,138	$ 2,273,609	$ 1,841,464	$ 1,504,121	$ 1,284,617	$ 1,049,420	$ 797,700
Cumulative Horizontal Project Uses	*$ 268,338,166*	*$ 271,085,304*	*$ 273,358,913*	*$ 275,200,377*	*$ 276,704,498*	*$ 277,989,115*	*$ 279,038,535*	*$ 279,836,235*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ 8,287,101	$ 12,776,207	$ 8,645,613	$ 10,049,544	$ 4,193,661	$ 4,277,534	$ 4,363,085	$ 4,450,347
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ 273,171	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ 8,560,272	$ 12,776,207	$ 8,645,613	$ 10,049,544	$ 4,193,661	$ 4,277,534	$ 4,363,085	$ 4,450,347
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ 2,667,168	$ 2,281,652	$ 2,472,420	$ 2,023,175	$ 2,061,018	$ 2,099,617	$ 2,138,989	$ 2,179,148
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ 2,667,168	$ 2,281,652	$ 2,472,420	$ 2,023,175	$ 2,061,018	$ 2,099,617	$ 2,138,989	$ 2,179,148
Total Horizontal Infrastructure Investment Sources	$ 11,227,440	$ 15,057,859	$ 11,118,033	$ 12,072,719	$ 6,254,679	$ 6,377,152	$ 6,502,074	$ 6,629,494
Cumulative Horizontal Project Sources	*$ 201,781,527*	*$ 216,839,386*	*$ 227,957,419*	*$ 240,030,138*	*$ 246,284,817*	*$ 252,661,969*	*$ 259,164,043*	*$ 265,793,538*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ (3,466,867)	$ (2,747,138)	$ (2,273,609)	$ (1,841,464)	$ (1,504,121)	$ (1,284,617)	$ (1,049,420)	$ (797,700)
Eligible Cost of Carry	$ 3,466,867	$ 2,747,138	$ 2,273,609	$ 1,841,464	$ 1,504,121	$ 1,284,617	$ 1,049,420	$ 797,700
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ 8,560,272	$ 12,776,207	$ 8,645,613	$ 10,049,544	$ 4,193,661	$ 4,277,534	$ 4,363,085	$ 4,450,347
Pay Go Tax Increment	$ 2,667,168	$ 2,281,652	$ 2,472,420	$ 2,023,175	$ 2,061,018	$ 2,099,617	$ 2,138,989	$ 2,179,148
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ 11,227,440	$ 15,057,859	$ 11,118,033	$ 12,072,719	$ 6,254,679	$ 6,377,152	$ 6,502,074	$ 6,629,494
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 3,550,000	$ 3,550,000	$ 3,550,000	$ 3,649,749	$ 3,865,614	$ 3,967,948	$ 4,024,818	$ 4,036,192
New Development Percentage Rent	$ 717,423	$ 845,445	$ 977,309	$ 1,013,379	$ 937,408	$ 963,507	$ 1,054,581	$ 1,195,589
Horizontal Sponsor Ground Rent Participation	$ (824,145)	$ (882,620)	$ (942,848)	$ (1,004,884)	$ (1,065,257)	$ (1,127,442)	$ (1,195,015)	$ (1,264,616)
Total Port of San Francisco Ground Lease Revenue	$ 3,443,277	$ 3,512,826	$ 3,584,461	$ 3,658,244	$ 3,737,765	$ 3,804,013	$ 3,884,383	$ 3,967,165
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 21,651,204	$ 22,552,811	$ 23,516,461	$ 23,986,790	$ 24,466,526	$ 24,955,856	$ 25,454,973	$ 25,964,073
Total SWL 337 CFD Special Tax	$ 1,393,023	$ 1,468,910	$ 1,575,974	$ 1,607,493	$ 1,639,643	$ 1,672,436	$ 1,705,885	$ 1,740,003
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 17,283,290	$ 17,980,088	$ 18,748,949	$ 19,123,928	$ 19,506,407	$ 19,896,535	$ 20,294,466	$ 20,700,355
Total Project Tax Increment Applied to Infrastructure	$ 2,667,168	$ 2,281,652	$ 2,472,420	$ 2,023,175	$ 2,061,018	$ 2,099,617	$ 2,138,989	$ 2,179,148
Total Tax Increment Applied to Debt Service	$ 14,306,649	$ 14,443,080	$ 14,582,238	$ 14,724,180	$ 14,868,961	$ 15,016,637	$ 15,167,267	$ 15,320,909
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 309,473	$ 1,255,356	$ 1,694,291	$ 2,376,573	$ 2,576,428	$ 2,780,280	$ 2,988,210	$ 3,200,298

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2035	2036	2037	2038	2039	2040	2041	2042
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ 528,585	$ 241,161	$ 19,607	$ -	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ 528,585	$ 241,161	$ 19,607	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,364,820*	*$ 280,605,981*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ 4,539,354	$ 4,630,141	$ 1,180,555	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ 4,539,354	$ 4,630,141	$ 1,180,555	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ 2,220,110	$ 2,261,891	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ 2,220,110	$ 2,261,891	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ 6,759,464	$ 6,892,032	$ 1,180,555	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 272,553,001*	*$ 279,445,033*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ (528,585)	$ (241,161)	$ (19,607)	$ -	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ 528,585	$ 241,161	$ 19,607	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ 4,539,354	$ 4,630,141	$ 1,180,555	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ 2,220,110	$ 2,261,891	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ (4,246,577)	$ (1,180,555)	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ 6,759,464	$ 2,645,455	$ -	$ -	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 4,036,192	$ 4,036,192	$ 4,036,192	$ 4,036,192	$ 4,036,192	$ 4,311,525	$ 4,907,371	$ 5,204,633
New Development Percentage Rent	$ 1,352,542	$ 1,514,205	$ 1,680,716	$ 1,852,224	$ 2,028,876	$ 1,935,495	$ 1,527,059	$ 1,402,402
Horizontal Sponsor Ground Rent Participation	$ (1,336,304)	$ (1,410,144)	$ (1,486,198)	$ (1,564,534)	$ (1,645,220)	$ (1,728,326)	$ (1,809,330)	$ (1,472,149)
Total Port of San Francisco Ground Lease Revenue	$ 4,052,430	$ 4,140,253	$ 4,230,710	$ 4,323,882	$ 4,419,848	$ 4,518,694	$ 4,625,101	$ 5,134,885
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 26,483,354	$ 27,013,021	$ 27,553,282	$ 28,104,348	$ 28,666,434	$ 29,239,763	$ 29,824,558	$ 30,421,050
Total SWL 337 CFD Special Tax	$ 1,774,803	$ 1,810,299	$ 1,846,505	$ 1,883,435	$ 1,921,103	$ 1,959,525	$ 1,998,716	$ 2,038,690
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 21,114,362	$ 21,536,649	$ 21,967,382	$ 22,406,730	$ 22,854,865	$ 23,311,962	$ 23,778,201	$ 24,253,765
Total Project Tax Increment Applied to Infrastructure	$ 2,220,110	$ 2,261,891	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ 15,477,625	$ 15,637,474	$ 15,800,521	$ 15,966,828	$ 16,136,462	$ 16,309,488	$ 16,485,975	$ 16,665,992
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 3,416,628	$ 3,637,284	$ 6,166,862	$ 6,439,902	$ 6,718,403	$ 7,002,474	$ 7,292,226	$ 7,587,774

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2043	2044	2045	2046	2047	2048	2049	2050
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 5,373,222	$ 5,406,940	$ 5,406,940	$ 5,406,940	$ 5,406,940	$ 5,406,940	$ 5,406,940	$ 5,776,965
New Development Percentage Rent	$ 1,432,024	$ 1,602,463	$ 1,812,745	$ 2,029,336	$ 2,252,424	$ 2,482,205	$ 2,718,679	$ 2,592,629
Horizontal Sponsor Ground Rent Participation	$ (1,542,563)	$ (1,615,090)	$ (1,689,793)	$ (1,766,737)	$ (1,845,989)	$ (1,927,619)	$ (2,011,697)	$ (2,098,298)
Total Port of San Francisco Ground Lease Revenue	$ 5,262,682	$ 5,394,312	$ 5,529,892	$ 5,669,539	$ 5,813,375	$ 5,961,526	$ 6,114,122	$ 6,271,295
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 31,029,471	$ 31,650,060	$ 32,283,061	$ 32,928,722	$ 33,587,297	$ 34,259,043	$ 34,944,224	$ 35,643,108
Total SWL 337 CFD Special Tax	$ 2,079,464	$ 2,121,053	$ 2,163,474	$ 2,206,744	$ 2,250,879	$ 2,295,896	$ 2,341,814	$ 2,388,651
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 24,738,840	$ 25,233,617	$ 25,738,290	$ 26,253,055	$ 26,778,116	$ 27,313,679	$ 27,859,952	$ 28,417,151
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ 16,849,608	$ 17,036,898	$ 17,227,933	$ 17,422,789	$ 17,621,541	$ 17,473,921	$ 16,422,876	$ 16,422,876
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 7,889,232	$ 8,196,720	$ 8,510,357	$ 8,830,267	$ 9,156,575	$ 9,839,758	$ 11,437,077	$ 11,994,276

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2051	2052	2053	2054	2055	2056	2057	2058
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 6,577,732	$ 6,971,934	$ 7,198,504	$ 7,243,818	$ 7,243,818	$ 7,243,818	$ 7,243,818	$ 7,243,818
New Development Percentage Rent	$ 2,042,949	$ 1,880,712	$ 1,919,722	$ 2,147,955	$ 2,429,708	$ 2,719,914	$ 3,018,826	$ 3,326,705
Horizontal Sponsor Ground Rent Participation	$ (2,182,832)	$ (2,269,903)	$ (2,364,250)	$ (2,461,427)	$ (2,561,520)	$ (2,664,616)	$ (2,770,804)	$ (2,880,178)
Total Port of San Francisco Ground Lease Revenue	$ 6,437,849	$ 6,582,744	$ 6,753,976	$ 6,930,345	$ 7,112,006	$ 7,299,116	$ 7,491,839	$ 7,690,344
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 36,355,970	$ 37,083,090	$ 37,824,752	$ 38,581,247	$ 39,352,871	$ 40,139,929	$ 40,942,727	$ 41,761,582
Total SWL 337 CFD Special Tax	$ 2,436,424	$ 2,485,152	$ 2,534,855	$ 2,585,552	$ 2,637,263	$ 2,690,009	$ 2,743,809	$ 2,798,685
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 28,985,494	$ 29,565,204	$ 30,156,508	$ 30,759,639	$ 31,374,831	$ 32,002,328	$ 32,642,375	$ 33,295,222
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ 16,422,876	$ 16,422,876	$ 14,701,971	$ 11,930,022	$ 8,707,262	$ 7,033,590	$ 4,840,924	$ 3,794,523
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 12,562,619	$ 13,142,329	$ 15,454,538	$ 18,829,617	$ 22,667,570	$ 24,968,738	$ 27,801,450	$ 29,500,699

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2059	2060	2061	2062	2063	2064	2065	2066
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 7,243,818	$ 7,741,100	$ 8,817,265	$ 9,340,134	$ 9,644,624	$ 9,705,523	$ 9,705,523	$ 9,705,523
New Development Percentage Rent	$ 3,643,821	$ 3,473,167	$ 2,733,431	$ 2,522,303	$ 2,573,686	$ 2,879,337	$ 3,256,883	$ 3,645,755
Horizontal Sponsor Ground Rent Participation	$ (2,992,833)	$ (3,108,868)	$ (3,222,298)	$ (3,339,131)	$ (3,465,555)	$ (3,595,771)	$ (3,729,894)	$ (3,868,041)
Total Port of San Francisco Ground Lease Revenue	$ 7,894,805	$ 8,105,399	$ 8,328,397	$ 8,523,306	$ 8,752,755	$ 8,989,088	$ 9,232,511	$ 9,483,236
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 42,596,814	$ 43,448,750	$ 44,317,725	$ 45,204,079	$ 46,108,161	$ 47,030,324	$ 47,970,931	$ 48,930,349
Total SWL 337 CFD Special Tax	$ 2,854,659	$ 2,911,752	$ 2,969,987	$ 3,029,387	$ 3,089,974	$ 3,151,774	$ 3,214,809	$ 3,279,105
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 33,961,127	$ 34,640,349	$ 35,333,156	$ 36,039,819	$ 36,760,616	$ 37,495,828	$ 38,245,744	$ 39,010,659
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ 3,086,427	$ 2,263,345	$ 1,919,875	$ 1,569,534	$ 1,212,187	$ 847,694	$ 475,910	$ 96,690
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 30,874,700	$ 32,377,004	$ 33,413,281	$ 34,470,285	$ 35,548,428	$ 36,648,134	$ 37,769,835	$ 38,913,969

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2067	2068	2069	2070	2071	2072	2073	2074
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 9,705,523	$ 9,705,523	$ 9,705,523	$ 10,373,829	$ 11,820,104	$ 12,513,787	$ 12,922,997	$ 13,004,838
New Development Percentage Rent	$ 4,046,293	$ 4,458,847	$ 4,883,779	$ 4,653,151	$ 3,657,686	$ 3,382,957	$ 3,450,650	$ 3,860,017
Horizontal Sponsor Ground Rent Participation	$ (2,864,523)	$ (2,969,209)	$ (3,077,035)	$ (3,188,096)	$ (3,296,817)	$ (3,408,799)	$ (3,529,813)	$ (3,654,457)
Total Port of San Francisco Ground Lease Revenue	$ 10,887,292	$ 11,195,161	$ 11,512,266	$ 11,838,884	$ 12,180,973	$ 12,487,945	$ 12,843,834	$ 13,210,399
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 49,908,956	$ 50,907,135	$ 51,925,278	$ 52,963,784	$ 54,023,059	$ 55,103,521	$ 56,205,591	$ 57,329,703
Total SWL 337 CFD Special Tax	$ 3,344,688	$ 3,411,581	$ 3,479,813	$ 3,549,409	$ 3,620,397	$ 3,692,805	$ 3,766,661	$ 3,841,995
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 39,790,872	$ 40,586,690	$ 41,398,424	$ 42,226,392	$ 43,070,920	$ 43,932,338	$ 44,810,985	$ 45,707,205
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 39,790,872	$ 40,586,690	$ 41,398,424	$ 42,226,392	$ 43,070,920	$ 43,932,338	$ 44,810,985	$ 45,707,205

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including enl

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2075	2076	2077	2078	2079	2080	2081	2082
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 13,004,838	$ 13,004,838	$ 13,004,838	$ 13,004,838	$ 13,004,838	$ 13,902,986	$ 15,846,659	$ 16,767,155
New Development Percentage Rent	$ 4,365,963	$ 4,887,087	$ 5,423,845	$ 5,976,705	$ 6,546,152	$ 6,234,534	$ 4,894,986	$ 4,537,530
Horizontal Sponsor Ground Rent Participation	$ (3,782,841)	$ (3,915,076)	$ (4,051,278)	$ (4,191,567)	$ (4,336,064)	$ (4,484,896)	$ (4,630,791)	$ (4,781,064)
Total Port of San Francisco Ground Lease Revenue	$ 13,587,961	$ 13,976,849	$ 14,377,405	$ 14,789,977	$ 15,214,926	$ 15,652,624	$ 16,110,854	$ 16,523,621
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 58,476,297	$ 59,645,823	$ 60,838,739	$ 62,055,514	$ 63,296,624	$ 64,562,557	$ 65,853,808	$ 67,170,884
Total SWL 337 CFD Special Tax	$ 3,918,835	$ 3,997,211	$ 4,077,155	$ 4,158,699	$ 4,241,873	$ 4,326,710	$ 4,413,244	$ 4,501,509
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 46,621,349	$ 47,553,776	$ 48,504,852	$ 49,474,949	$ 50,464,448	$ 51,473,736	$ 52,503,211	$ 53,553,275
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 46,621,349	$ 47,553,776	$ 48,504,852	$ 49,474,949	$ 50,464,448	$ 51,473,736	$ 52,503,211	$ 53,553,275

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2083	2084	2085	2086	2087	2088	2089	2090
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES								
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES								
CFD Mello Roos Bonds - Unimproved Land								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)								
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment								
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY								
Predevelopment Entitlement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY								
Predevelopment Entitlement								
Phase 1	NA	NA	NA	NA	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA	NA	NA	NA	NA
Total Master Developer Peak Equity								
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS								
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE								
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094								
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 17,317,099	$ 17,427,087	$ 17,427,087	$ 17,427,087	$ 17,427,087	$ 17,427,087	$ 17,427,087	$ 18,634,123
New Development Percentage Rent	$ 4,626,727	$ 5,175,053	$ 5,853,118	$ 6,551,524	$ 7,270,882	$ 8,011,821	$ 8,774,988	$ 8,354,015
Horizontal Sponsor Ground Rent Participation	$ (4,943,246)	$ (5,110,293)	$ (5,282,352)	$ (5,459,573)	$ (5,642,110)	$ (5,830,123)	$ (6,023,777)	$ (6,223,240)
Total Port of San Francisco Ground Lease Revenue	$ 17,000,580	$ 17,491,847	$ 17,997,853	$ 18,519,038	$ 19,055,860	$ 19,608,785	$ 20,178,299	$ 20,764,898
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094								
Total Gross Possessory Use Tax (1% of Value)	$ 68,514,302	$ 69,884,588	$ 71,282,280	$ 72,707,925	$ 74,162,084	$ 75,645,325	$ 77,158,232	$ 78,701,397
Total SWL 337 CFD Special Tax	$ 4,591,539	$ 4,683,370	$ 4,777,037	$ 4,872,578	$ 4,970,030	$ 5,069,430	$ 5,170,819	$ 5,274,235
Total Shoreline Improvement Special Tax								
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 54,624,341	$ 55,716,828	$ 56,831,164	$ 57,967,788	$ 59,127,143	$ 60,309,686	$ 61,515,880	$ 62,746,198
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 54,624,341	$ 55,716,828	$ 56,831,164	$ 57,967,788	$ 59,127,143	$ 60,309,686	$ 61,515,880	$ 62,746,198

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

ANNUAL SUMMARY - PRO-FORMA UNDERWRITING	2091	2092	2093	2094
A.) HORIZONTAL INFRASTRUCTURE INVESTMENT USES				
Predevelopment Project Entitlement Expenditures	$ -	$ -	$ -	$ -
Phase 1 Infrastructure for Parcels A, B, G & K (1)	$ -	$ -	$ -	$ -
Phase 2 Infrastructure for Parcels C, D1 & D2	$ -	$ -	$ -	$ -
Phase 3 Infrastructure for Parcels E & F	$ -	$ -	$ -	$ -
Phase 4 Infrastructure for Parcels H, I & J	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Uses	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Uses	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
B.) HORIZONTAL INFRASTRUCTURE INVESTMENT SOURCES				
CFD Mello Roos Bonds - Unimproved Land				
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -
CFD Mello Roos Bonds - Completed Buildings (d)				
Phase 1 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Phase 2 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Phase 3 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Phase 4 CFD Mello Roos Bonds	$ -	$ -	$ -	$ -
Total CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -
Pay Go Tax Increment				
Phase 1 Pay Go Tax Increment	$ -	$ -	$ -	$ -
Phase 2 Pay Go Tax Increment	$ -	$ -	$ -	$ -
Phase 3 Pay Go Tax Increment	$ -	$ -	$ -	$ -
Phase 4 Pay Go Tax Increment	$ -	$ -	$ -	$ -
Total Pay Go Tax Increment	$ -	$ -	$ -	$ -
Total Horizontal Infrastructure Investment Sources	$ -	$ -	$ -	$ -
Cumulative Horizontal Project Sources	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*	*$ 280,625,588*
C.) CUMULATIVE MASTER DEVELOPER INFRASTRUCTURE EQUITY				
Predevelopment Entitlement	$ -	$ -	$ -	$ -
Phase 1	$ -	$ -	$ -	$ -
Phase 2	$ -	$ -	$ -	$ -
Phase 3	$ -	$ -	$ -	$ -
Phase 4	$ -	$ -	$ -	$ -
Cumulative Master Developer Infrastructure Equity	$ -	$ -	$ -	$ -
Total Master Developer Infrastructure Equity	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*	*$ 193,444,579*
D.) MASTER DEVELOPER PEAK EQUITY				
Predevelopment Entitlement				
Phase 1	NA	NA	NA	NA
Phase 2	NA	NA	NA	NA
Phase 3	NA	NA	NA	NA
Phase 4	NA	NA	NA	NA
Total Master Developer Peak Equity				
E.) LEAD PARCEL & NET DEVELOPMENT RIGHTS PAYMENTS				
Phase 1 Lead Parcel Development Rights for Parcels A & G	$ -	$ -	$ -	$ -
Phase 1 Development Rights for Parcels B & K	$ -	$ -	$ -	$ -
Phase 2 Development Rights for Parcels C, D1 & D2	$ -	$ -	$ -	$ -
Phase 3 Development Rights for Parcels E & F	$ -	$ -	$ -	$ -
Phase 4 Development Rights for Parcels H, I, & J	$ -	$ -	$ -	$ -
Total Lead Parcel & Net Development Right Payments	$ -	$ -	$ -	$ -
Cumulative Lead Parcel & Development Rights Payment	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*	*$ 84,571,188*
F.) PROJECT CASH FLOW AFTER DEBT SERVICE				
Horizontal Infrastructure Costs and Eligible Cost of Carry	$ -	$ -	$ -	$ -
Eligible Cost of Carry	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Unimproved Land	$ -	$ -	$ -	$ -
Net CFD Mello Roos Bonds - Completed Buildings	$ -	$ -	$ -	$ -
Pay Go Tax Increment	$ -	$ -	$ -	$ -
Net Development Right Payments	$ -	$ -	$ -	$ -
Less: Port of San Francisco Unused Reserves	$ -	$ -	$ -	$ -
Total Cash Flow After Debt Service	$ -	$ -	$ -	$ -
G.) PORT OF SAN FRANCISCO GROUND LEASE REVENUE THROUGH 2094				
Existing SWL 337 Parking Lot Ground Rent Allocation (f)	$ -	$ -	$ -	$ -
New Development Base Ground Rent	$ 21,246,257	$ 22,467,988	$ 23,207,066	$ 23,354,881
New Development Percentage Rent	$ 6,551,526	$ 6,086,473	$ 6,204,029	$ 6,938,546
Horizontal Sponsor Ground Rent Participation	$ (6,419,030)	$ (6,620,694)	$ (6,838,065)	$ (3,161,678)
Total Port of San Francisco Ground Lease Revenue	$ 21,378,752	$ 21,933,766	$ 22,573,029	$ 27,131,749
H.) CITY & COUNTY OF SAN FRANCISCO TAX INCREMENT THROUGH 2094				
Total Gross Possessory Use Tax (1% of Value)	$ 80,275,424	$ 81,880,933	$ 83,518,552	$ 85,188,923
Total SWL 337 CFD Special Tax	$ 5,379,720	$ 5,487,314	$ 5,597,061	$ 5,709,002
Total Shoreline Improvement Special Tax				
City & County of San Francisco Development Period Tax Increment	$ -	$ -	$ -	$ -
Net Tax Increment & CFD Special Tax	$ 64,001,121	$ 65,281,144	$ 66,586,767	$ 67,918,502
Total Project Tax Increment Applied to Infrastructure	$ -	$ -	$ -	$ -
Total Tax Increment Applied to Debt Service	$ -	$ -	$ -	$ -
Net Tax Increment & CFD After Infrastructure & Debt Service	$ 64,001,121	$ 65,281,144	$ 66,586,767	$ 67,918,502

(1) Includes the eligible cost of carry for all of Phase I eligible horizontal costs including ent

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT C2

"Appendix I to Infrastructure Financing Plan for IFD Project Area 1 Sub-Project Areas"

Appendix I
Project Area I Comprised of Sub-Project Areas I-1, I-2, I-3, I-4, I-5, I-6, I-7, I-8, I-9, I-10, I-11, I-12, and I-13 (Mission Rock – Port of San Francisco)

*This Appendix supplements and amends the main body of the Infrastructure Financing Plan (the "**IFP**") for City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) (the "**IFD**") as it relates to Project Area I ("**Project Area I**"), which is comprised of Sub-Project Areas I-1,I-2, I-3, I-4, I-5, I-6, I-7, I-8, I-9, I-10, I-11, I-12, and I-13 (each a "Sub-Project Area" and collectively, the "**Sub-Project Areas**"). This Appendix constitutes the Infrastructure Financing Plan for Sub-Project Areas in accordance with the provisions of Section 53395.8(g) of Chapter 2.8 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53395 of the California Government Code (the "**IFD Law**"). In the event of any inconsistency between the main body of the IFP and this Appendix, the provisions of this Appendix shall govern with respect to the Sub-Project Areas.*

Background: The City, acting by and through the Port Commission (the "**Port**"), and Seawall Lot 337 Associates, LLC ("**Developer**") anticipate entering into a Disposition and Development Agreement (the "**DDA**"), including a Financing Plan, which will govern the disposition and development of the Seawall 337 and Pier 48 and provide for the financing of certain capital facilities and public services related to the proposed project. The Project, known as "Mission Rock" (the "**Project**") is anticipated to be comprised of the following components:

- Over 8 acres of parks and open space;
- 1,327 rental residential apartments, of which 40% will be affordable to households earning less than 150% of the Area Median Income;
- 1.7 million square feet of office, retail, and production space; and
- Approximately one million square feet of structured parking.

The cost of public parks, plazas, utilities, open space, and streets to serve the Project is anticipated to total approximately $191 million in current 2017 dollars. It is currently expected that these public improvements will be built by the Mission Rock developer and then transferred to public ownership. Tax increment revenues to be allocated to the IFD from the Sub-Project Areas will be used to acquire and construct the public improvements, and will also fund additional public improvements within the boundaries of the IFD.

The Project is anticipated to be constructed in Phases, as follows:

- Phase 1 – Sub-Project Area 1 (Block A), Sub-Project Area 2 Block B), Sub-Project Area 7 (Block G), Sub-Project Area 11 (Block K)
- Phase 2 – Sub-Project Area 3 (Block C), Sub-Project Area 4 (Block D)

- Phase 3 – Sub-Project Area 5 (Block E), Sub-Project Area 6 (Block F), Sub-Project Area 13 (Mission Rock Square)
- Phase 4 – Sub-Project Area 8 (Block H), Sub-Project Area 9 (Block I), Sub-Project Area 10 (Block J), Sub-Project Area 12 (Pier 48)

Port as agent of the IFD with respect to the Sub-Project Areas: The Board of Supervisors has appointed the City, acting by and through Port, as the agent of the IFD to implement this Appendix.

Boundaries and legal descriptions of Sub-Project Areas: The boundaries of the Sub-Project Areas are described in the maps attached to this Appendix as Attachment 1. The legal descriptions of the Sub-Project Areas are also attached to this Appendix as Attachment 1. The Sub-Project Areas do not initially correspond to the boundaries of assessor parcels. Tax increment will not be allocated to the IFD from a Sub-Project Area until assessor parcels for the development parcels within the Sub-Project Areas have been created.

Waterfront District: Each of the Sub-Project Areas is a "waterfront district," as defined in Section 53395.8(c)(17) of the IFD Law. This Appendix includes an infrastructure financing plan for the Sub-Project Areas in accordance with the requirements of Section 53395.8(g)(3).

Other initially-capitalized terms used, but not defined in this Appendix, have the meanings ascribed to them in the IFD Law or the IFP.

Future Amendments of this Infrastructure Financing Plan. The Board of Supervisors reserves the right, and nothing in this Appendix or the IFP limits the ability of the Board of Supervisors, to update or amend this Infrastructure Financing Plan in accordance with and subject to applicable law. In addition, and in furtherance of the foregoing, the Board reserves the right to amend this Appendix and the IFP by ordinance, and without any public hearing or vote of the registered voters or landowners in the Sub-Project Areas or other proceedings, for the following purposes:

a. to extend the effective date of this Appendix and the period for allocation of tax increment from the Sub-Project Areas to the IFD, if the IFD Law is amended to allow a longer period;

b. to allocate to the IFD from the Sub-Project Areas any portion of the ad valorem property tax revenue that has not been allocated to the IFD prior to the date of the amendment of this Appendix, if the IFD Law is amended to permit such an allocation;

c. to increase the maximum amount of bonded indebtedness and other debt for the Sub-Project Areas based on the increased period of tax increment allocation described in the preceding clause (a) or the increased allocation of tax increment described in the preceding clause (b);

d. to adopt any alternative amendment or annexation procedure with respect to the Sub-Project Areas that is permitted by an amendment to the IFD Law; and

e. to amend the list of Facilities as long as the Board finds that the resulting Facilities are permitted by the IFD Law, will serve the development in the Sub-Project Areas and are of communitywide significance.

A. Base Year; Commencement of Tax Increment Allocation

The "**Base Year**" for each of the Sub-Project Areas is the fiscal year in which the assessed value of taxable property in such Sub-Project Area was last equalized prior to the effective date of the ordinance adopted to create the Sub-Project Areas or a subsequent fiscal year. The Base Year for each Sub-Project Area is FY 2017-2018.

Tax increment may begin to be allocated to the IFD from each Sub-Project Area beginning in the fiscal year following the Base Year, provided that no tax increment will be allocated to the IFD from a Sub-Project Area until (i) assessor parcels for the development parcels within the Sub-Project Area have been created and (ii) the amount of increment available to be allocated from the Sub-Project Area in the fiscal year is equal to at least $100,000.

B. Allocation of Tax Increment

1. The annual allocation of tax increment generated in each of the Sub-Project Areas to the IFD for purposes of Section 53396(b) of the IFD Law will be the amount appropriated in each fiscal year by the Board of Supervisors for deposit in the respective special fund established for each Sub-Project Area.

2. The Board of Supervisors will appropriate 100 percent of the "Allocated Tax Increment" (as defined below) for allocation to the IFD until the IFD repays all debt (as defined in the IFD Law) from Allocated Tax Increment to fund the capital facilities authorized by Section 53395.8(d) and listed in Exhibit I-1 of this Appendix (the "**Facilities**"). The financing of the Facilities satisfies the "waterfront set-aside" requirement set forth in Section 53395.8(g)(3)(C)(ii) of the IFD Law.

3. In order for the Facilities to be developed concurrently with the Project, and because there will be some lag time between the construction of the Facilities and availability of Allocated Tax Increment, multiple sources of funding will be needed to pay for the Facilities, and such sources, to the extent repaid by the IFD with Allocated Tax Increment from the Sub-Project Areas, will constitute secured debt of the Sub-Project Areas.

- Funds ("**Developer Capital**") to be advanced by the Developer;
- Funds to be advanced by the Port as either direct Port capital or advances of land proceeds;
- Proceeds from bonds that would be issued by the IFD and/or a Community Facilities District ("**CFD**") that would be established by the City to include all or a portion of the property in the Sub-Project Areas.

In addition, the Port, as the agency of the IFD, may use Allocated Tax Increment to pay directly for Facilities costs. The financial obligation of the IFD to fund Facilities costs with Allocated Tax Increment from each of the Sub-Project Areas is a debt of each of the Sub-Project Areas and will be reflected in the annual Statement of Indebtedness required by the IFD Law.

4. Notwithstanding the foregoing, the allocation made by the Board of Supervisors in this Appendix shall be the following:

   (A) The Board of Supervisors hereby irrevocably allocates all of the "City Share of Tax Increment" (as defined below) from the Sub-Project Areas to the IFD to the extent that the City Share of Tax Increment is necessary to repay bonds, notes or related agreements or to meet contractual obligations that the IFD or the Port is obligated to satisfy with Allocated Tax Increment (including the DDA), in each case to the extent such bonds, notes, agreements or obligations have been approved by the Board of Supervisors.

   (B) The Board of Supervisors retains the discretion to make annual appropriations for the allocation of City Share of Tax Increment from the Sub-Project Areas to the IFD to pay for debt that is not described in the preceding clause (A), including the financial obligation to fund Facilities costs from annual deposits of Allocated Tax Increment.

5. For purposes of this Appendix, the following capitalized terms are defined as follows:

   "**Gross Tax Increment**" is, for each of the Sub-Project Areas, 100% of the revenue produced by the application of the 1% ad valorem tax rate to the Incremental Assessed Property Value of property within each Sub-Project Area;

   "**Incremental Assessed Property Value**" is, in any year, for each Sub-Project Area, the difference between the assessed value of the property within such Sub-Project Area for that fiscal year and the assessed value of the property within such Sub-Project Area in the Base Year, to the extent that the difference is a positive number;

   "**City Share of Tax Increment**" is 64.588206% of Gross Tax Increment.

"**Allocated Tax Increment**" is, for each of the Sub-Project Areas, the City Share of Tax Increment.

"**CFD**" is a Mello-Roos community facilities district formed over the Project.

C. Maximum Portion of Tax Increment Revenue of San Francisco and Affected Taxing Agencies to be Committed to the Sub-Project Areas

100% of the City Share of Tax Increment shall be allocated to the IFD from each of the Sub-Project Areas.

None of the incremental tax revenue of the local educational agencies in the boundaries of the Sub-Project Areas will be allocated to the IFD.

D. Projection of Tax Increment Revenue to the Sub-Project Areas

The financing section for a Sub Project Area must include a projection of the amount of tax increment expected to be allocated to the IFD from the Sub-Project Area assuming an allocation period for such Sub-Project Area of 45 fiscal years after the fiscal year in which the City projects that the IFD will have received $100,000 of tax increment from such Sub-Project Area under the IFD Law.

The projection of Allocated Tax Increment from the Sub-Project Areas to be allocated to the IFD is attached in the following Riders:

Sub-Project Area	Rider
Sub-Project Area I-1	#1
Sub-Project Area I-2	#2
Sub-Project Area I-3	#3
Sub-Project Area I-4	#4
Sub-Project Area I-5	#5
Sub-Project Area I-6	#6
Sub-Project Area I-7	#7
Sub-Project Area I-8	#8
Sub-Project Area I-9	#9
Sub-Project Area I-10	#10
Sub-Project Area I-11	#11
Sub-Project Area I-12	#12
Sub-Project Area I-13	#13

E. Tax Increment Limit

The financing section must include a limit on the total number of dollars of tax increment that may be allocated to the IFD pursuant to the IFP, subject to amendment of the IFP.

The initial tax increment limit for each Sub-Project Area is listed below. The total limit on the property tax increment that can be allocated to the IFD from the Sub-Project Areas over their 45-year terms is $3.85 billion. These limits reflect projected total property tax increment plus a contingency factor of approximately 200 percent to account for variables such as higher assessed values of taxable property due to resales. And, the limit for Sub-Project Area 13 reflects the assumption that subterranean parking is built on the Mission Square block.

Sub-Project Area	Tax Increment Limit
Sub-Project Area I-1	$370,000,000
Sub-Project Area I-2	$236,000,000
Sub-Project Area I-3	$384,000,000
Sub-Project Area I-4	$829,000,000
Sub-Project Area I-5	$170,000,000
Sub-Project Area I-6	$411,000,000
Sub-Project Area I-7	$266,000,000
Sub-Project Area I-8	$182,000,000
Sub-Project Area I-9	$280,000,000
Sub-Project Area I-10	$204,000,000
Sub-Project Area I-11	$130,000,000
Sub-Project Area I-12	$240,000,000
Sub-Project Area I-13	$143,000,000

F. 20% Waterfront Set-Aside Requirement for Waterfront Districts

Pursuant to Section 53395.8(g)(3)(C)(ii) of the IFD Law, 20% of the Allocated Tax Increment received by the IFD as a whole ("**Set-Aside**") must be set aside to be expended solely on shoreline restoration, removal of bay fill, or waterfront public access to or environmental remediation of the San Francisco waterfront ("**Authorized Set-Aside Uses**"). The IFD Law allows the Set-Aside Requirement to apply on a Project Area wide basis (entire Project Area I) rather than on a Sub-Project Area basis.

On a cumulative basis, it is estimated that approximately 37.5% of the aggregate Allocated Tax Increment to the IFD from the Sub-Project Areas will be used for Authorized Set-Aside Uses.

G. Time Limits

The financing section must include the following time limits for each Sub-Project Area:

1. A date on which the effectiveness of the infrastructure financing plan and all tax increment allocations to the Sub-Project Area will end, not to exceed 45 years from the date the IFD actually received $100,000 in incremental tax revenues from the Sub-Project Area under the IFD Law;

2. A time limit on the IFD's authority to repay indebtedness with incremental tax revenues received in the Sub-Project Area under the IFD Law, not to exceed 45 years from the date the IFD actually received $100,000 in incremental tax revenues from the Sub-Project Area under the IFD Law;

For Sub-Project Areas I-1 through I-12, the following are the applicable time limits:

- Date on which the effectiveness of the infrastructure financing plan with respect to the Sub-Project Area and all tax increment allocations to the Sub-Project Area will end: ***for each Sub-Project Area, the final day of the 45th fiscal year after the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from such Sub-Project Area under the IFD Law.***

- Date after which the IFD may no longer repay indebtedness with incremental tax revenues received under the IFD Law from the Sub-Project Area: for each Sub-Project Area, ***the final day of the 45th fiscal year after the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from such Sub-Project Area under the IFD Law.***

Sub-Project Area I-13 (Mission Square) is anticipated to be developed with tax-exempt public facilities. Therefore, it is not anticipated to generate tax increment. However, the Developer may elect to build up to 700 subterranean spaces at Mission Square. Given this potential but not anticipated scenario, the applicable time limits for Sub-project Area I-13 are as follows:

- Date on which the effectiveness of the infrastructure financing plan with respect to Sub-Project Area I-13 and all tax increment allocations to Sub-Project Area I-13 will end: ***the final day of the 45th fiscal year after the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub-Project Area I-13 under the IFD Law or June 30, 2073, whichever occurs first.***

- Date after which the IFD may no longer repay indebtedness with incremental tax revenues received under the IFD Law from Sub-Project Area I-13: ***the final day of the 45th fiscal year after the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub-Project Area I-13 under the IFD Law or June 30, 2073, whichever occurs first.***

H. Description of Public Facilities

The IFD Law requires an infrastructure financing plan to contain the following information with respect to each of the Sub-Project Areas:

1. Public facilities to be provided by the private sector.

   In accordance with the terms of the DDA, the Developer and/or private vertical developers are obligated to provide the Project's public facilities identified in Exhibit I-1, excluding the Seawall and Port-wide sea level rise facilities to be built by the Port. The facilities will be partially initially funded by Developer capital, which will be repaid by IFD tax increment and CFD special taxes and/or bond proceeds supported by IFD tax increment and/or CFD special taxes.

2. Public facilities to be provided by governmental entities without assistance under the IFD Law.

   In addition to issuing bonds that may be payable from CFD special taxes and Allocated Tax Increment (as described in this Appendix), the Port intends to levy two or more special taxes and/or issue bonds secured by such special taxes on some or all of the Project through the CFD to fund improvements that will not be funded by the IFD ("CFD-only Financing").

3. Public facilities to be financed with assistance from the Sub-Project Areas.

   The Facilities that will be funded with Allocated Tax Increment from the Sub-Project Areas are listed in Exhibit I-1.

Exhibit I-1		
Facilities to be Funded by IFD	**Target Timing**	**Estimated Cost (2017 $)**
Entitlement Phase Costs related to Facilities	2012 – 2018	$25,000,000
Location: Phase 1 - Sub-Project Areas I-1, I-2, I-7, I-11		
Demo, Grading & Compaction, Building Pads, Piles	2018-2025	$6,070,000
Streets, Streetscape and Stone Columns	2021-2025	$31,380,000
Parks and Open Space	2021-2025	$14,010,000
Soft Costs and Contingency related to Facilities	2018-2025	$29,740,000
Subtotal – Phase 1	2018-2025	$81,200,000
Location: Phase 2 – Sub-Project Areas I-3, and I-4		
Demo, Grading & Compaction, Building Pads, Piles	2019-2025	$8,160,000
Streets, Streetscape and Stone Columns	2021-2025	$17,060,000
Parks and Open Space	2021-2025	$0
Soft Costs and Contingency	2019-2025	$14,580,000
Subtotal – Phase 2	2019-2025	$39,800,000
Location: Phase 3 - Sub-Project Areas I-5, I-6, and I-13		
Demo, Grading & Compaction, Building Pads, Piles	2019-2026	$640,000
Streets, Streetscape and Stone Columns	2022-2026	$5,700,000
Parks and Open Space	2022-2026	$7,260,000
Soft Costs and Contingency related to Facilities	2019-2026	$8,070,000
Subtotal – Phase 3	2019-2026	$21,670,000
Location: Phase 4 – Sub-Project Areas I-8, I-9, I-10, and I-12		
Demo, Grading & Compaction, Building Pads, Piles	2023-2029	$460,000
Streets, Streetscape and Stone Columns	2025-2029	$10,840,000
Parks and Open Space	2025-2029	$3,200,000
Soft Costs and Contingency related to Facilities	2023-2029	$8,820,000
Subtotal – Phase 4	2023-2029	$23,320,000
Estimated Cost, Facilities	**NA**	**$190,990,000**
Location: Historic Rehabilitation, Seawall, Sea Level Rise Portwide		
Pier 48 Sub- & Super-structure	2025-2029	$90,400,000
Seawall & Sea Level Rise, Port-wide	Throughout IFD Term	Not available

Pursuant to Attachment 2: "Guidelines for Establishment and Use of an Infrastructure Financing District (IFD) with Project Areas on Land under the Jurisdiction of the San Francisco Port Commission", which were adopted by the Board of Supervisors pursuant to Resolution No. 123-13 on April 23, 2013, excess tax increment not required to fund horizontal improvements in the Project Areas will be allocated to either (a) the City's General Fund, (b) funding improvements to the City's seawall, or (c) protecting the City against sea level rise, as allowed by State law. Accordingly, the Port plans to allocate any excess tax increment not required to fund the Phase 1-Phase 4 horizontal improvements listed in Exhibit I-1 to protecting the City against sea level rise.

4. Public facilities to be provided jointly by the private sector and governmental entities

   There are no public facilities that will be jointly provided by the private and governmental entities.

I. Projected Sources of Financing for the Public Facilities

The financing section must include the projected sources of financing for the Facilities, including debt to be repaid with Allocated Tax Increment, projected revenues from future leases, sales, or other transfers of any interest in land within the Sub-Project Areas and any other legally available sources of funds.

The financing plan is presented in Exhibit I-2. As shown, it is anticipated that the Facilities will be financed with a combination of Allocated Tax Increment from the Sub-Project Areas, used on a pay-go basis, CFD and/or IFD bond proceeds, capital to be advanced by the Developer (to be repaid by the IFD with Allocated Tax Increment from the Sub-Project Areas and/or CFD revenues), and advances of land proceeds (to be repaid by the IFD with Allocated Tax Increment and/or CFD revenues from the Sub-Project Areas). At this time, it is contemplated that CFD and/or IFD bonds will be issued. In the case of CFD bonds, Allocated Tax Increment may be used to pay debt service. In the case of IFD bonds, Allocated Tax Increment will be used to pay debt service. The type of bond to be issued will be determined based on market conditions approaching the time of issuance.

The Port intends to levy a "shoreline special tax" on all development in the Project to finance shoreline improvements. All of the Shoreline Special Taxes from Phase 1 are anticipated to be used to protect the Project site from sea level rise. Shoreline special taxes from subsequent phases will be used within the Port-wide IFD, including the Project site. Additionally, it is anticipated that the Port will advance capital to finance facilities (to be repaid by the IFD with Allocated Tax Increment and/or CFD revenues from the Sub-Project Areas). The Financing Plan allows Port advances in the form pre-paid ground lease revenue or other discretionary Port sources. Current project modeling only contemplates Port advances in the form of pre-paid ground lease revenue.

The amounts shown in Exhibit I-2 include the City Share of Tax Increment that will be allocated to the IFD from the Sub-Project Areas to pay for Facilities on a pay-go basis pursuant to Government Code Section 53395.2. A cash flow projection of annual sources and uses of funds is provided in Attachment 3. As described elsewhere in this Appendix, for each Sub-Project Area, the obligation of the IFD to use Allocated Tax Increment from each Sub-Project Area to pay for the Facilities under this Appendix constitutes a debt (as defined in the IFD Law) and shall be payable from Allocated Tax Increment from the applicable Sub-Project Area through the period ending on the final day of the 45th fiscal year after the fiscal

year in which the IFD actually receives $100,000 of Allocated Tax Increment from the applicable Sub-Project Area.

Exhibit I-2
Anticipated Sources and Uses of Funds Excluding Bond Debt Service

Anticipated Sources and Uses	Dollars (millions) 2017	Nominal Total
Project Sources		
Horizontal Sponsor Capital Contribution	$193.3	$217.6
Port's Advance of Land Proceeds	$63.1	$67.0
CFD		
Net Bond Proceeds	$61.2	$73.7
CFD Pay Go	$84.0	$257.2
Tax Increment		
Net IFD Bond Proceeds	$109.3	$143.2
IFD Pay Go	$186.7	$563.7
Total Sources	**$697.6**	**$1,322.4**
Project Uses		
Entitlement Costs	$25.0	$25.0
Hard and Soft IFD Facility Costs	$203.3	$300.6
Preferred Return to Horizontal Sponsor	$88.3	$111.4
Reimbursement of Horizontal Sponsor Capital	$180.0	$217.6
Repayment of Port's Advance of Land Proceeds	$71.9	$171.1
Seawall & Sea Level Rise, Port-Wide Improvements	$129.2	$496.7
Total Uses	**$697.6**	**$1,322.4**

**All Numbers are in millions of dollars*

This Appendix does not project the anticipated costs of administering the IFD, but the Port, as agent of the IFD, expects to pay the costs of administering the IFD with Allocated Tax Increment from the Sub-Project Areas.

J. Accounting Procedures

The IFD will maintain accounting procedures for each of the Sub-Project Areas in accordance, and otherwise comply, with Section 6306 of Public Resources Code for the term of this Appendix.

K. Cost and Revenue Analysis

The financing section must include an analysis of: (a) the costs to the City's General Fund for providing facilities and services to the Sub-Project Areas while they are being developed and

after they are developed and (b) the taxes, fees, charges, and other revenues expected to be received by the City's General Fund as a result of expected development in Project Area I.

1. Costs to the City's General Fund for providing facilities and services to the Sub-Project Areas, while they are being developed and after they are developed.

   Estimates of costs to the City's General Fund for providing facilities and services to the Sub-Project Areas, while they are being developed and after they are developed are detailed in Attachment 4: "Assessment of Fiscal Impacts to the City and County of San Francisco – Mission Rock – Port of San Francisco (Project Area I of Infrastructure Financing District No. 2)" and summarized in the following Exhibit I-3. As shown, upon build-out the annual cost to the City's General Fund to provide services to the thirteen Sub-Project Areas is estimated to be approximately $6.4 million (2017$). Service costs during the construction period are estimated to range from $2.6 million to $6.3 million (2017$). General Fund costs are comprised of marginal costs to the following departments: police, fire, community health, human welfare, recreation, general administration, and finance. The cost of maintaining and operating the Project's parks, plazas, open spaces, and public right of way will not be funded by the General Fund. These costs will be funded by a CFD services tax and/or other exactions on property owners.

Exhibit I-3: Annual Cost to City's General Fund

General Fund Expenditures	Low-Year Operating Costs during Construction FY 2021/22	High-Year Operating Costs during Construction FY 2025/26	Stabilized Year FY 2028/29
	$2017 millions	$2017 millions	$2017 millions
Total	$2.6	$6.3	$6.4

2. Taxes, fees, charges and other revenues expected to be received by the City's General Fund as a result of expected development in the Sub-Project Areas.

   Taxes, fees, charges and other revenues expected to be received by the City's General Fund as a result of expected development in the Sub-Project Areas are detailed in Attachment 4 and summarized in the following Exhibit I-4. As shown, upon stabilization, the Project is anticipated to generate annually $12.1 million (2017$) of new revenue to the City's General Fund.

   Under current City policies, approximately 20% of aggregate discretionary revenues (ADR) are transferred from the General Fund to the San Francisco Municipal Transportation Agency (SFMTA), Library Preservation and Children's Services Funds.

   As shown in Exhibit I-5, it is estimated that the Project will annually generate a net fiscal surplus to City's General Fund of $5.7 million per year (2017$), before ADR transfers

and $3.1 million after ADR transfers. The Project is anticipated to generate an annual fiscal surplus during each and every year, from construction through the anticipated termination of the IFD in FY 2072/73.

Exhibit I-4: Recurring General Fund Revenues, Before ADR Transfers		
General Fund Revenues	**Stabilized Year FY 2028/29**	
Recurring Revenues	**$2017 millions**	**$nominal millions**
Total	**$12.1**	**$16.8**

Exhibit I-5: Net General Fund Impact		
	Annual Impacts Upon Build-out / Stabilization (FY 2028/29)	
	$2017 millions	**$ nominal millions**
Impacts Before ADR Transfers		
Revenues	$12.1	$16.8
Expenditures	($6.4)	($8.8)
Net Surplus (Expense)	**$5.7**	**$8.0**
Impacts After ADR Transfers		
Revenues	$9.5	$13.1
Expenditures	($6.4)	($8.8)
Net Surplus (Expense)	**$3.1**	**$4.3**

Appendix I-1
Rider #1
Projection of Allocated Tax Increment, Sub-Project Area I-1
(Block A, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2021-22	$115,000
2	2022-23	$118,000
3	2023-24	$1,858,000
4	2024-25	$1,895,000
5	2025-26	$1,933,000
6	2026-27	$1,972,000
7	2027-28	$2,012,000
8	2028-29	$2,053,000
9	2029-30	$2,094,000
10	2030-31	$2,136,000
11	2031-32	$2,179,000
12	2032-33	$2,223,000
13	2033-34	$2,268,000
14	2034-35	$2,313,000
15	2035-36	$2,360,000
16	2036-37	$2,407,000
17	2037-38	$2,456,000
18	2038-39	$2,505,000
19	2039-40	$2,556,000
20	2040-41	$2,607,000
21	2041-42	$2,660,000
22	2042-43	$2,713,000
23	2043-44	$2,768,000
24	2044-45	$2,823,000
25	2045-46	$2,880,000
26	2046-47	$2,938,000
27	2047-48	$2,997,000
28	2048-49	$3,057,000
29	2049-50	$3,119,000
30	2050-51	$3,181,000
31	2051-52	$3,245,000
32	2052-53	$3,310,000
33	2053-54	$3,377,000
34	2054-55	$3,445,000
35	2055-56	$3,514,000
36	2056-57	$3,585,000
37	2057-58	$3,657,000
38	2058-59	$3,730,000
39	2059-60	$3,805,000
40	2060-61	$3,881,000
41	2061-62	$3,959,000
42	2062-63	$4,039,000
43	2063-64	$4,120,000
44	2064-65	$4,202,000
45	2065-66	$4,287,000
	Nominal TOTAL	$125,000,000
	2017 (3% discount)	$55,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-1 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-1 under the IFD Law.

Appendix I-2
Rider #2
Projection of Allocated Tax Increment, Sub-Project Area I-2
(Block B, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2021-22	$116,000
2	2022-23	$118,000
3	2023-24	$1,184,000
4	2024-25	$1,208,000
5	2025-26	$1,232,000
6	2026-27	$1,257,000
7	2027-28	$1,282,000
8	2028-29	$1,308,000
9	2029-30	$1,335,000
10	2030-31	$1,361,000
11	2031-32	$1,389,000
12	2032-33	$1,417,000
13	2033-34	$1,445,000
14	2034-35	$1,474,000
15	2035-36	$1,504,000
16	2036-37	$1,534,000
17	2037-38	$1,565,000
18	2038-39	$1,597,000
19	2039-40	$1,629,000
20	2040-41	$1,662,000
21	2041-42	$1,695,000
22	2042-43	$1,729,000
23	2043-44	$1,764,000
24	2044-45	$1,799,000
25	2045-46	$1,836,000
26	2046-47	$1,873,000
27	2047-48	$1,910,000
28	2048-49	$1,949,000
29	2049-50	$1,988,000
30	2050-51	$2,028,000
31	2051-52	$2,069,000
32	2052-53	$2,110,000
33	2053-54	$2,152,000
34	2054-55	$2,196,000
35	2055-56	$2,240,000
36	2056-57	$2,285,000
37	2057-58	$2,331,000
38	2058-59	$2,378,000
39	2059-60	$2,425,000
40	2060-61	$2,474,000
41	2061-62	$2,524,000
42	2062-63	$2,574,000
43	2063-64	$2,626,000
44	2064-65	$2,679,000
45	2065-66	$2,732,000
	Nominal TOTAL	$80,000,000
	2017 (3% discount)	$35,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-2 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-2 under the IFD Law.

Appendix I-3
Rider #3
Projection of Allocated Tax Increment, Sub-Project Area I-3
(Block C, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2023-24	$161,000
2	2024-25	$164,000
3	2025-26	$1,631,000
4	2026-27	$1,664,000
5	2027-28	$1,697,000
6	2028-29	$1,731,000
7	2029-30	$1,766,000
8	2030-31	$1,802,000
9	2031-32	$1,838,000
10	2032-33	$1,875,000
11	2033-34	$1,913,000
12	2034-35	$1,951,000
13	2035-36	$1,991,000
14	2036-37	$2,031,000
15	2037-38	$2,072,000
16	2038-39	$2,113,000
17	2039-40	$2,156,000
18	2040-41	$2,199,000
19	2041-42	$2,243,000
20	2042-43	$2,289,000
21	2043-44	$2,335,000
22	2044-45	$2,382,000
23	2045-46	$2,429,000
24	2046-47	$2,478,000
25	2047-48	$2,528,000
26	2048-49	$2,579,000
27	2049-50	$2,631,000
28	2050-51	$2,684,000
29	2051-52	$2,737,000
30	2052-53	$2,792,000
31	2053-54	$2,849,000
32	2054-55	$2,906,000
33	2055-56	$2,964,000
34	2056-57	$3,024,000
35	2057-58	$3,084,000
36	2058-59	$3,146,000
37	2059-60	$3,210,000
38	2060-61	$3,274,000
39	2061-62	$3,340,000
40	2062-63	$3,407,000
41	2063-64	$3,475,000
42	2064-65	$3,545,000
43	2065-66	$3,616,000
44	2066-67	$3,689,000
45	2067-68	$3,763,000
	Nominal TOTAL	$110,000,000
	2017 (3% discount)	$46,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-3 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-3 under the IFD Law.

Appendix I-4
Rider #4
Projection of Allocated Tax Increment, Sub-Project Area I-4
(Block D, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2025-26	$3,513,000
2	2026-27	$3,583,000
3	2027-28	$3,655,000
4	2028-29	$3,728,000
5	2029-30	$3,803,000
6	2030-31	$3,879,000
7	2031-32	$3,957,000
8	2032-33	$4,036,000
9	2033-34	$4,117,000
10	2034-35	$4,200,000
11	2035-36	$4,284,000
12	2036-37	$4,370,000
13	2037-38	$4,457,000
14	2038-39	$4,547,000
15	2039-40	$4,638,000
16	2040-41	$4,731,000
17	2041-42	$4,825,000
18	2042-43	$4,922,000
19	2043-44	$5,021,000
20	2044-45	$5,121,000
21	2045-46	$5,224,000
22	2046-47	$5,329,000
23	2047-48	$5,435,000
24	2048-49	$5,544,000
25	2049-50	$5,655,000
26	2050-51	$5,769,000
27	2051-52	$5,884,000
28	2052-53	$6,002,000
29	2053-54	$6,122,000
30	2054-55	$6,245,000
31	2055-56	$6,370,000
32	2056-57	$6,497,000
33	2057-58	$6,628,000
34	2058-59	$6,760,000
35	2059-60	$6,896,000
36	2060-61	$7,034,000
37	2061-62	$7,175,000
38	2062-63	$7,318,000
39	2063-64	$7,465,000
40	2064-65	$7,614,000
41	2065-66	$7,767,000
42	2066-67	$7,922,000
43	2067-68	$8,081,000
44	2068-69	$8,243,000
45	2069-70	$8,408,000
	Nominal TOTAL	$253,000,000
	2017 (3% discount)	$102,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-4 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-4 under the IFD Law.

Appendix I-5
Rider #5
Projection of Allocated Tax Increment, Sub-Project Area I-5
(Block E, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2025-26	$647,000
2	2026-27	$660,000
3	2027-28	$673,000
4	2028-29	$687,000
5	2029-30	$700,000
6	2030-31	$715,000
7	2031-32	$729,000
8	2032-33	$744,000
9	2033-34	$759,000
10	2034-35	$774,000
11	2035-36	$789,000
12	2036-37	$805,000
13	2037-38	$822,000
14	2038-39	$838,000
15	2039-40	$855,000
16	2040-41	$872,000
17	2041-42	$890,000
18	2042-43	$908,000
19	2043-44	$926,000
20	2044-45	$944,000
21	2045-46	$963,000
22	2046-47	$983,000
23	2047-48	$1,003,000
24	2048-49	$1,023,000
25	2049-50	$1,043,000
26	2050-51	$1,064,000
27	2051-52	$1,086,000
28	2052-53	$1,107,000
29	2053-54	$1,130,000
30	2054-55	$1,152,000
31	2055-56	$1,176,000
32	2056-57	$1,199,000
33	2057-58	$1,223,000
34	2058-59	$1,248,000
35	2059-60	$1,273,000
36	2060-61	$1,298,000
37	2061-62	$1,324,000
38	2062-63	$1,351,000
39	2063-64	$1,378,000
40	2064-65	$1,406,000
41	2065-66	$1,434,000
42	2066-67	$1,463,000
43	2067-68	$1,492,000
44	2068-69	$1,522,000
45	2069-70	$1,553,000
	Nominal TOTAL	$47,000,000
	2017 (3% discount)	$19,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-5 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-5 under the IFD Law.

Appendix I-6
Rider #6
Projection of Allocated Tax Increment, Sub-Project Area I-6
(Block F, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2024-25	$100,000
2	2025-26	$102,000
3	2026-27	$1,603,000
4	2027-28	$1,636,000
5	2028-29	$1,669,000
6	2029-30	$1,702,000
7	2030-31	$1,737,000
8	2031-32	$1,772,000
9	2032-33	$1,807,000
10	2033-34	$1,844,000
11	2034-35	$1,881,000
12	2035-36	$1,919,000
13	2036-37	$1,957,000
14	2037-38	$1,997,000
15	2038-39	$2,037,000
16	2039-40	$2,078,000
17	2040-41	$2,119,000
18	2041-42	$2,162,000
19	2042-43	$2,205,000
20	2043-44	$2,250,000
21	2044-45	$2,295,000
22	2045-46	$2,341,000
23	2046-47	$2,388,000
24	2047-48	$2,436,000
25	2048-49	$2,485,000
26	2049-50	$2,535,000
27	2050-51	$2,586,000
28	2051-52	$2,638,000
29	2052-53	$2,691,000
30	2053-54	$2,745,000
31	2054-55	$2,800,000
32	2055-56	$2,856,000
33	2056-57	$2,914,000
34	2057-58	$2,972,000
35	2058-59	$3,032,000
36	2059-60	$3,093,000
37	2060-61	$3,155,000
38	2061-62	$3,218,000
39	2062-63	$3,283,000
40	2063-64	$3,349,000
41	2064-65	$3,416,000
42	2065-66	$3,484,000
43	2066-67	$3,554,000
44	2067-68	$3,626,000
45	2068-69	$3,698,000
	Nominal TOTAL	$108,000,000
	2017 (3% discount)	$44,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-6 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-6 under the IFD Law.

Appendix I-7
Rider #7
Projection of Allocated Tax Increment, Sub-Project Area I-7
(Block G, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2021-22	$129,000
2	2022-23	$132,000
3	2023-24	$1,314,000
4	2024-25	$1,340,000
5	2025-26	$1,367,000
6	2026-27	$1,395,000
7	2027-28	$1,423,000
8	2028-29	$1,452,000
9	2029-30	$1,481,000
10	2030-31	$1,511,000
11	2031-32	$1,541,000
12	2032-33	$1,572,000
13	2033-34	$1,604,000
14	2034-35	$1,636,000
15	2035-36	$1,669,000
16	2036-37	$1,703,000
17	2037-38	$1,737,000
18	2038-39	$1,772,000
19	2039-40	$1,808,000
20	2040-41	$1,844,000
21	2041-42	$1,881,000
22	2042-43	$1,919,000
23	2043-44	$1,958,000
24	2044-45	$1,997,000
25	2045-46	$2,037,000
26	2046-47	$2,078,000
27	2047-48	$2,120,000
28	2048-49	$2,163,000
29	2049-50	$2,206,000
30	2050-51	$2,250,000
31	2051-52	$2,296,000
32	2052-53	$2,342,000
33	2053-54	$2,389,000
34	2054-55	$2,437,000
35	2055-56	$2,486,000
36	2056-57	$2,536,000
37	2057-58	$2,587,000
38	2058-59	$2,639,000
39	2059-60	$2,692,000
40	2060-61	$2,746,000
41	2061-62	$2,801,000
42	2062-63	$2,857,000
43	2063-64	$2,914,000
44	2064-65	$2,973,000
45	2065-66	$3,032,000
	Nominal TOTAL	$89,000,000
	2017 (3% discount)	$39,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-7 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-7 under the IFD Law.

Appendix I-8
Rider #8
Projection of Allocated Tax Increment, Sub-Project Area I-8
(Block H, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2026-27	$713,000
2	2027-28	$727,000
3	2028-29	$742,000
4	2029-30	$757,000
5	2030-31	$772,000
6	2031-32	$787,000
7	2032-33	$803,000
8	2033-34	$819,000
9	2034-35	$836,000
10	2035-36	$853,000
11	2036-37	$870,000
12	2037-38	$887,000
13	2038-39	$905,000
14	2039-40	$923,000
15	2040-41	$942,000
16	2041-42	$961,000
17	2042-43	$980,000
18	2043-44	$1,000,000
19	2044-45	$1,020,000
20	2045-46	$1,041,000
21	2046-47	$1,062,000
22	2047-48	$1,083,000
23	2048-49	$1,105,000
24	2049-50	$1,127,000
25	2050-51	$1,150,000
26	2051-52	$1,173,000
27	2052-53	$1,196,000
28	2053-54	$1,220,000
29	2054-55	$1,245,000
30	2055-56	$1,270,000
31	2056-57	$1,295,000
32	2057-58	$1,321,000
33	2058-59	$1,348,000
34	2059-60	$1,375,000
35	2060-61	$1,403,000
36	2061-62	$1,431,000
37	2062-63	$1,459,000
38	2063-64	$1,489,000
39	2064-65	$1,519,000
40	2065-66	$1,549,000
41	2066-67	$1,580,000
42	2067-68	$1,612,000
43	2068-69	$1,644,000
44	2069-70	$1,677,000
45	2070-71	$1,711,000
	Nominal TOTAL	$51,000,000
	2017 (3% discount)	$20,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-8 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-8 under the IFD Law.

Appendix I-9
Rider #9
Projection of Allocated Tax Increment, Sub-Project Area I-9
(Block I, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2027-28	$1,004,000
2	2028-29	$1,024,000
3	2029-30	$1,045,000
4	2030-31	$1,066,000
5	2031-32	$1,087,000
6	2032-33	$1,109,000
7	2033-34	$1,131,000
8	2034-35	$1,154,000
9	2035-36	$1,177,000
10	2036-37	$1,201,000
11	2037-38	$1,225,000
12	2038-39	$1,250,000
13	2039-40	$1,275,000
14	2040-41	$1,301,000
15	2041-42	$1,327,000
16	2042-43	$1,354,000
17	2043-44	$1,381,000
18	2044-45	$1,409,000
19	2045-46	$1,437,000
20	2046-47	$1,466,000
21	2047-48	$1,495,000
22	2048-49	$1,525,000
23	2049-50	$1,556,000
24	2050-51	$1,587,000
25	2051-52	$1,619,000
26	2052-53	$1,652,000
27	2053-54	$1,685,000
28	2054-55	$1,719,000
29	2055-56	$1,753,000
30	2056-57	$1,788,000
31	2057-58	$1,824,000
32	2058-59	$1,861,000
33	2059-60	$1,898,000
34	2060-61	$1,936,000
35	2061-62	$1,975,000
36	2062-63	$2,015,000
37	2063-64	$2,055,000
38	2064-65	$2,097,000
39	2065-66	$2,139,000
40	2066-67	$2,182,000
41	2067-68	$2,225,000
42	2068-69	$2,270,000
43	2069-70	$2,315,000
44	2070-71	$2,362,000
45	2071-72	$2,409,000
	Nominal TOTAL	$72,000,000
	2017 (3% discount)	$27,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-9 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-9 under the IFD Law.

Appendix I-10
Rider #10
Projection of Allocated Tax Increment, Sub-Project Area I-10
(Block J, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2027-28	$734,000
2	2028-29	$749,000
3	2029-30	$764,000
4	2030-31	$779,000
5	2031-32	$795,000
6	2032-33	$811,000
7	2033-34	$828,000
8	2034-35	$844,000
9	2035-36	$861,000
10	2036-37	$879,000
11	2037-38	$896,000
12	2038-39	$914,000
13	2039-40	$933,000
14	2040-41	$951,000
15	2041-42	$971,000
16	2042-43	$990,000
17	2043-44	$1,010,000
18	2044-45	$1,030,000
19	2045-46	$1,051,000
20	2046-47	$1,072,000
21	2047-48	$1,094,000
22	2048-49	$1,116,000
23	2049-50	$1,138,000
24	2050-51	$1,161,000
25	2051-52	$1,184,000
26	2052-53	$1,208,000
27	2053-54	$1,232,000
28	2054-55	$1,257,000
29	2055-56	$1,282,000
30	2056-57	$1,308,000
31	2057-58	$1,334,000
32	2058-59	$1,361,000
33	2059-60	$1,388,000
34	2060-61	$1,416,000
35	2061-62	$1,445,000
36	2062-63	$1,474,000
37	2063-64	$1,503,000
38	2064-65	$1,533,000
39	2065-66	$1,564,000
40	2066-67	$1,596,000
41	2067-68	$1,628,000
42	2068-69	$1,660,000
43	2069-70	$1,694,000
44	2070-71	$1,728,000
45	2071-72	$1,762,000
	Nominal TOTAL	$53,000,000
	2017 (3% discount)	$20,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-10 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-10 under the IFD Law.

Appendix I-11
Rider #11
Projection of Allocated Tax Increment, Sub-Project Area I-11
(Block K, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2023-24	$586,000
2	2024-25	$598,000
3	2025-26	$610,000
4	2026-27	$623,000
5	2027-28	$635,000
6	2028-29	$648,000
7	2029-30	$661,000
8	2030-31	$674,000
9	2031-32	$688,000
10	2032-33	$702,000
11	2033-34	$716,000
12	2034-35	$730,000
13	2035-36	$745,000
14	2036-37	$760,000
15	2037-38	$775,000
16	2038-39	$791,000
17	2039-40	$807,000
18	2040-41	$823,000
19	2041-42	$839,000
20	2042-43	$856,000
21	2043-44	$874,000
22	2044-45	$891,000
23	2045-46	$909,000
24	2046-47	$927,000
25	2047-48	$946,000
26	2048-49	$965,000
27	2049-50	$984,000
28	2050-51	$1,004,000
29	2051-52	$1,024,000
30	2052-53	$1,045,000
31	2053-54	$1,066,000
32	2054-55	$1,087,000
33	2055-56	$1,109,000
34	2056-57	$1,131,000
35	2057-58	$1,154,000
36	2058-59	$1,177,000
37	2059-60	$1,201,000
38	2060-61	$1,225,000
39	2061-62	$1,250,000
40	2062-63	$1,275,000
41	2063-64	$1,300,000
42	2064-65	$1,326,000
43	2065-66	$1,353,000
44	2066-67	$1,380,000
45	2067-68	$1,408,000
	Nominal TOTAL	$42,000,000
	2017 (3% discount)	$18,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-11 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-11 under the IFD Law.

Appendix I-12
Rider #12
Projection of Allocated Tax Increment, Sub-Project Area I-12
(Block Pier 48, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2028-29	$792,000
2	2029-30	$808,000
3	2030-31	$825,000
4	2031-32	$841,000
5	2032-33	$858,000
6	2033-34	$876,000
7	2034-35	$893,000
8	2035-36	$911,000
9	2036-37	$930,000
10	2037-38	$948,000
11	2038-39	$968,000
12	2039-40	$987,000
13	2040-41	$1,007,000
14	2041-42	$1,027,000
15	2042-43	$1,048,000
16	2043-44	$1,069,000
17	2044-45	$1,091,000
18	2045-46	$1,113,000
19	2046-47	$1,135,000
20	2047-48	$1,158,000
21	2048-49	$1,181,000
22	2049-50	$1,205,000
23	2050-51	$1,229,000
24	2051-52	$1,254,000
25	2052-53	$1,279,000
26	2053-54	$1,305,000
27	2054-55	$1,331,000
28	2055-56	$1,358,000
29	2056-57	$1,385,000
30	2057-58	$1,413,000
31	2058-59	$1,441,000
32	2059-60	$1,470,000
33	2060-61	$1,500,000
34	2061-62	$1,530,000
35	2062-63	$1,561,000
36	2063-64	$1,592,000
37	2064-65	$1,624,000
38	2065-66	$1,657,000
39	2066-67	$1,690,000
40	2067-68	$1,724,000
41	2068-69	$1,759,000
42	2069-70	$1,794,000
43	2070-71	$1,830,000
44	2071-72	$1,867,000
45	2072-73	$1,904,000
	Nominal TOTAL	$57,000,000
	2017 (3% discount)	$21,000,000

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-12 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-12 under the IFD Law.

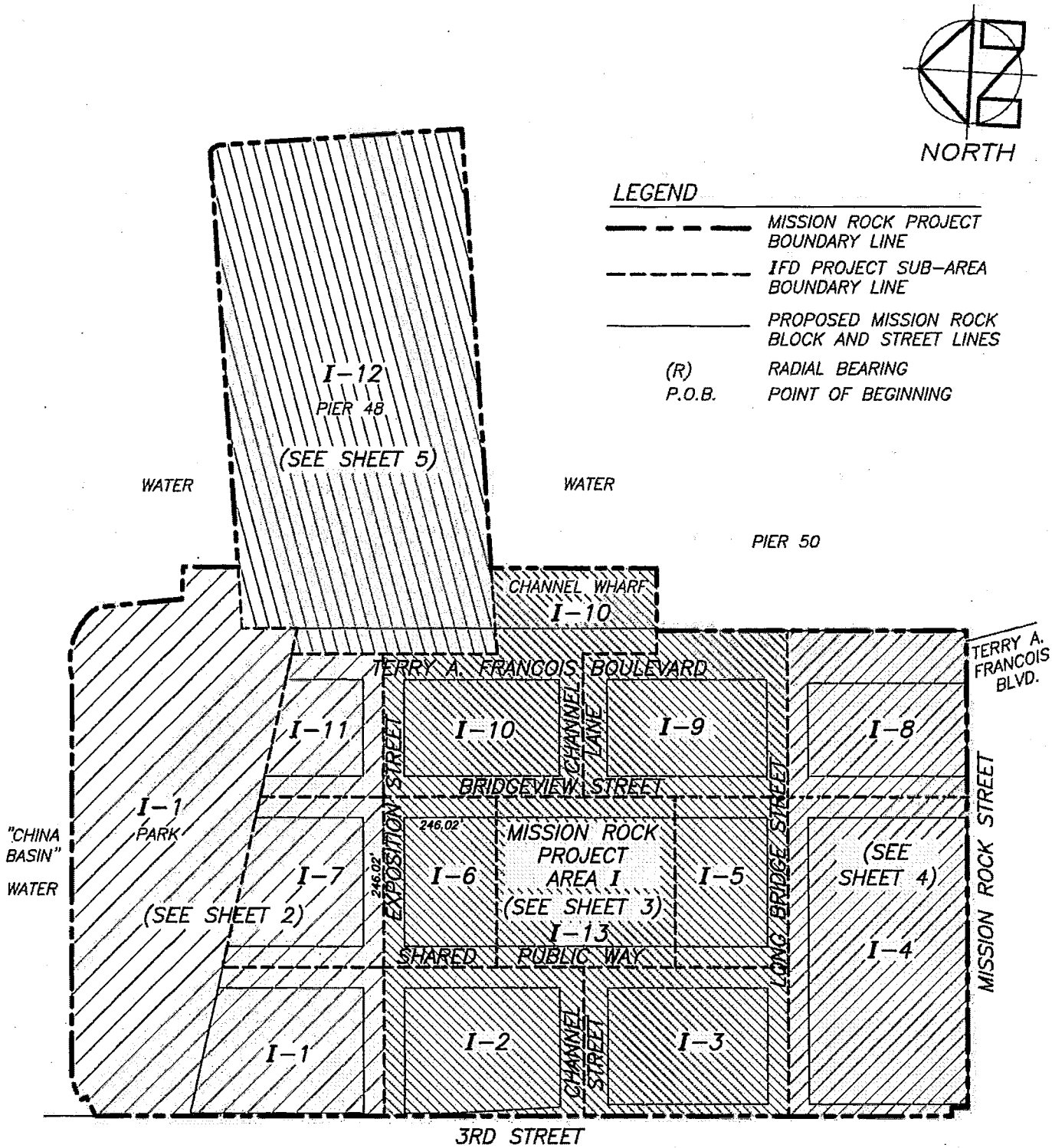
Appendix I-13
Rider #13
Projection of Allocated Tax Increment, Sub-Project Area I-13
(Block Mission Square, Mission Rock – SWL 337 & Pier 48)

	Fiscal Year	Total Taxes Allocated to IFD
	2017-18	$0
1*	2028-29	$0
2	2029-30	$0
3	2030-31	$0
4	2031-32	$0
5	2032-33	$0
6	2033-34	$0
7	2034-35	$0
8	2035-36	$0
9	2036-37	$0
10	2037-38	$0
11	2038-39	$0
12	2039-40	$0
13	2040-41	$0
14	2041-42	$0
15	2042-43	$0
16	2043-44	$0
17	2044-45	$0
18	2045-46	$0
19	2046-47	$0
20	2047-48	$0
21	2048-49	$0
22	2049-50	$0
23	2050-51	$0
24	2051-52	$0
25	2052-53	$0
26	2053-54	$0
27	2054-55	$0
28	2055-56	$0
29	2056-57	$0
30	2057-58	$0
31	2058-59	$0
32	2059-60	$0
33	2060-61	$0
34	2061-62	$0
35	2062-63	$0
36	2063-64	$0
37	2064-65	$0
38	2065-66	$0
39	2066-67	$0
40	2067-68	$0
41	2068-69	$0
42	2069-70	$0
43	2070-71	$0
44	2071-72	$0
45	2072-73	$0
	Nominal TOTAL	$0
	2017 (3% discount)	$0

*For purposes of illustration only. The actual commencement date for Allocated Tax Increment in Sub-Project Area I-13 will be the fiscal year in which the IFD actually receives $100,000 of Allocated Tax Increment from Sub Project Area I-13 under the IFD Law.

Attachment 1:

Infrastructure Financing District Sub-Project Area Boundary Maps and Legal Descriptions



INFRASTRUCTURE FINANCING DISTRICT I (MISSION ROCK-PORT OF SAN FRANCISCO)

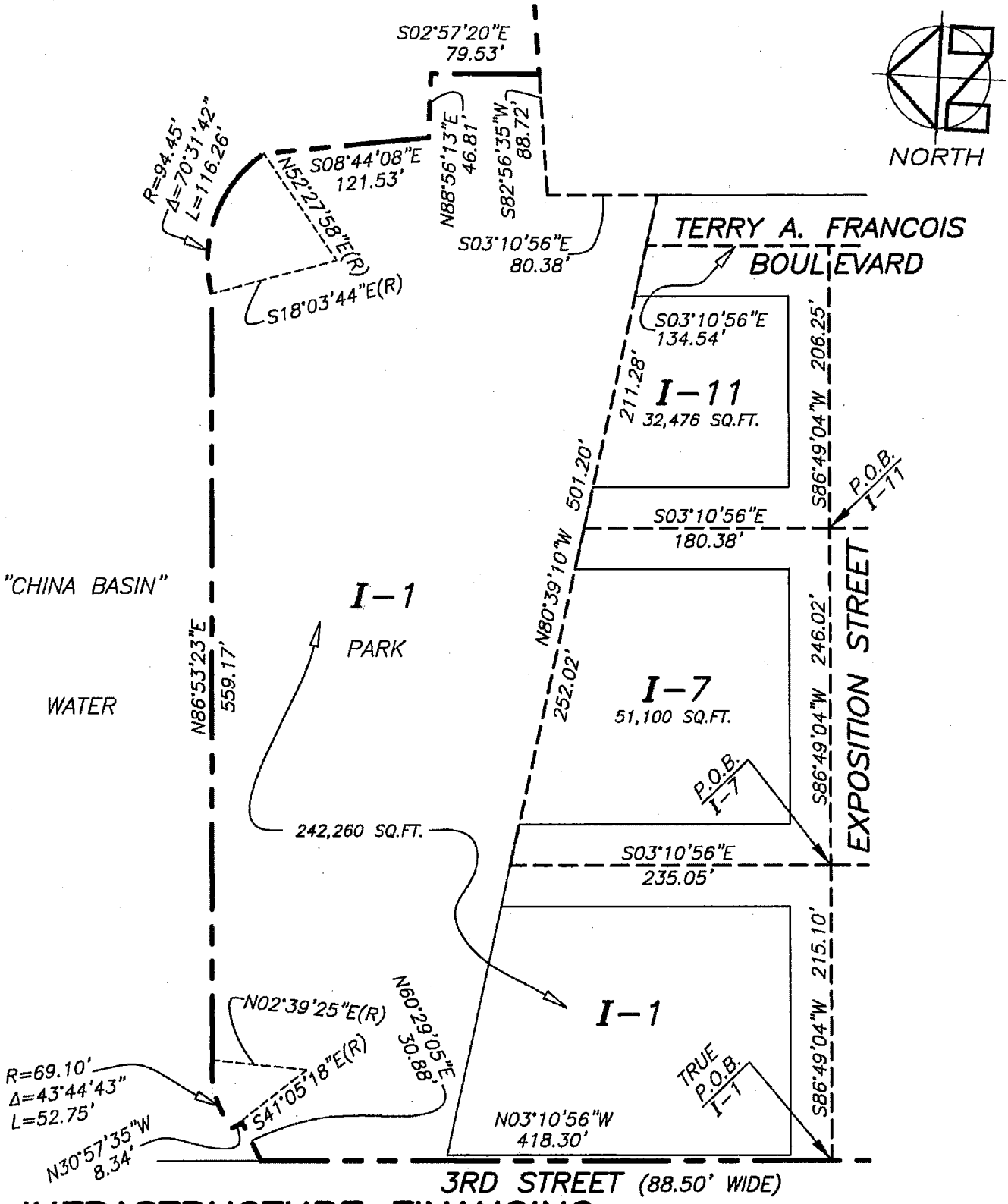
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP	CHKD. BR	DATE 11-3-17	SCALE NONE	SHEET 1 OF 5	JOB NO. S-9229

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

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

S-9229 LEGAL DESCRIPTION PLATS OF IFD I AREAS.dwg



INFRASTRUCTURE FINANCING DISTRICT I (MISSION ROCK–PORT OF SAN FRANCISCO)

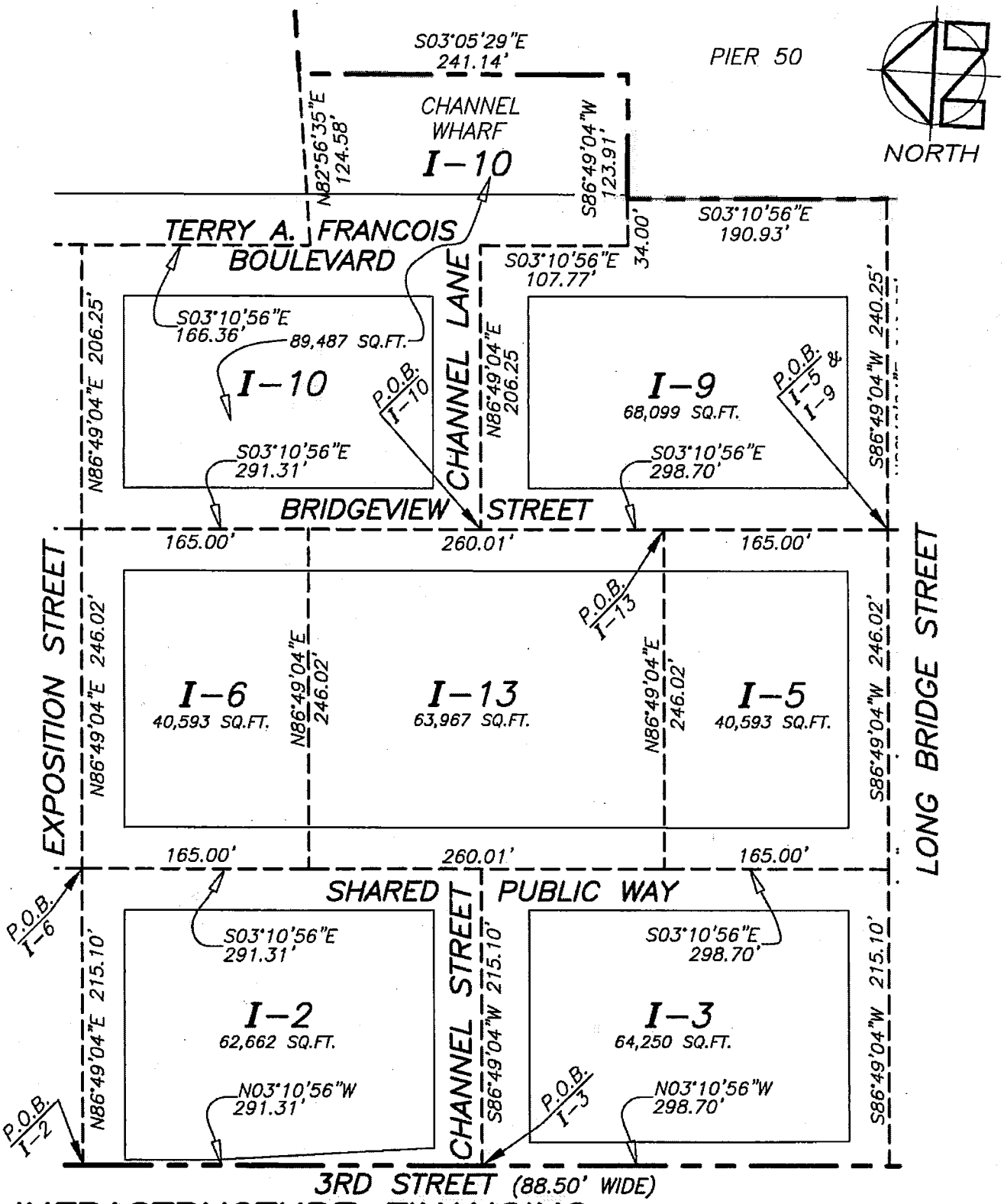
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP	CHKD. BR	DATE 11-3-17	SCALE 1"=100'	SHEET 2 OF 5	JOB NO. S-9229

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

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

S-9229 LEGAL DESCRIPTION
PLATS OF IFD I AREAS.dwg



INFRASTRUCTURE FINANCING DISTRICT I (MISSION ROCK–PORT OF SAN FRANCISCO)

CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP	CHKD. BR	DATE 11-3-17	SCALE 1"=100'	SHEET 3 OF 5	JOB NO. S-9229

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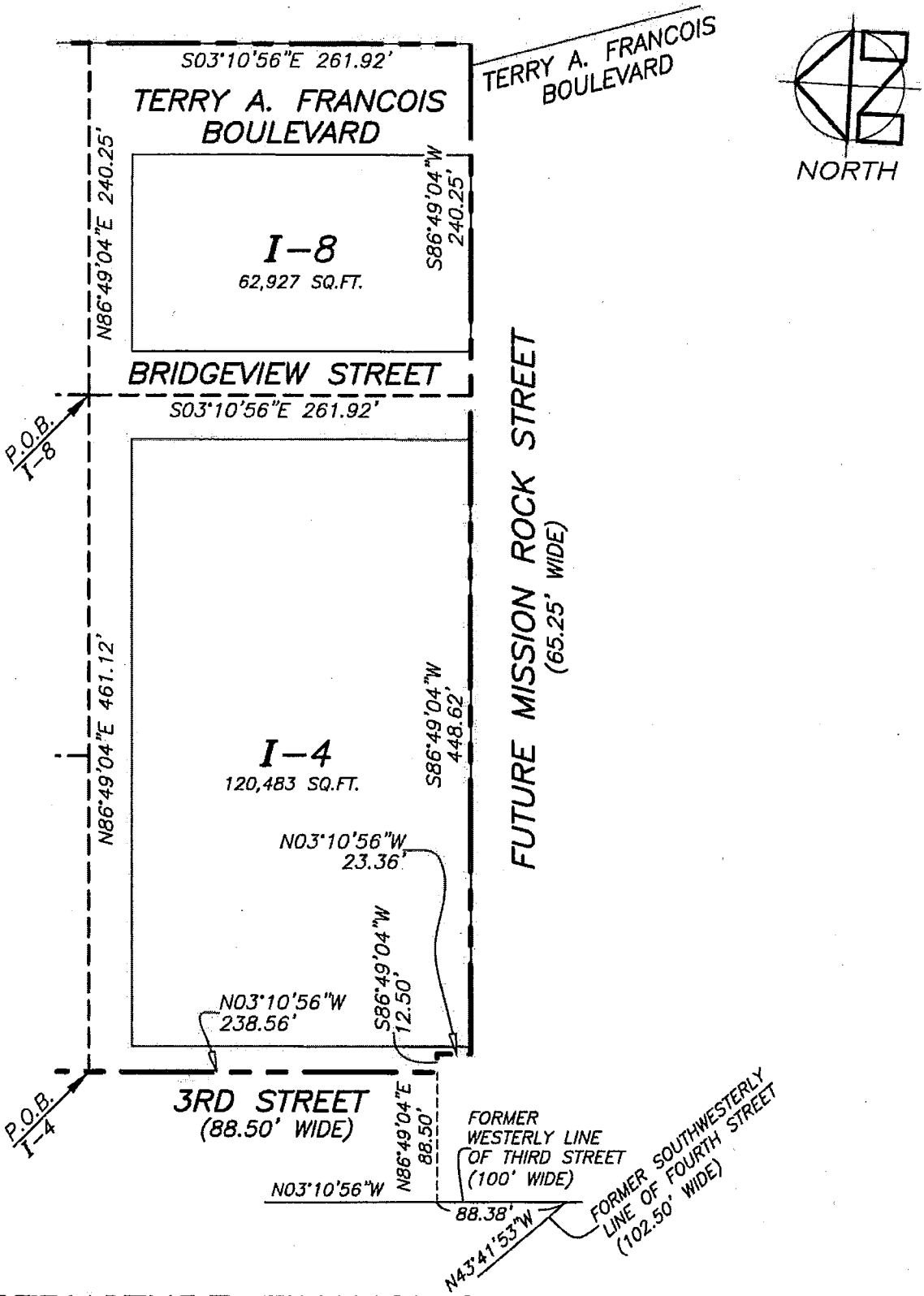

INFRASTRUCTURE FINANCING DISTRICT I (MISSION ROCK–PORT OF SAN FRANCISCO)

CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP	CHKD. BR	DATE 11–3–17	SCALE 1"=100'	SHEET 4 OF 5	JOB NO. S–9229

MARTIN M. RON ASSOCIATES, INC.
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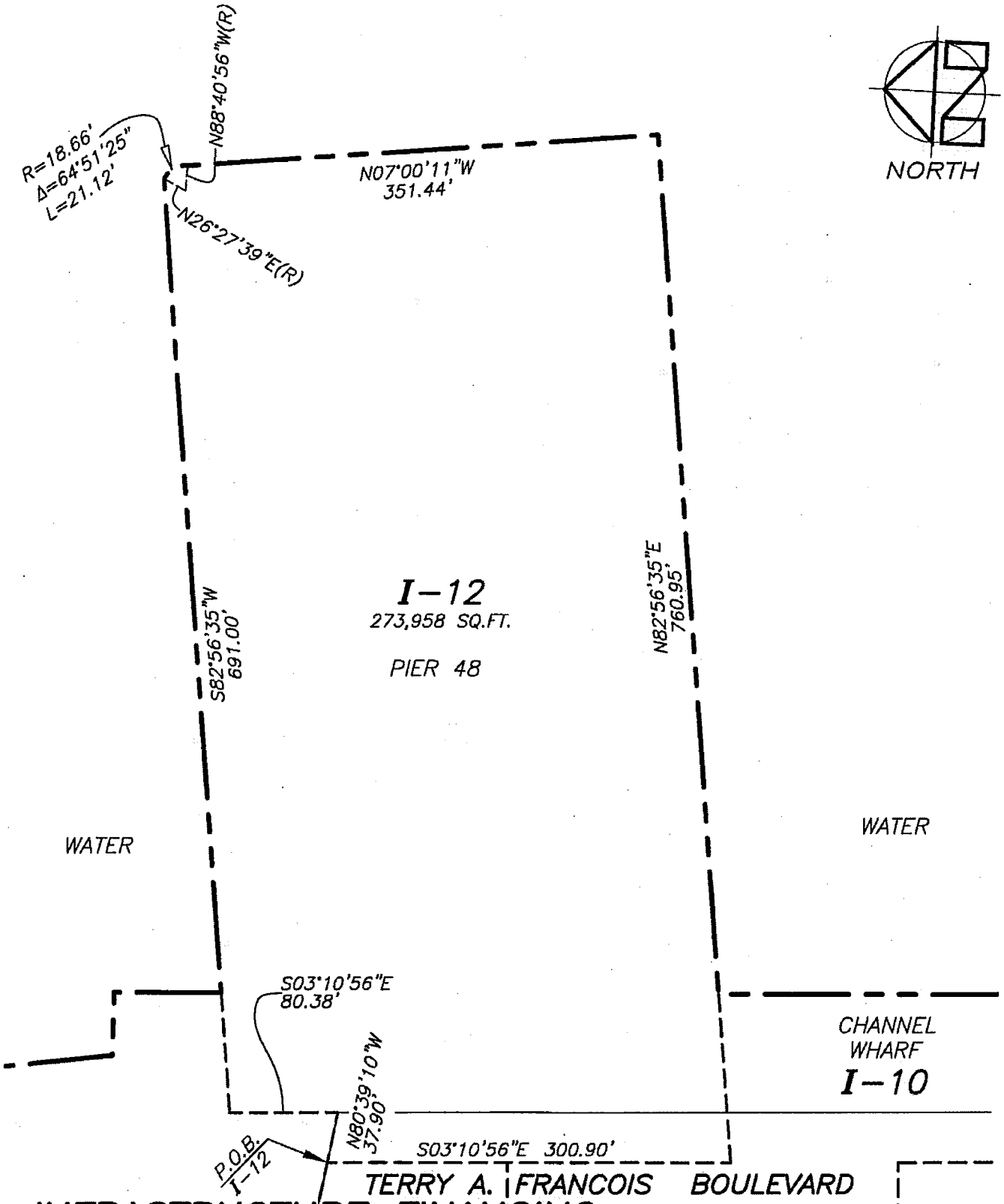

INFRASTRUCTURE FINANCING DISTRICT I (MISSION ROCK–PORT OF SAN FRANCISCO)

CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP	CHKD. BR	DATE 11-3-17	SCALE 1"=100'	SHEET 5 OF 5	JOB NO. S-9229

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

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

S-9229 LEGAL DESCRIPTION
PLATS OF IFD I AREAS.dwg

LEGAL DESCRIPTION

"INFRASTRUCTURE FINANCING DISTRICT I"

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

PARCEL I-1

COMMENCING AT THE POINT OF INTERSECTION OF THE FORMER WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE) WITH THE FORMER SOUTHWESTERLY LINE OF FOURTH STREET (102.50 FEET WIDE), AS SAID STREET LINES ARE SHOWN ON THAT CERTAIN MAP ENTITLED "AMENDED RECORD OF SURVEY MAP OF MISSION BAY" RECORDED JUNE 3, 1999, IN BOOK "Z" OF MAPS AT PAGES 74-94 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO; THENCE ALONG THE PROLONGATION OF SAID LINE OF THIRD STREET N03°10'56"W 88.38 FEET; THENCE N86°49'04"E 88.50 FEET TO AN ANGLE POINT IN THE CURRENT EASTERLY LINE OF THIRD STREET (88.50 FEET WIDE); THENCE ALONG SAID EASTERLY LINE OF THIRD STREET N03°10'56"W 828.57 FEET TO THE TRUE POINT OF BEGINNING; THENCE N03°10'56"W 418.30 FEET; THENCE N60°29'05"E 30.88 FEET; THENCE N30°57'35"W 8.34 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST WHOSE RADIUS POINT BEARS S41°05'18"E 69.10 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43°44'43", AN ARC LENGTH OF 52.75 FEET; THENCE N86°53'23"E 559.17 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST WHOSE RADIUS POINT BEARS S18°03'44"E 94.45 FEET; THENCE EASTERLY AND SOUTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 70°31'42", AN ARC LENGTH OF 116.26 FEET; THENCE S08°44'08"E 121.53 FEET; THENCE N88°56'13"E 46.81 FEET; THENCE S02°57'20"E 79.53 FEET; THENCE S82°56'35"W 88.72 FEET; THENCE S03°10'56"E 80.38 FEET; THENCE N80°39'10"W 501.20 FEET; THENCE S03°10'56"E 235.05 FEET; THENCE S86°49'04"W 251.10 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 242,260 SQ. FT. MORE OR LESS.

PARCEL I-2

BEGINNING AT THE SOUTHWEST CORNER OF PARCEL I-1, AS SAID PARCEL IS DESCRIBED HEREINABOVE, SAID POINT OF BEGINNING BEING ON THE EASTERLY LINE OF THIRD STREET (88.50 FEET WIDE); THENCE N86°49'04"E 215.10 FEET; THENCE S03°10'56"E 291.31 FEET; THENCE S86°49'04"W 215.10 FEET TO SAID EASTERLY LINE OF THIRD STREET; THENCE ALONG SAID EASTERLY LINE, N03°10'56"W 291.31 FEET TO THE POINT OF BEGINNING.

CONTAINING 62,662 SQ. FT. MORE OR LESS..

PARCEL I-3

BEGINNING AT THE SOUTHWEST CORNER OF PARCEL I-2, AS SAID PARCEL IS DESCRIBED HEREINABOVE, SAID POINT OF BEGINNING BEING ON THE EASTERLY LINE OF THIRD STREET (88.50 FEET WIDE); THENCE N86°49'04"E 215.10 FEET; THENCE S03°10'56"E 298.70 FEET; THENCE S86°49'04"W 215.10 FEET TO SAID EASTERLY LINE OF THIRD STREET; THENCE ALONG SAID EASTERLY LINE, N03°10'56"W 298.70 FEET TO THE POINT OF BEGINNING.

CONTAINING 64,250 SQ. FT. MORE OR LESS.

PARCEL I-4

BEGINNING AT THE SOUTHWEST CORNER OF PARCEL I-3, AS SAID PARCEL IS DESCRIBED HEREINABOVE, SAID POINT OF BEGINNING BEING ON THE EASTERLY LINE OF THIRD STREET (88.50 FEET WIDE); THENCE N86°49'04"E 461.12 FEET; THENCE S03°10'56"E 261.92 FEET TO THE FUTURE NORTHERLY LINE OF MISSION ROCK STREET (65.25 FEET WIDE); THENCE ALONG SAID NORTHERLY LINE S86°49'04"W 448.62 FEET TO THE EASTERLY LINE OF THIRD STREET; THENCE ALONG SAID EASTERLY LINE, N03°10'56"W 23.36 FEET TO AN ANGLE POINT THEREIN; THENCE ALONG SAID EASTERLY LINE OF THIRD STREET S86°49'04"W 12.50 FEET TO AN ANGLE POINT THEREIN; THENCE ALONG SAID EASTERLY LINE OF THIRD STREET (88.50 FEET WIDE) N03°10'56"W 238.56 FEET TO THE POINT OF BEGINNING.

CONTAINING 120,483 SQ. FT. MORE OR LESS.

PARCEL I-5

BEGINNING AT THE NORTHEAST CORNER OF PARCEL I-4, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE S86°49'04"W 246.02 FEET; THENCE N03°10'56"W 165.00 FEET; THENCE N86°49'04"E 246.02 FEET; THENCE S03°10'56"E 165.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 40,593 SQ. FT. MORE OR LESS.

PARCEL I-6

BEGINNING AT THE NORTHEAST CORNER OF PARCEL I-2, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE N86°49'04"E 246.02 FEET; THENCE S03°10'56"E 165.00 FEET; THENCE S86°49'04"W 246.02 FEET; THENCE N03°10'56"W 165.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 40,593 SQ. FT. MORE OR LESS.

PARCEL I-7

BEGINNING AT THE NORTHEAST CORNER OF PARCEL I-2, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE N03°10'56"W 235.05 FEET; THENCE S80°39'10"E 252.02 FEET; THENCE S03°10'56"E 180.38 FEET; THENCE S86°49'04"W 246.02 FEET TO THE POINT OF BEGINNING.

CONTAINING 51,100 SQ. FT. MORE OR LESS.

PARCEL I-8

BEGINNING AT THE NORTHEAST CORNER OF PARCEL I-4, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE N86°49'04"E 240.25 FEET; THENCE S03°10'56"E 261.92 FEET TO THE EASTERLY PROLONGATION OF THE FUTURE NORTHERLY LINE OF MISSION ROCK STREET (65.25 FEET WIDE); THENCE ALONG SAID PROLONGATION AND ALONG SAID NORTHERLY LINE S86°49'04"W 240.25 FEET; THENCE N03°10'56"W 261.92 FEET TO THE POINT OF BEGINNING.

CONTAINING 62,927 SQ. FT. MORE OR LESS.

PARCEL I-9

BEGINNING AT THE NORTHEAST CORNER OF PARCEL I-4, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE N03°10'56"W 298.70 FEET; THENCE N86°49'04"E 206.25 FEET; THENCE S03°10'56"E 107.77 FEET; THENCE N86°49'04"E 34.00 FEET; THENCE S03°10'56"E 190.93 FEET; THENCE S86°49'04"W 240.25 FEET TO THE POINT OF BEGINNING.

CONTAINING 68,099 SQ. FT. MORE OR LESS.

PARCEL I-10

BEGINNING AT THE NORTHWEST CORNER OF PARCEL I-10, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE N03°10'56"W 291.31 FEET; THENCE N86°49'04"E 206.25 FEET; THENCE S03°10'56"E 166.36 FEET; THENCE N82°56'35"E 124.58 FEET; THENCE S03°05'29"E 241.14 FEET; THENCE S86°49'04"W 123.91 FEET; THENCE N03°10'56"W 107.77 FEET; THENCE S86°49'04"W 206.25 FEET TO THE POINT OF BEGINNING.

CONTAINING 89,487 SQ. FT. MORE OR LESS.

PARCEL I-11

BEGINNING AT THE NORTHWEST CORNER OF PARCEL I-11, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE N03°10'56"W 180.38 FEET; THENCE S80°39'10"E 211.28 FEET; THENCE S03°10'56"E 134.54 FEET; THENCE S86°49'04"W 206.25 FEET TO THE POINT OF BEGINNING.

CONTAINING 32,476 SQ. FT. MORE OR LESS.

PARCEL I-12

BEGINNING AT THE NORTHEAST CORNER OF PARCEL I-12, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE S03°10'56"E 300.90 FEET; THENCE N82°56'35"E 760.95 FEET; THENCE N07°00'11"W 351.44 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST WHOSE RADIUS POINT BEARS N88°40'56"W 18.66 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 64°51'25", AN ARC LENGTH OF 21.12 FEET; THENCE S82°56'35"W 691.00 FEET; THENCE S03°10'56"E 80.38 FEET; THENCE N80°39'10"W 37.90 FEET TO THE POINT OF BEGINNING.

CONTAINING 273,958 SQ. FT. MORE OR LESS.

S-9229
11-03-17

PARCEL I-13

BEGINNING AT THE NORTHEAST CORNER OF PARCEL I-5, AS SAID PARCEL IS DESCRIBED HEREINABOVE; THENCE S86°49'04"W 246.02 FEET; THENCE N03°10'56"W 260.01 FEET; THENCE N86°49'04"E 246.02 FEET; THENCE S03°10'56"E 260.01 FEET TO THE POINT OF BEGINNING.

CONTAINING 63,967 SQ. FT. MORE OR LESS.

THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS THE THIRD STREET MONUMENT LINE TAKEN TO BE N03°10'56"W AS SHOWN ON THAT CERTAIN "FINAL MAP" FILED FOR RECORD ON MAY 31, 2005, IN BOOK BB OF MAPS, AT PAGES 6-10 INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO.

PROFESSIONAL LAND SURVEYOR
BENJAMIN B. RON
Exp. 12/31/19
PLS 5015
STATE OF CALIFORNIA

Attachment 2:

Guidelines for Establishment and Use of an Infrastructure Financing District (IFD) with Project Areas on Land under the Jurisdiction of the San Francisco Port Commission

File No. 130264 Committee Item No. 6
Board Item No. 15

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Sub-Committee **Date** 04/17/2013

Board of Supervisors Meeting **Date** April 23, 2013

Cmte	Board	
☐	☐	Motion
☒	☒	Resolution
☐	☐	Ordinance
☐	☐	Legislative Digest
☒	☒	Budget and Legislative Analyst Report
☐	☐	Legislative Analyst Report
☐	☐	Youth Commission Report
☐	☐	Introduction Form (for hearings)
☒	☒	Department/Agency Cover Letter and/or Report
☐	☐	MOU
☐	☐	Grant Information Form
☐	☐	Grant Budget
☐	☐	Subcontract Budget
☐	☐	Contract/Agreement
☐	☐	Form 126 – Ethics Commission
☐	☐	Award Letter
☐	☐	Application
☐	☐	Public Correspondence

OTHER (Use back side if additional space is needed)

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Completed by: Victor Young **Date** April 12, 2013
Completed by: Victor Young **Date** 4/18/13

[Adoption of Guidelines for the Establishment and Use of an Infrastructure Financing District on Port Land]

Resolution adopting Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land Under the Jurisdiction of the San Francisco Port Commission.

WHEREAS, Government Code Sections 53395-53398.47 (IFD Law) authorizes certain public agencies, including the City and County of San Francisco, to establish infrastructure financing districts (IFDs) to finance the planning, design, acquisition, construction, and improvement of public facilities meeting the requirements of IFD Law; and

WHEREAS, IFDs are formed to facilitate the design, acquisition, construction, and improvement of necessary public facilities and provide an alternative means of financing when local resources are insufficient; and

WHEREAS, Government Code Sections 53395.8 and 53395.81 authorize the establishment of IFDs on land under the jurisdiction of the Port Commission of San Francisco (Port) to finance additional public facilities to improve the San Francisco waterfront and further authorizes the establishment of project areas within an IFD for the same purposes; and

WHEREAS, By Board Resolution No. 110-12, adopted on March 27, 2012, and Board Resolution No. 227-12, adopted on June 12, 2012, the Board stated its intention to form a single IFD consisting of all Port land (waterfront district) with project areas corresponding to Port development projects within the waterfront district; and

WHEREAS, By Board Resolution No. 66-11, adopted on February 8, 2011, the Board adopted "Guidelines for the Establishment and Use of Infrastructure Financing Districts in the

///

City and County of San Francisco," which do not apply to land owned or managed by the Port; and

WHEREAS, A draft document entitled "Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land under the Jurisdiction of the San Francisco Port Commission" (Port Guidelines) setting forth proposed policy criteria and guidelines for the waterfront district is on file with the Clerk of the Board of Supervisors in File No. 130264, which is hereby declared to be a part of this Resolution as if set forth fully herein; now, therefore, be it

RESOLVED, That the Board of Supervisors finds that the Port Guidelines will ensure that a rational and efficient process is established for the formation the waterfront district and project areas within it, and adopts the Port Guidelines; and, be it

FURTHER RESOLVED, That this Resolution and the Port Guidelines will be effective on the date the Board of Supervisors adopts this Resolution.

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: Joanne Sakai
Joanne Sakai
Deputy City Attorney

OFFICE OF THE MAYOR
SAN FRANCISCO

EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Mayor Edwin M. Lee

RE: Adoption of Guidelines for the Establishment and Use of an Infrastructure Financing District on Port Land

DATE: March 19, 2013

Attached for introduction to the Board of Supervisors is the Resolution adopting "Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land Under the Jurisdiction of the San Francisco Port Commission".

Please note this item is cosponsored by Supervisors Kim

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2013 MAR 19 PM 2:18

cc. Supervisor Jane Kim

130264

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200
SAN FRANCISCO, CALIFORNIA 94102-4681
TELEPHONE: (415) 554-6141

Item 6 File 13-0264	Department: The Port

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would adopt "Guidelines for the Establishment and Use of an Infrastructure Financing District (IFD) with Project Areas on Land under the Jurisdiction of the San Francisco Port Commission". The Port IFD Guidelines establish the threshold criteria that must be met in order to establish a Port IFD and the strategic criteria that should be considered by the Board of Supervisors but are not required to establish the Port IFD.

Key Points

- State law authorizes the establishment of a Port IFD to finance public improvement projects along the San Francisco waterfront. The Port IFD may finance the same types of improvement projects that are financed by non-Port IFDs (open space, parks, and street improvements), as well as projects specific to the Port, including removal of bay fill, storm water management facilities, shoreline restoration, and maritime facility improvements. Increased property tax revenues resulting from certain Port development projects (tax increment) may be redirected from the General Fund to the Port IFD in order to finance public improvements, subject to Board of Supervisors approval.
- The Board of Supervisors previously approved a resolution of intention (1) to establish the Port IFD consisting of eight project areas; and (2) directing the Port Executive Director to prepare a financing plan, subject to Board of Supervisors' approval. The Port intends to submit a Port IFD financing plan for proposed development on Piers 30-32 and Seawall Lot 330 to the Board of Supervisors in late 2014.
- The Budget and Legislative Analyst recommends amendments to the proposed Port IFD guidelines, including to Threshold Criteria 6, 7, and 8, to clarify the intent of the threshold criteria, as noted in the recommendations below.

Fiscal Impact

- Threshold Criteria 5 requires that financing plans for each of the Port IFD project areas demonstrate a net economic benefit, while the City's IFD Guidelines. Previously approved by the Board of Supervisors require that the IFD demonstrate a net fiscal benefit to the General Fund. The City's IFD Guidelines acknowledge that the Port's use of IFD law differs from the City. However, in order to fully disclose the fiscal impact of the Port IFD on the City's General Fund, the proposed Port IFD Guidelines should be amended to require that project area financing plans project the net fiscal impact to the City's General Fund, as well as the net economic benefits.

Policy Considerations

- Property taxes are apportioned to the Educational Revenue Augmentation Fund (ERAF), the City's General Fund, and other taxing entities. Under State law, in five of the Port IFD project areas, the ERAF portion of tax increment may be redirected to the Port IFD in an amount proportional to the General Fund portion of tax increment that is redirected to the Port IFD. Threshold Criteria 6 maximizes redirection of the ERAF portion of tax increment to the Port IFD in order to maximize the Port's ability to finance public improvements. Redirecting the ERAF's share of tax increment could potentially result in a State General Fund cost to backfill those monies intended for education.
- The proposed Port IFD Guidelines will guide future Board of Supervisors' decisions on allocation of City and ERAF tax increment. Therefore, approval of the proposed resolution is a policy decision for the Board of Supervisors.

Recommendations

1. Amend the proposed resolution to request the Port to amend:
   (a) The Port IFD Guidelines to specify that the threshold criteria must be met in order to establish a Port IFD or project area, and the strategic criteria should be considered by the Board of Supervisors but are not required to establish a Port IFD;
   (b) Threshold Criteria 5 to require that the project area financing plan projects the net fiscal impact to the City's General Fund, as well as the net economic benefits, over the term of the Port IFD;
   (c) Threshold Criteria 6 and 7 to specify that the share of tax increment allocated to the City and ERAF is the tax rate established annually by the State for the ERAF and by the Board of Supervisors for the City pursuant to the California Revenue and Taxation Code; and
   (d) Threshold Criteria 8 to specify that ERAF's excess share of tax increment may not be re-allocated to the City's General Fund or to improvements in the City's seawall and other measures to protect against sea level rise.
2. Approval of the proposed resolution, as amended, is a policy decision for the Board of Supervisors.

MANDATE STATEMENT AND BACKGROUND

Mandate Statement

California Government Code Section 53395 et seq., which became law in 1990, authorizes cities and counties to establish Infrastructure Financing Districts (IFD), subject to approval by the city council or county board of supervisors, to finance "public capital facilities of communitywide significance." The definition of such public facilities includes parks, other open space, and street improvements. In addition, Section 53395.8 authorizes the establishment of an IFD by the Port of San Francisco (Port IFD) to finance additional improvement projects along the San Francisco waterfront, such as structural repairs and improvements to piers, seawalls, and wharves as well as historic rehabilitation of and seismic and life-safety improvements to existing buildings. The establishment of a Port IFD is subject to approval by the Board of Supervisors.

Background

State Law Authorizes the Establishment of Infrastructure Financing Districts

In order to provide alternative financing mechanisms for local jurisdictions to fund public works and services, State law[1] authorizes cities and counties to establish IFDs within individual city or county boundaries to finance the:

- Purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of any real or other tangible property with an estimated life of 15 years or longer, including parks, other open space, and street improvements;
- Planning and design work directly related to the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of that property;
- Reimbursement to a developer of a project located entirely within the boundaries of an IFD for any permit expenses incurred and to offset additional expenses incurred by the developer in constructing affordable housing units;

[1] California Government Code Section 53395 et seq.

- Costs incurred by a county in connection with the division of taxes collected.

An IFD, once established with specific boundaries, obtains revenue in the same manner as former redevelopment districts. Assessed values on properties located within the IFD, and the property taxes derived from those values, are fixed at a baseline value. Increases in assessed value above the baseline and the associated increase in property tax, known as tax increment, may then be used to pay for the new public facilities that the IFD was established to pay for.

The City's Guidelines for IFDs, "Guidelines for the "Establishment and Use of Infrastructure Financing Districts in the City and County of San Francisco" were adopted by the Board of Supervisors on February 8, 2011 (Resolution No. 66-11). The City's Guidelines do not apply to an IFD on land owned or managed by the Port. The City currently has one established IFD, located in Rincon Hill, which is subject to the adopted guidelines, and was approved by the Board of Supervisors on February 15, 2011 (Ordinance No. 19-11).

State Law Authorizes the Establishment of an Infrastructure Financing District on Port Property

State law[2] authorizes the establishment of a Port IFD to finance additional improvement projects along the San Francisco waterfront. The additional improvement projects include removal of bay fill, storm water management facilities, shoreline restoration, maritime facility improvements, historic rehabilitation, and other improvement projects not included in non-Port IFDs.

A Port IFD may be divided into individual project areas, subject to Board of Supervisors approval. The State laws described in this report would apply to each Port project area that the Board of Supervisors approves.[3] On March 27, 2012, the Board of Supervisors approved a resolution of intention to establish a Port IFD (Resolution No. 110-12), with seven project areas. On June 12, 2012, the Board of Supervisors amended the resolution of intention to include Seawall Lot 351 as the eighth project area in the Port IFD (Resolution No. 227-12). The eight project areas for the Port IFD in the amended resolution of intention are:

1. Seawall Lot 330 (Project Area A)
2. Piers 30-32 (Project Area B)
3. Pier 28 (Project Area C)
4. Pier 26 (Project Area D)
5. Seawall Lot 351 (Project Area E)
6. Pier 48 (Project Area F)
7. Pier 70 (Project Area G)
8. Rincon Point-South Point (Project Area H)

The resolution of intention allows the Port to establish additional project areas in compliance with State law, as noted below.

The previously approved resolution of intention directs the Port Executive Director to prepare a financing plan, which is subject to approval of the Board of Supervisors. According to Mr. Brad

[2] California Government Code Section 53395.8
[3] California Government Code Section 53395.8(g)

Benson, Port Special Projects Manager, the Port intends to submit a Port IFD financing plan associated with the proposed multi-purpose venue on Piers 30-32 and the companion mixed use development on Seawall Lot 330 to the Board of Supervisors in late 2014, after the City has completed environmental review of the proposed project.

According to State law[4], the portion of the tax increment allocated to local educational agencies, San Francisco Unified School District, San Francisco Community College District, and the San Francisco County Office of Education, may not be allocated to the Port IFD. The tax increment from other recipients of City property taxes, including the Bay Area Air Quality Management District and Bay Area Rapid Transit District, may be allocated to the Port IFD if a resolution approving the financing plan is adopted by that recipient and sent to the Board of Supervisors.[5]

Except for specified circumstances, State law[6] mandates that any tax increment allocated to the Port IFD must be used within the Port IFD's boundaries. In addition, a minimum of 20 percent of the tax increment allocated to the Port IFD must be set aside to be expended exclusively on shoreline restoration, removal of bay fill, or waterfront public access to or environmental remediation of the San Francisco waterfront.

Educational Revenue Augmentation Fund Tax Increment Allocated to Port IFD in Specific Project Areas

According to State law[7], the Port may use tax increment generated by the five project areas noted below, which would otherwise be allocated to the Educational Revenue Augmentation Fund[8]'s (ERAF), subject to specific limitations. Two of the five project areas – Seawall Lot 330 and Pier 70 - were included in the resolution of intention, previously approved by the Board of Supervisors, while three of the five project areas – Piers 19, 23, and 29 – may be proposed by the Port for inclusion in the Port IFD at a future date. According to Ms. Joanne Sakai, Deputy City Attorney, the Board of Supervisors may opt to not allocate ERAF's share of tax increment generated by any of the five project areas to the Port IFD on a case-by-case basis when considering whether to approve the proposed Port IFD financing plan.

[4] California Government Code Section 53395.8.g.3.c.i
[5] California Government Code Section 53395.8.g.5.
[6] California Government Code Section 53395.8.g.3.c.ii
[7] On September 29, 2012, Assembly Bill (AB) 2259 was passed.
[8] The Educational Revenue Augmentation Fund redirects one-fifth of total statewide property tax revenue from cities, counties and special districts to school and community college districts. The redirected property tax revenue is deposited into a countywide fund for schools and community colleges (ERAF). The property tax revenue is distributed to the county's non-basic aid schools and community colleges (i.e, school and community college districts that receive more than the minimum amount of state aid required by the State constitution). In 2004, the State approved a complex financing mechanism, known as the triple flip, in which one-quarter cent of the local sales tax is used to repay the Proposition 57 deficit financing bond; property taxes are redirected from ERAF to cities and counties to offset revenue losses from the one-quarter cent sales tax; and State aid offsets losses to school and community college districts from the redirected ERAF funds.

Pier 70 Project Area

A Pier 70 project area may not be formed prior to January 1, 2014. According to Mr. Benson, the Port intends to submit a financing plan for the Pier 70 project area for Board of Supervisors consideration after it completes environmental review of the proposed Pier 70 mixed use development, likely in 2015 or 2016. The Port may allocate ERAF's share of tax increment from the Pier 70 project area to the Port IFD to fund public improvements at Pier 70. Under State law, the amount of ERAF's share of tax increment allocated to the Port IFD is proportional to the City's share of tax increment allocated to the Port IFD.[9]

The Port may issue debt, secured by the ERAF share of tax increment from the Pier 70 project area for up to 20 fiscal years from the first Pier 70 debt issuance. Once any ERAF-secured debt issued within the Pier 70 project area has been paid, ERAF's share of tax increment will be paid into ERAF. Beginning in the 21st fiscal year, ERAF's share of tax increment may only be used to meet debt service obligations for previously issued debt secured by ERAF's allocation of tax increment. ERAF's share of tax increment exceeding debt service obligations must be paid into ERAF.

Seawall Lot 330 and Piers 19, 23, and 29 Project Areas

ERAF"s share of tax increment from Seawall Lot 330 and Piers 19, 23, and 29 may only be allocated to fund (a) construction of the Port's Cruise Terminal at Pier 27, (b) planning and design work directly related to construction of the Port's Cruise Terminal at Pier 27, (c) future installations of shoreside power facilities on Port maritime facilities, and (d) planning, design, acquisition, and construction of improvements to publicly-owned waterfront lands held by trustee agencies, such as the National Park Service, California State Parks, and City and County of San Francisco Departments to be used as a public spectator viewing site for America's Cup related events.

ERAF's share of tax increment allocated to Seawall Lot 330 and Piers 19, 23, and 29 project areas must be equal to the percentage of the City's share of tax increment allocated to these project areas and cannot exceed $1,000,000 annually. The Port must set aside a minimum of 20 percent of ERAF's share of tax increment allocated to these project areas to pay for planning, design, acquisition, and construction of improvements to waterfront lands owned by Federal, State, or local trustee agencies, such as the National Park Service or the California State Parks.[10]

Any improvements made with ERAF's share of tax increment for the above purposes are not required to be located within the individual project areas from which ERAF's share of tax increment is allocated. To enable allocation of ERAF's share of tax increment from all of the eligible project areas noted above, the Board of Supervisors would have to approve an amendment the previously approved resolution of intention to form the Port IFD to authorize Piers 19, 23 and 29 as Port IFD project areas.

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[9] For example, for every $1.00 in Property Taxes (not including Property Taxes designated to pay General Obligation bonds), $0.25 is allocated to ERAF, $0.65 is allocated to the City's General Fund, and $0.10 is allocated to the other taxing entities (SFUSD, Community College District, BART, and Bay Area Air Quality Management District). If the Board of Supervisors were to approve 50% of the City's General Fund share of tax increment (or $0.325 of $0.65), then the ERA share of tax increment is 50% (or $0.125 of $0.25).

[10] State law sets aside 20 percent from ERAF's tax increment in lieu of the minimum of 20 percent of the tax increment allocated to the Port IFD required to be set aside to be expended exclusively on shoreline restoration, removal of bay fill, or waterfront public access to or environmental remediation of the San Francisco waterfront.

Maps of the Port IFD, with specific project area boundaries defined, are provided in the Attachment to this report.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would adopt "Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land under the Jurisdiction of the San Francisco Port Commission" (Port IFD Guidelines). The City's Capital Planning Committee recommended approval of the Port IFD Guidelines on January 2, 2013.

The Port IFD Guidelines identify 10 threshold criteria and four strategic criteria. According to Mr. Benson, the threshold criteria must be met in order to establish a Port IFD and the strategic criteria should be considered by the Board of Supervisors but are not required for the establishment of a Port IFD. Because neither the proposed Port IFD Guidelines nor the proposed resolution define the purpose of the threshold criteria and strategic criteria, the proposed Port IFD Guidelines should be amended to specify that (1) the threshold criteria must be met in order to establish a Port IFD, and (2) the strategic criteria should be considered by the Board of Supervisors but are not required for the establishment of a Port IFD, comparable to language in the City's Guidelines.

The Port IFD Guidelines are summarized below.

Threshold Criteria of the Port IFD Guidelines

1. Any Port IFD initially established is subject to Board of Supervisors approval and must:
   - Consist exclusively of Port property;
   - Meet the threshold criteria proposed in the Port IFD Guidelines;
   - Be accompanied by a project area-specific financing plan that meets State law requirements.
2. Potential property annexations to the Port IFD of non-Port property adjacent to Port property are subject to Board of Supervisors approval and will be evaluated individually to determine whether to annex the non-Port property. If annexation is approved, the percentage of the tax increment generated by the non-Port property not used to finance Port public facilities should be subject to the City's IFD Guidelines.
3. No tax increment will be allocated to the Port IFD without completion of environmental review and recommendation for approval by the City's Capital Planning Committee.
4. Public facilities financed by tax increment in project areas and any adjacent property annexations approved by the Board of Supervisors must be consistent with:
   - State law regarding IFDs;
   - The Port's Waterfront Land Use Plan;
   - Any restrictions on Port land use pursuant to the Burton Act;
   - The Port's 10-Year Capital Plan.
5. The Port must demonstrate that the project area will result in a net economic benefit to the City in the project area-specific financing plan by including:

- Total revenue that the General Fund is projected to receive;
- Total number of jobs and other economic development benefits the project is expected to produce.

6. When an allocation of ERAF's share of tax increment, identified in the Port IFD Guidelines as $0.25 per $1.00 in tax increment, is authorized under State law, the City, subject to Board of Supervisors approval, should maximize such contributions to those project areas by allocating the maximum amount of City tax increment to those areas, identified in the Guidelines as $0.65 per $1.00 in tax increment. As previously noted, ERAF's share of tax increment is authorized for allocation within the Seawall Lot 330, Pier 19, Pier 23, Pier 29, and Pier 70 project areas.
7. Tax increment amounts based on project area-specific financing plans for project areas are subject to approval by the Board of Supervisors and should be sufficient to enable the Port to:
   - Obtain fair market rent for Port leases after build-out of the project area;
   - Enable proposed development projects to attract equity;
   - Fund debt service and debt service coverage for any bonds issued in public facilities financed by tax increment in Port IFD project areas;
   - Fund the Port's administrative costs and authorized public facilities with available revenue on a pay-as-you-go[11] basis.
8. Excess tax increment not required to fund public facilities in project areas will be allocated to either (a) the City's General Fund, (b) funding improvements to the City's seawall, or (c) protecting the City against sea level rise, as allowed by State law, contingent upon Board of Supervisors approval.
9. The Port will include pay-as-you-go tax increment revenue allocated to the project area in the Port's Capital Budget if the Port issues revenue bonds to be repaid by tax increment revenue generated in one or more Port project areas in order to provide debt service coverage for Port revenue bonds as a source of funding.
10. The Port is required to identify sources of funding to construct, operate and maintain public facilities by project area tax increment in the project area-specific financing plan.

Strategic Criteria of the Port IFD Guidelines

The four strategic criteria for the Board of Supervisors to consider, when approving the Port IFD, provide guidance in the appropriate use of Port IFD financing and in the selection of projects within the Port IFD. These strategic criteria are:

- Port IFD financing should be used for public facilities serving Port land where other Port monies are insufficient;
- Port IFD financing should be used to leverage non-City resources, such as any additional regional, State, or Federal funds that may be available;
- The Port should continue utilizing the "'best-practices' citizen participation procedures[12] to help establish priorities for public facilities serving Port land;

[11] Pay-as-you-go is a method of financing expenditures with funds that are currently available rather than borrowed.

- The Port, the Mayor's Budget Office and the Controller should collaborate to conduct periodic nexus studies every ten years, at minimum, to examine whether the cost of basic municipal services, such as services provided by the Fire and Police Departments, are covered by the sum of the portion of property taxes the City receives from Port land, hotel, sales, payroll or gross receipts taxes, and any other taxes the City receives from Port land, and any other revenues that the City receives from Port land.

FISCAL ANALYSIS

While there is no direct fiscal impact of the proposed resolution to adopt the Port's Guidelines for Establishment and Use of an Infrastructure Financial District with Project Areas on Land under the Jurisdiction of the Port Commission, there are criteria within the Port IFD Guidelines that may have fiscal impacts to the Port and the City.

Threshold Criteria 5 Requires Net Economic, Not Fiscal, Benefit to the City

Threshold Criteria 5 requires that the project area financing plan demonstrate a net economic benefit to the City that, over the term of the project area, includes the (a) total estimated amount of revenue to the City's General Fund; and (b) number of jobs and other economic development benefits. In contrast, the City's IFD Guidelines require that the IFD provide a net fiscal benefit over the 30-year term of the IFD, "guaranteeing that there is at least some gain to the General Fund in all circumstances". In addition, State law[13] requires only an analysis of costs and revenues to the City.

Threshold Criteria 5 states that the project area financing plan should be similar to findings of fiscal responsibility and feasibility reports prepared in accordance with Administrative Code Chapter 29. Administrative Code Chapter 29 requires more detailed evaluation of fiscal benefits to the City than required by the proposed Port IFD Guidelines, including direct and indirect financial benefits to the City, project construction costs, available funding to pay project costs, ongoing maintenance and operating costs, and debt service costs.

The City's IFD Guidelines acknowledge that the Port's use of IFD law differs from the City in that the Port intends to build infrastructure to attract private investment to create jobs, small business, waterfront visitors and other growth, and therefore would not necessarily be "predicated on up-zonings[14] that result in net fiscal benefits to the General Fund". However, in order to fully disclose the fiscal impact of the Port IFD on the City's General Fund, the Budget and Legislative Analyst recommends that the proposed Port IFD Guidelines be amended to require that the project area financing plan project the net fiscal impact to the City's General Fund, as well as the net economic benefits, over the term of the Port IFD.

[12] Best practices citizen participation procedures include regular publicly-noticed meetings of waterfront advisory committees to support ongoing communication with neighborhood and waterfront stakeholders as well as community planning processes for major waterfront open space, maritime, and development project opportunities and needs.

[13] California Government Code Section 53395.8.g.3.c.vii

[14] "Up-zonings" are increases in height, bulk or density, allowing increased development.

Threshold Criteria 6 and 7 Refer to Specific Tax Increment Percentages Which are Subject to Change

Threshold Criteria 6 and 7 refer to specific property tax rate allocations, as they are currently allocated. The City's property tax allocation is referred to in specific numeric terms as $0.65 per $1.00 in tax increment and ERAF's Property Tax allocation is referred to as $0.25 per $1.00 in tax increment. However, future State law may change these property tax allocations. In addition, these property tax allocations are subject to approval by the State for ERAF and by Board of Supervisors for the City on an annual basis. Therefore, the Budget and Legislative Analyst recommends that Threshold Criteria 6 and 7 specify that the share of tax increment allocated to the City and ERAF is the tax rate established annually by the State for ERAF and by the Board of Supervisors for the City pursuant to the California Revenue and Taxation Code.

Threshold Criteria 8 Does Not Specify ERAF's Excess Share of Tax Increment May Not be Re-Allocated to the City's General Fund

Threshold Criteria 8 states that excess tax increment not required to fund project area-specific public facilities should be allocated to the General Fund or to improvements in the City's seawall and other measures to protect against sea level rise. However, Threshold Criteria 8 does not specify that ERAF's excess share of tax increment may not be diverted in the manner outlined by Threshold Criteria 8. State law contains specific restrictions for how ERAF's share of tax increment may be used, as described in the Background Section of this report. Therefore, the Budget and Legislative Analyst recommends that Threshold Criteria 8 should specify that ERAF tax increment may not be re-allocated to the City's General Fund or to improvements in the City's seawall and other measures to protect against sea level rise.

POLICY CONSIDERATIONS

State Law Allows ERAF Tax Increment Intended to Fund Local Education to be used to Fund Construction of the Pier 27 Cruise Terminal and Development at Pier 70

As previously noted, ERAF's share of tax increment may be allocated to five project areas within the Port IFD and used for limited purposes. Threshold Criteria 6 specifies that the City should maximize ERAF contributions in designated project areas by allocating the maximum City contribution to those same project areas.[15] The rationale for maximizing ERAF contributions is to maximize the Port's ability to pay for development of public infrastructure along the Port, such as the Cruise Terminal at Pier 27. Such allocations are subject to Board of Supervisors approval for each individual project area.

According to the Senate Appropriation Committee's fiscal summary of the State law, diverting ERAF's share of tax increment could potentially result in a State General Fund cost to backfill those monies intended for education. However, the potential State General Fund cost is unknown because the economic activity that would be generated absent a Port IFD is unclear.

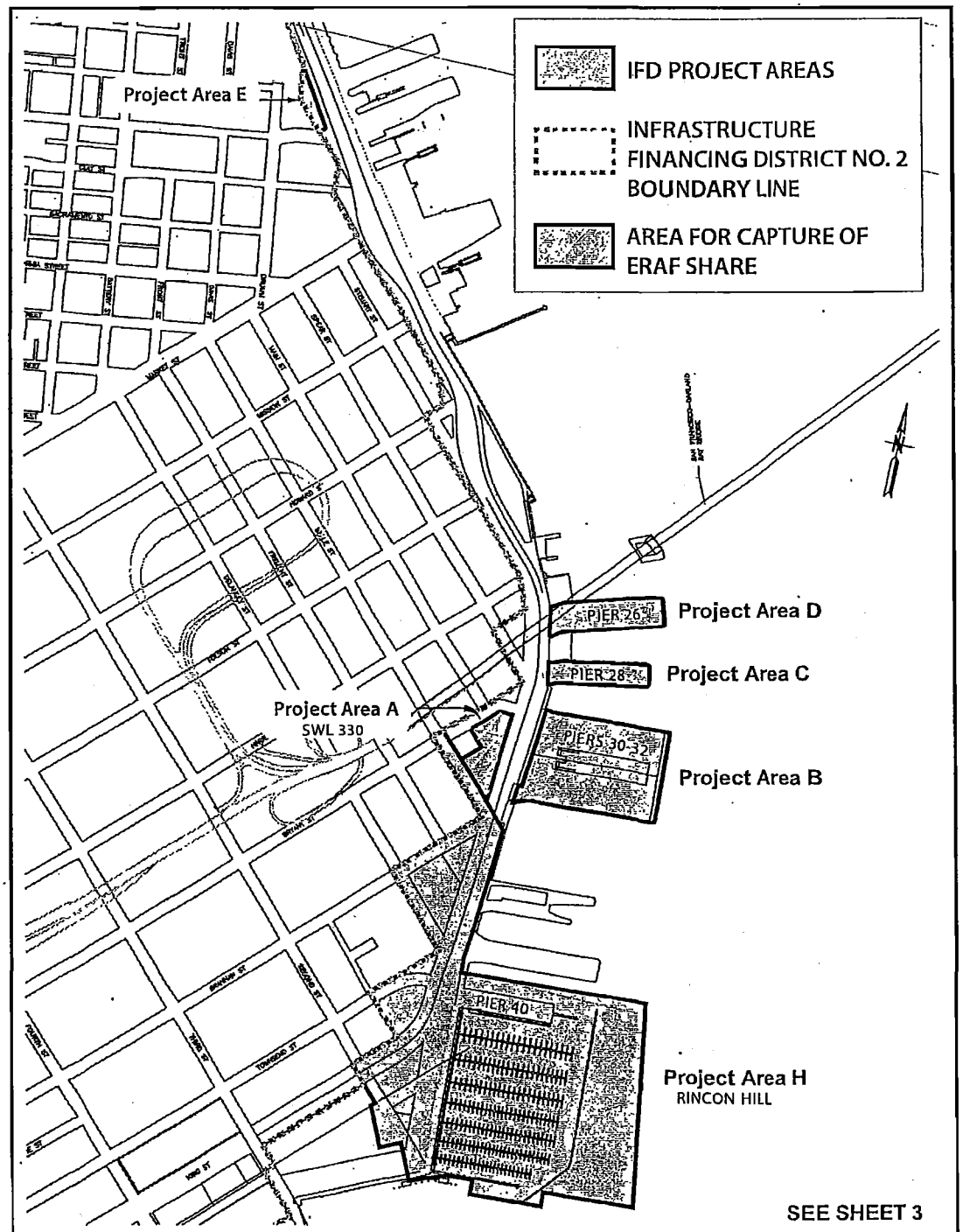
[15] ERAF's share of tax increment is allocated in proportion to the percentage of City tax increment allocated to the designated project areas.

Approval of the Proposed Resolution is a Policy Decision for the Board of Supervisors

The proposed Port IFD Guidelines will guide future Board of Supervisors' decisions on allocation of City and ERAF tax increment. Therefore, approval of the proposed resolution is a policy decision for the Board of Supervisors.

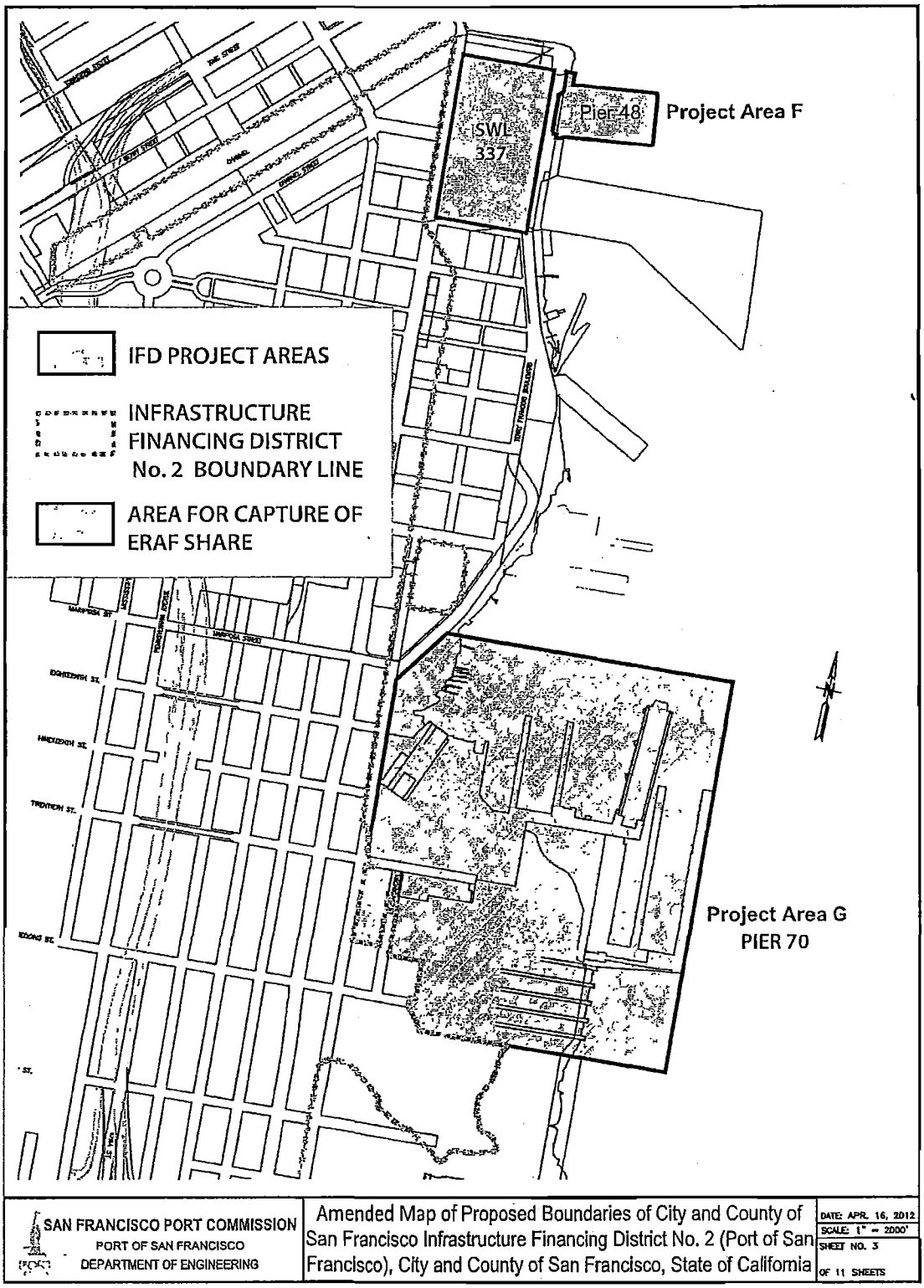
RECOMMENDATIONS

1. Amend the proposed resolution to request the Port to amend:
   (a) The Port IFD Guidelines to specify that the threshold criteria must be met in order to establish a Port IFD or project area, and the strategic criteria should be considered by the Board of Supervisors but are not required to establish a Port IFD;
   (b) Threshold Criteria 5 to require that the project area financing plan projects the net fiscal impact to the City's General Fund, as well as the net economic benefits, over the term of the Port IFD;
   (c) Threshold Criteria 6 and 7 to specify that the share of tax increment allocated to the City and ERAF is the tax rate established annually by the State for the ERAF and by the Board of Supervisors for the City pursuant to the California Revenue and Taxation Code; and
   (d) Threshold Criteria 8 to specify that ERAF's excess share of tax increment may not be re-allocated to the City's General Fund or to improvements in the City's seawall and other measures to protect against sea level rise.
2. Approval of the proposed resolution, as amended, is a policy decision for the Board of Supervisors.



SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO PORT DEPARTMENT OF ENGINEERING	Amended Map of Proposed Boundaries of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), City and County of San Francisco, State of California	DATE: APR. 16, 2012 SCALE: 1" = 2000' SHEET NO. 2 OF 11 SHEETS

Revised 4-11-13



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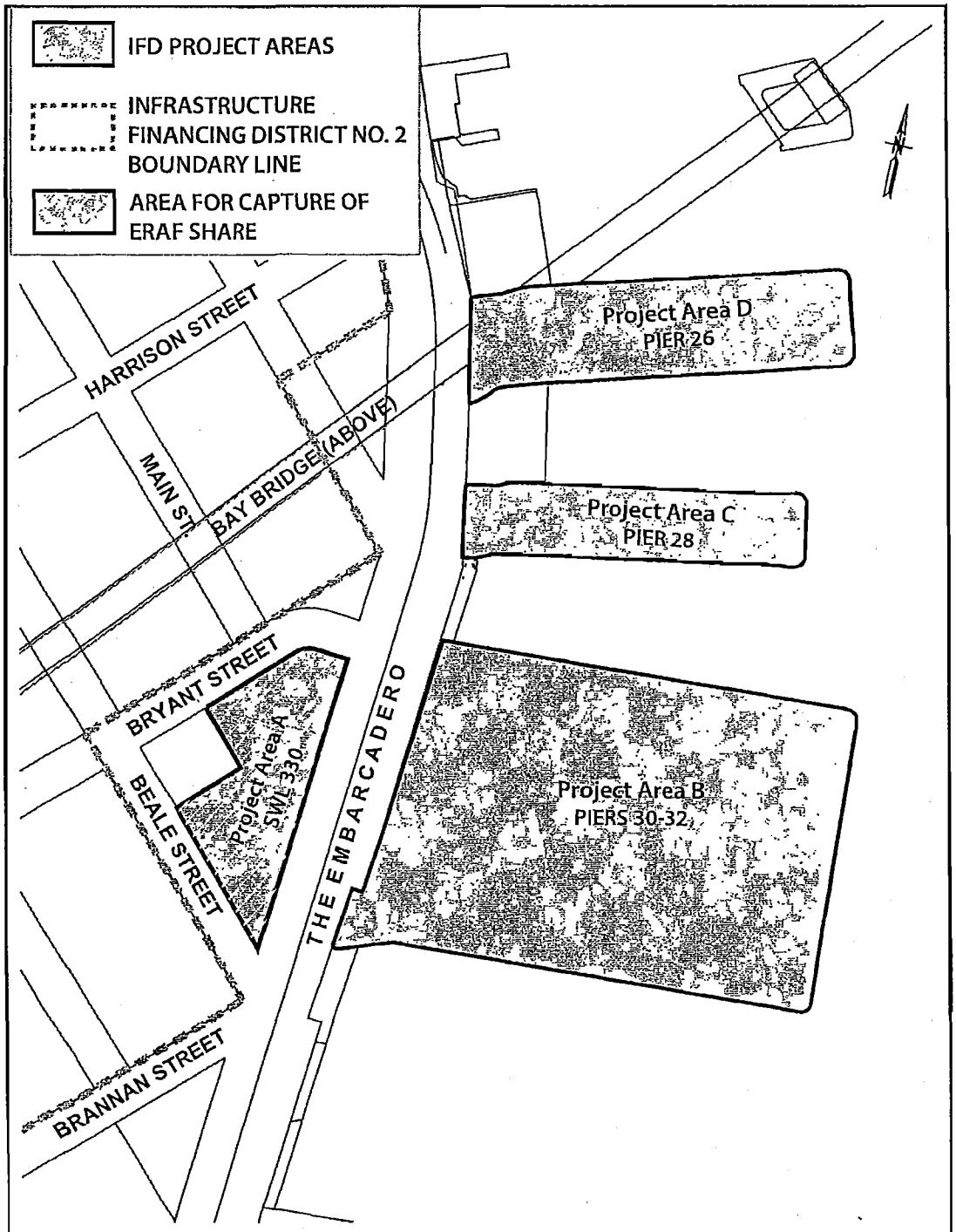
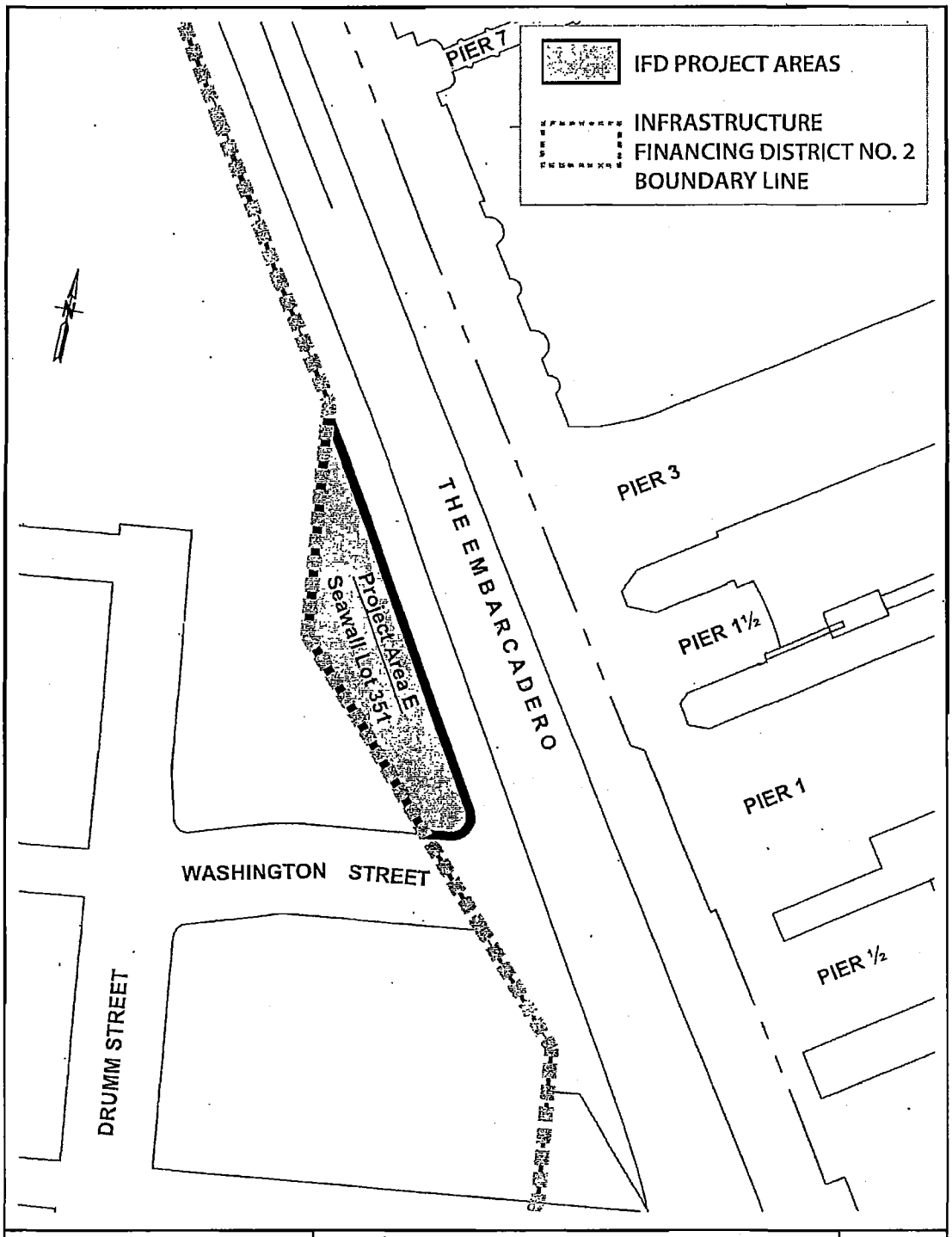
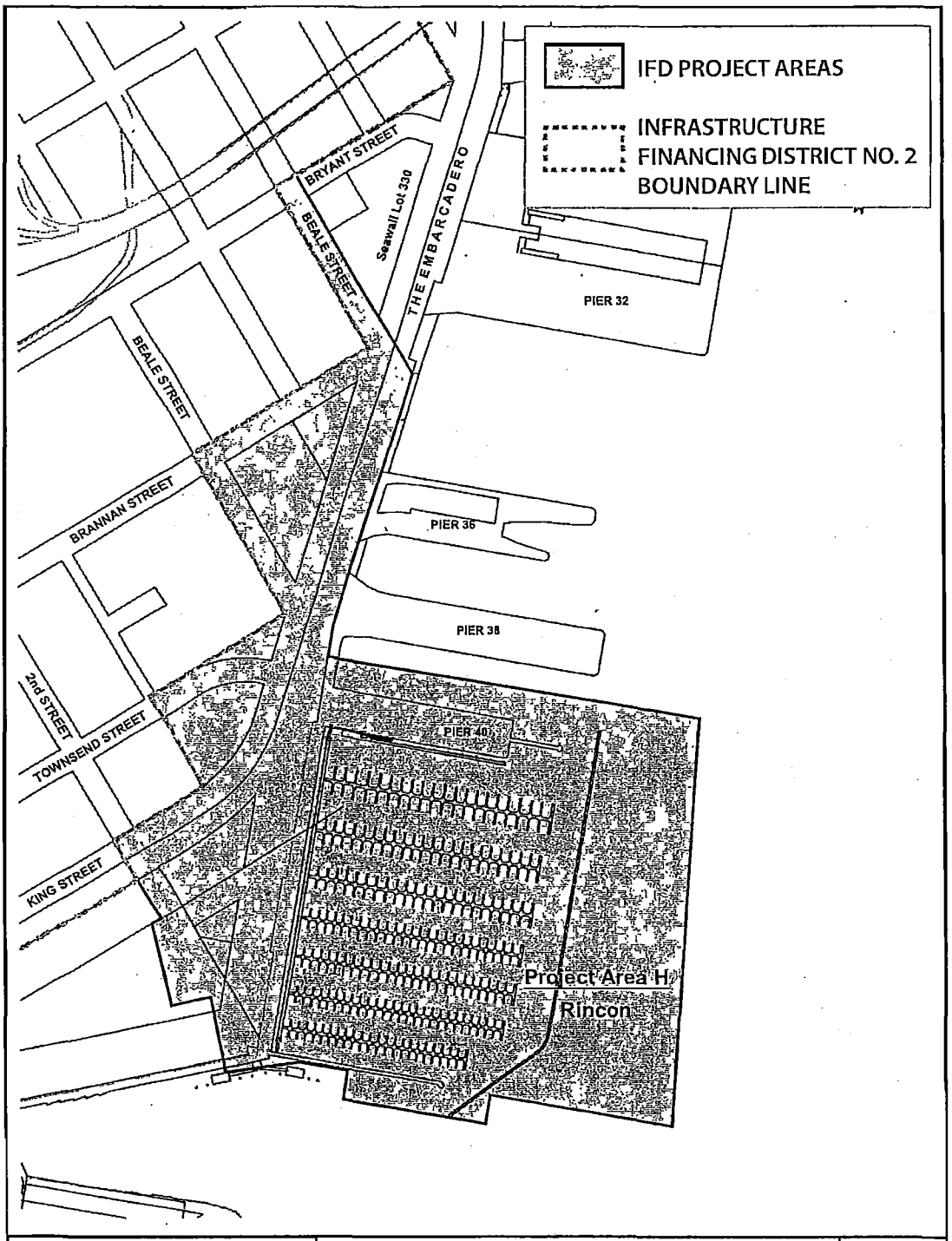


SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	Amended Map of Proposed Boundaries of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), City and County of San Francisco, State of California	DATE: APR. 16, 2012 SCALE: 1" = 300' SHEET NO. 4 OF 11 SHEETS

Revised 4-11-13

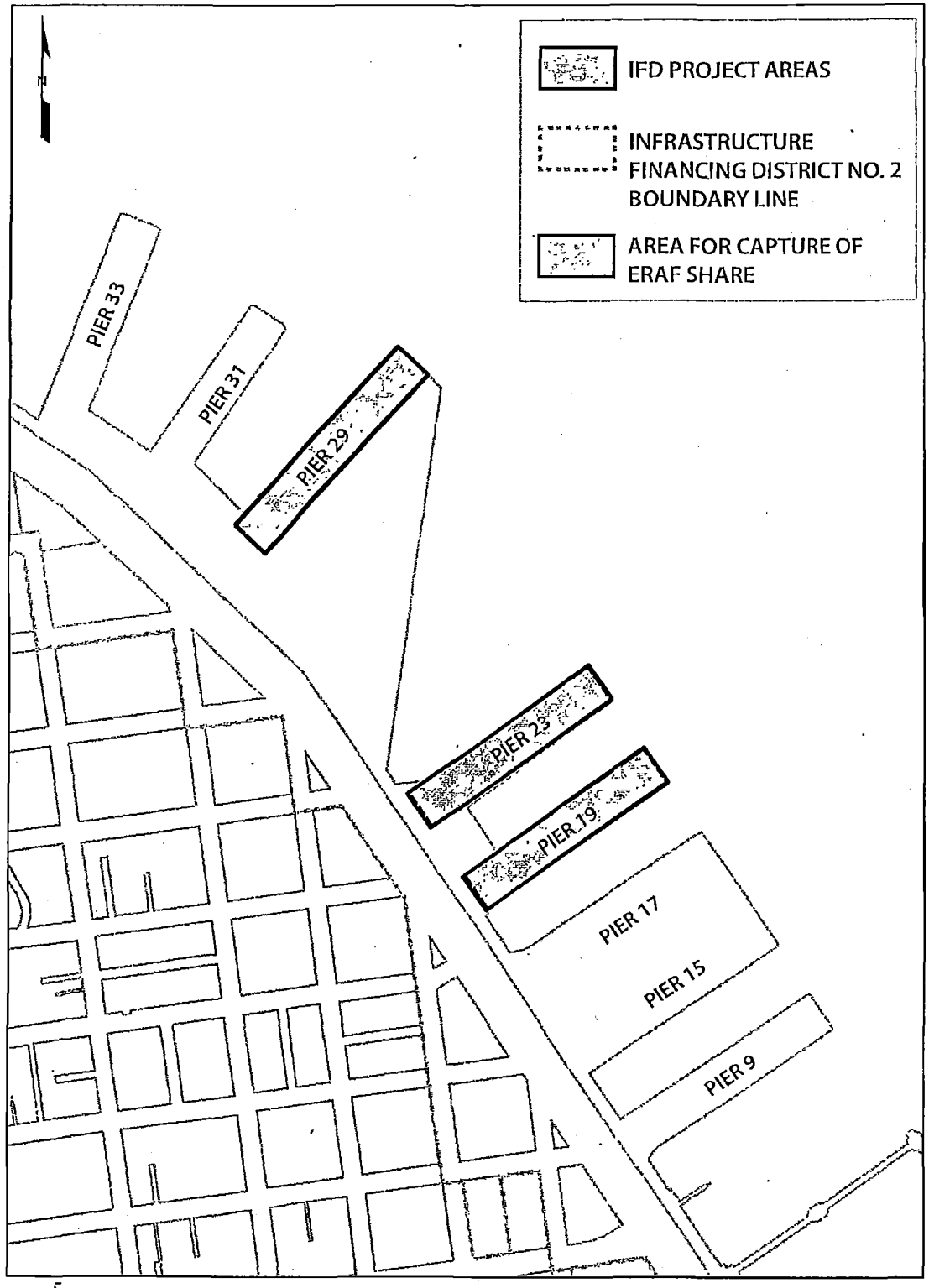


SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	Amended Map of Proposed Boundaries of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), City and County of San Francisco, State of California	DATE: APR. 16, 2012 SCALE: 1" = 150' SHEET NO. 8 OF 11 SHEETS



SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	Amended Map of Proposed Boundaries of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), City and County of San Francisco, State of California	DATE: APR. 16, 2012 SCALE: 1" = 500' SHEET NO. 11 OF 11 SHEETS

Revised 4-11-13



Port of San Francisco
Infrastructure Financing Districts in the
Northern Waterfront Defined by AB 2259

0 250 500 1,000 Feet

Revised 4-11-13

Draft Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land under the Jurisdiction of the San Francisco Port Commission
(Revised 4/16/13 per Budget Analyst's recommendations)

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Threshold Criteria: The following Threshold Criteria must be met to establish an infrastructure financing district (IFD) or project area on Port land.

1. **At formation, limit waterfront districts and project areas to Port land.** Consistent with California Infrastructure Financing District ~~(IFD)~~ law (Gov. Code §§ 53395-53398.47) (IFD law), the City may form an IFD consisting only of land under the jurisdiction of the San Francisco Port Commission (Port) without an election (waterfront district). The formation of a waterfront district consisting of all Port land with project areas corresponding to Port development projects within the waterfront district[1] will be subject to the criteria in these *Guidelines for Establishment and Use of Infrastructure Financing Districts and Project Areas on Land under the Jurisdiction of the San Francisco Port Commission* (Port Guidelines). The City will consider allocating property tax increment from a project area to the waterfront district when the Port submits a project area-specific infrastructure financing plan that specifies: (a) the public facilities to be financed by tax increment[2] generated in the project area; (b) the projected cost of the proposed public facilities; (c) the projected amount of tax increment that will be generated over the term of the project area; (d) the amount of tax increment that is proposed to be allocated to the IFD to finance public facilities; and (e) any other matters required under IFD law.

2. **Consider requests to annex non-Port land to a project area on a case-by-case basis.** If an owner of non-Port land adjacent to a project area petitions to add the adjacent property to the project area in accordance with the IFD law, the City will consider on a case-by-case basis: (a) whether to annex the non-Port property to the project area to assist in financing public facilities; and (b) the extent to which tax increment generated by the non-Port land but not used for Port public facilities should be subject to the *Guidelines for the Establishment and Use of Infrastructure Financing Districts in the City and County of San Francisco (City Guidelines).*[3]

3. **Require completion of environmental review and the affirmative recommendation of the Capital Planning Committee before approving any infrastructure financing plan that allocates tax increment from a project area.** The City may form the Port-wide waterfront district without allocating tax increment to the waterfront district. The City will

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[1] In according with Board of Supervisors intent as stated in Board Resolution No. 110-12, adopted on March 27, 2012, and Board Resolution No. 227-12, adopted on June 12, 2012. These Port Guidelines will apply even if the Board later decides to create multiple IFDs on Port land, rather than a single waterfront district.

[2] IFD law generally authorizes certain classes of public facilities to be financed through IFDs. The Legislature has broadened the types of authorized public facilities for waterfront districts to include: (1) remediation of hazardous materials in, on, under, or around any real or tangible property; (2) seismic and life-safety improvements to existing buildings; (3) rehabilitation, restoration, and preservation of structures, buildings, or other facilities having special historical, architectural, or aesthetic interest or value and that are listed on the National Register of Historic Places, are eligible for listing on the National Register of Historic Places individually or because of their location within an eligible registered historic district, or are listed on a state or local register of historic landmarks; (4) structural repairs and improvements to piers, seawalls, and wharves, and installation of piles; (5) removal of bay fill; (6) stormwater management facilities, other utility infrastructure, or public open-space improvements; (7) shoreline restoration; (8) other repairs and improvements to maritime facilities; (9) planning and design work that is directly related to any public facilities authorized to be financed by a waterfront district; (10) reimbursement payments made to the California Infrastructure and Economic Development Bank in accordance with IFD law; (11) improvements, which may be publicly owned, to protect against potential sea level rise; (12) Port maritime facilities at Pier 27; (13) shoreside power installations at Port maritime facilities; and (14) improvements to publicly-owned waterfront lands used as public spectator viewing sites for America's Cup activities in San Francisco. Gov. Code §§ 53395.3, 53395.8(d), and 53395.81(c)(1).

[3] Adopted on February 8, 2011, by the Board of Supervisors Resolution No. 66-11. The City Guidelines do not apply to IFDs on land owned or managed by the Port.

not approve an infrastructure financing plan that would allocate property tax increment to the waterfront district from any project area, however, until the following have occurred: (a) the City has completed environmental review of the proposed development project associated with the project area and any proposed public facilities to be financed with property tax increment from the project area; and (b) the Capital Planning Committee has recommended approval of the related infrastructure financing plan.

4. **Public facilities financed by tax increment must be consistent with applicable laws, policies, and the Port's capital plan.** Project areas in the waterfront district must finance public facilities that are consistent with: (a) IFD law; (b) the Port's Waterfront Land Use Plan; (c) any restrictions imposed by the public trust for commerce, navigation, and fisheries, the Burton Act (stats. 1968, ch. 1333), or other applicable statute; and (d) the Port's 10-Year Capital Plan, all as in effect on the date the City approves any project area infrastructure financing plan.

5. **The Port must demonstrate** the net fiscal impact of the proposed project area on the City's General Fund and show **that the project area will result in a net economic benefit to the City, including the Port.** The Port must include in the infrastructure financing plan for each project area: (a) the total amount of revenue that the City's General Fund is projected to receive and the projected costs to the City's General Fund over the term of the project area; and (b) the number of jobs and other economic development benefits that the project assisted by the waterfront district is projected to produce over the term of the project area. The projections in the infrastructure financing plan should be similar to those prepared to demonstrate that certain projects are fiscally feasible and responsible in accordance with Administrative Code Chapter 29 and include projections of direct and indirect financial benefits to the City, construction costs, available funding to pay project costs, ongoing operating and maintenance costs, and debt service.

6. **Where applicable, maximize State contributions to project areas through matching City contributions.** IFD law authorizes the allocation of the State's share of property tax increment to certain Port project areas in proportion to the City's allocation of tax increment to the Port project area to assist in financing specified Port public facilities, such as historic preservation at Pier 70 and the Port's new James R. Herman Cruise Terminal at Pier 27. When an allocation of the State's share of property tax increment to a Port project area is authorized under IFD law, the City will allocate to the waterfront district the amount of tax increment from the project area that will maximize the amount of the State's tax increment that is available to fund authorized public facilities. In accordance with the California Revenue and Taxation Code, the Board of Supervisors annually approves the share of City property tax dollars allocated to the City ($0.646 in FY 2012-2013), and the State annually approves the State's share of City property tax dollars ($0.253 in FY 2012-2013). To maximize State contributions to project areas through matching City contributions in project areas where the City's use of the State's share is authorized~~do so~~, the City would budget ~~up to $0.90 per~~ the sum of all of the City's share of property tax dollars from the project area plus all of the State's share of property tax dollars from the project area ~~(i.e., the sum of $0.65 of tax increment allocated by the City to the waterfront district from the project area and the State's share of tax increment)~~, until the earlier to occur of: (a) full financing of the authorized public facilities by tax increment; or (b) the allocation to the waterfront district of the full amount of tax increment from the project area authorized under the approved infrastructure financing plan.

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7. **Determine the amount of tax increment to be allocated to the waterfront district from a project area in relation to project economics.** The City will consider approving infrastructure financing plans for Port project areas that provide for allocations of ~~tax increment of up to $0.65 per~~ up to the sum of property tax dollars allocated to the City from

the project area in accordance with tax rates established annually by the Board of Supervisors for the City, or, where permitted by IFD law, the sum of the City's share of property tax dollars from the project area ~~$0.65 of tax increment so that, in combination with~~ plus ~~State~~the State's share of property tax dollars from the project area as established annually by the State~~'s share of tax increment, the total allocated is up to $0.90 per property tax dollar~~, to fund authorized public facilities necessary for each proposed development project. Each infrastructure financing plan must include projections of the amount of tax increment that will be needed to fund necessary public facilities. The allocation should be sufficient to enable the Port to: (a) obtain fair market rent for Port ground leases after build-out of the project area; and (b) enable proposed development projects to attract private equity. No tax increment will be used to pay a developer's return on equity or other internal profit metric in excess of limits imposed by applicable state and federal law; the IFD law currently measures permissible developer return by reference to a published bond index and both the State Mello-Roos Community Facilities Act and federal tax law require a return that is consistent with industry standards. The Board of Supervisors in its discretion may allocate additional tax increment to other public facilities serving the waterfront district that require funding.

An approved infrastructure financing plan will state the City's agreement that, for any debt secured by tax increment allocated to the waterfront district from a project area to finance authorized public facilities, the City will disburse tax increment to the waterfront district from the project area in amounts sufficient to fund: (a) debt service and debt service coverage for bonds issued under IFD law (IFD Bonds), bonds issued under the Mello-Roos Community Facilities Act of 1982[4] (CFD Bonds), and other forms of indebtedness that the Port is authorized to issue to fund public facilities authorized to be financed in the infrastructure financing plan to the extent not funded by special tax levies; and (b) costs of administration and authorized public facilities on a pay-as-you-go basis.

8. **Use excess tax increment for citywide purposes.** Any portion of the City's share of ~~T~~tax increment that the City allocated to the waterfront district from the project area but that is not required to fund eligible project-specific public facilities will be re-allocated to the City's General Fund or to improvements to the City's seawall and other measures to protect the City against sea level rise or other foreseeable risks to the City's waterfront. Under IFD law, any portion of the State's share of tax increment not needed to fund eligible public facilities reverts to the State and may not be re-allocated for citywide purposes.

9. **Port Capital Budget.** If the Port issues Port revenue bonds (instead of CFD Bonds or IFD Bonds) to be repaid by tax increment revenue generated in one or more Port project areas, to further the purposes Port Commission Resolution No. 12-22 adopting the Port's Policy for Funding Capital Budget Expenditures, the Port will include annually in its Capital Budget any tax increment revenue allocated to the waterfront district from the project area to provide debt service coverage on any Port revenue bond debt payable from tax increment.

10. **Require each project area infrastructure financing plan to identify sources of funding to construct, operate, and maintain public facilities financed by project area tax increment.** Tax increment will be allocated to the waterfront district from a project area under a project area infrastructure financing plan only if the Port has identified anticipated sources of funding to construct, operate, and maintain any public facilities to be financed with project area tax increment. Examples of acceptable sources for operation and maintenance are: (a) private financing mechanisms, such as a homeowners association assessment; (b) a supplemental special tax levied by a community facilities district formed

[4] Gov. Code §§ 553311-53368.3 (Mello-Ross Act).

under the Mello-Roos Act or assessments levied by a community benefits district; and (c) the Port's maintenance budget or other allocation of the Port Harbor Fund.

Strategic Criteria: are to be considered by the Board of Supervisors, but are not required to establish a Port IFD or project area.

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- **Use Port IFD financing for public facilities serving Port land where other Port moneys are insufficient.** Port IFD financing should be used to finance public facilities serving Port land when the Port does not otherwise have sufficient funds.

- **Use Port IFD financing to leverage non-City resources.** Port IFD financing should be used to leverage additional regional, state, and federal funds. For example, IFD funds may prove instrumental in securing matching federal or state dollars for transportation projects.

- **Continue the Port's "best-practices" citizen participation procedures to help establish priorities for public facilities serving Port land.** Continue to use the Port's "best-practices" citizen participation procedures to: (a) establish community and municipal priorities for construction of infrastructure serving Port land; and (b) ensure that infrastructure financing plans for Port project areas provide financing to help the Port and the City meet those priorities.

- **The Port, the Mayor's Budget Office, and the Controller should collaborate to conduct periodic nexus studies.** No less than every ten years, the Port, the Mayor's Budget Office, and the Controller should collaborate on a nexus study. The nexus analysis will examine whether the cost of basic municipal services provided to Port property, such as services provided by the Fire and Police Departments, is covered by the sum of: (a) the portion of property taxes the City receives from Port land that is not allocated to the waterfront district; (b) hotel, sales, payroll or gross receipts, and any other taxes the City receives from Port land; and (c) any other revenues that the City receives from Port land.

Draft
Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land under the Jurisdiction of the San Francisco Port Commission

Threshold Criteria:

1. **At formation, limit waterfront districts and project areas to Port land.** Consistent with California Infrastructure Financing District (IFD) law (Gov. Code §§ 53395-53398.47), the City may form an IFD consisting only of land under the jurisdiction of the San Francisco Port Commission (Port) without an election (waterfront district). The formation of a waterfront district consisting of all Port land with project areas corresponding to Port development projects within the waterfront district[1] will be subject to the criteria in these *Guidelines for Establishment and Use of Infrastructure Financing Districts and Project Areas on Land under the Jurisdiction of the San Francisco Port Commission* (Port Guidelines). The City will consider allocating property tax increment from a project area to the waterfront district when the Port submits a project area-specific infrastructure financing plan that specifies: (a) the public facilities to be financed by tax increment[2] generated in the project area; (b) the projected cost of the proposed public facilities; (c) the projected amount of tax increment that will be generated over the term of the project area; (d) the amount of tax increment that is proposed to be allocated to the IFD to finance public facilities; and (e) any other matters required under IFD law.

2. **Consider requests to annex non-Port land to a project area on a case-by-case basis.** If an owner of non-Port land adjacent to a project area petitions to add the adjacent property to the project area in accordance with the IFD law, the City will consider on a case-by-case basis: (a) whether to annex the non-Port property to the project area to assist in financing public facilities; and (b) the extent to which tax increment generated by the non-Port land but not used for Port public facilities should be subject to the *Guidelines for the Establishment and Use of Infrastructure Financing Districts in the City and County of San Francisco (City Guidelines).*[3]

3. **Require completion of environmental review and the affirmative recommendation of the Capital Planning Committee before approving any infrastructure financing plan that allocates tax increment from a project area.** The City may form the Port-wide waterfront district without allocating tax increment to the waterfront district. The City will not approve an infrastructure financing plan that would allocate property tax increment to the

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[1] In according with Board of Supervisors intent as stated in Board Resolution No. 110-12, adopted on March 27, 2012, and Board Resolution No. 227-12, adopted on June 12, 2012. These Port Guidelines will apply even if the Board later decides to create multiple IFDs on Port land, rather than a single waterfront district.

[2] IFD law generally authorizes certain classes of public facilities to be financed through IFDs. The Legislature has broadened the types of authorized public facilities for waterfront districts to include: (1) remediation of hazardous materials in, on, under, or around any real or tangible property; (2) seismic and life-safety improvements to existing buildings; (3) rehabilitation, restoration, and preservation of structures, buildings, or other facilities having special historical, architectural, or aesthetic interest or value and that are listed on the National Register of Historic Places, are eligible for listing on the National Register of Historic Places individually or because of their location within an eligible registered historic district, or are listed on a state or local register of historic landmarks; (4) structural repairs and improvements to piers, seawalls, and wharves, and installation of piles; (5) removal of bay fill; (6) stormwater management facilities, other utility infrastructure, or public open-space improvements; (7) shoreline restoration; (8) other repairs and improvements to maritime facilities; (9) planning and design work that is directly related to any public facilities authorized to be financed by a waterfront district; (10) reimbursement payments made to the California Infrastructure and Economic Development Bank in accordance with IFD law; (11) improvements, which may be publicly owned, to protect against potential sea level rise; (12) Port maritime facilities at Pier 27; (13) shoreside power installations at Port maritime facilities; and (14) improvements to publicly-owned waterfront lands used as public spectator viewing sites for America's Cup activities in San Francisco. Gov. Code §§ 53395.3, 53395.8(d), and 53395.81(c)(1).

[3] Adopted on February 8, 2011, by the Board of Supervisors Resolution No. 66-11. The City Guidelines do not apply to IFDs on land owned or managed by the Port.

waterfront district from any project area, however, until the following have occurred: (a) the City has completed environmental review of the proposed development project associated with the project area and any proposed public facilities to be financed with property tax increment from the project area; and (b) the Capital Planning Committee has recommended approval of the related infrastructure financing plan.

4. **Public facilities financed by tax increment must be consistent with applicable laws, policies, and the Port's capital plan.** Project areas in the waterfront district must finance public facilities that are consistent with: (a) IFD law; (b) the Port's Waterfront Land Use Plan; (c) any restrictions imposed by the public trust for commerce, navigation, and fisheries, the Burton Act (stats. 1968, ch. 1333), or other applicable statute; and (d) the Port's 10-Year Capital Plan, all as in effect on the date the City approves any project area infrastructure financing plan.

5. **The Port must demonstrate that the project area will result in a net economic benefit to the City, including the Port.** The Port must include in the infrastructure financing plan for each project area: (a) the total amount of revenue that the City's General Fund is projected to receive over the term of the project area; and (b) the number of jobs and other economic development benefits that the project assisted by the waterfront district is projected to produce over the term of the project area. The projections in the infrastructure financing plan should be similar to those prepared to demonstrate that certain projects are fiscally feasible and responsible in accordance with Administrative Code Chapter 29.

6. **Where applicable, maximize State contributions to project areas through matching City contributions.** IFD law authorizes the allocation of the State's share of property tax increment to certain Port project areas in proportion to the City's allocation of tax increment to the Port project area to assist in financing specified Port public facilities, such as historic preservation at Pier 70 and the Port's new James R. Herman Cruise Terminal at Pier 27. When an allocation of the State's share of property tax increment to a Port project area is authorized under IFD law, the City will allocate to the waterfront district the amount of tax increment from the project area that will maximize the amount of the State's tax increment that is available to fund authorized public facilities. To do so, the City would budget up to $0.90 per property tax dollar (i.e., the sum of $0.65 of tax increment allocated by the City to the waterfront district from the project area and the State's share of tax increment), until the earlier to occur of: (a) full financing of the authorized public facilities by tax increment; or (b) the allocation to the waterfront district of the full amount of tax increment from the project area authorized under the approved infrastructure financing plan.

7. **Determine the amount of tax increment to be allocated to the waterfront district from a project area in relation to project economics.** The City will consider approving infrastructure financing plans for Port project areas that provide for allocations of tax increment of up to $0.65 per property tax dollar, or, where permitted by IFD law, $0.65 of tax increment so that, in combination with State's share of tax increment, the total allocated is up to $0.90 per property tax dollar, to fund authorized public facilities necessary for each proposed development project. Each infrastructure financing plan must include projections of the amount of tax increment that will be needed to fund necessary public facilities. The allocation should be sufficient to enable the Port to: (a) obtain fair market rent for Port ground leases after build-out of the project area; and (b) enable proposed development projects to attract private equity. No tax increment will be used to pay a developer's return on equity or other internal profit metric in excess of limits imposed by applicable state and federal law; the IFD law currently measures permissible developer return by reference to a published bond index and both the State Mello-Roos Community Facilities Act and federal tax law require a return that is consistent with industry standards. The Board of Supervisors

in its discretion may allocate additional tax increment to other public facilities serving the waterfront district that require funding.

An approved infrastructure financing plan will state the City's agreement that, for any debt secured by tax increment allocated to the waterfront district from a project area to finance authorized public facilities, the City will disburse tax increment to the waterfront district from the project area in amounts sufficient to fund: (a) debt service and debt service coverage for bonds issued under IFD law (IFD Bonds), bonds issued under the Mello-Roos Community Facilities Act of 1982[4] (CFD Bonds), and other forms of indebtedness that the Port is authorized to issue to fund public facilities authorized to be financed in the infrastructure financing plan to the extent not funded by special tax levies; and (b) costs of administration and authorized public facilities on a pay-as-you-go basis.

8. **Use excess tax increment for citywide purposes.** Tax increment not required to fund eligible project-specific public facilities will be allocated to the City's General Fund or to improvements to the City's seawall and other measures to protect the City against sea level rise or other foreseeable risks to the City's waterfront.

9. **Port Capital Budget.** If the Port issues Port revenue bonds (instead of CFD Bonds or IFD Bonds) to be repaid by tax increment revenue generated in one or more Port project areas, to further the purposes Port Commission Resolution No. 12-22 adopting the Port's Policy for Funding Capital Budget Expenditures, the Port will include annually in its Capital Budget any tax increment revenue allocated to the waterfront district from the project area to provide debt service coverage on any Port revenue bond debt payable from tax increment.

10. **Require each project area infrastructure financing plan to identify sources of funding to construct, operate, and maintain public facilities financed by project area tax increment.** Tax increment will be allocated to the waterfront district from a project area under a project area infrastructure financing plan only if the Port has identified anticipated sources of funding to construct, operate, and maintain any public facilities to be financed with project area tax increment. Examples of acceptable sources for operation and maintenance are: (a) private financing mechanisms, such as a homeowners association assessment; (b) a supplemental special tax levied by a community facilities district formed under the Mello-Roos Act or assessments levied by a community benefits district; and (c) the Port's maintenance budget or other allocation of the Port Harbor Fund.

Strategic Criteria

- **Use Port IFD financing for public facilities serving Port land where other Port moneys are insufficient.** Port IFD financing should be used to finance public facilities serving Port land when the Port does not otherwise have sufficient funds.

- **Use Port IFD financing to leverage non-City resources.** Port IFD financing should be used to leverage additional regional, state, and federal funds. For example, IFD funds may prove instrumental in securing matching federal or state dollars for transportation projects.

- **Continue the Port's "best-practices" citizen participation procedures to help establish priorities for public facilities serving Port land.** Continue to use the Port's "best-practices" citizen participation procedures to: (a) establish community and municipal priorities for construction of infrastructure serving Port land; and (b) ensure that

[4] Gov. Code §§ 553311-53368.3 (Mello-Ross Act).

infrastructure financing plans for Port project areas provide financing to help the Port and the City meet those priorities.

- **The Port, the Mayor's Budget Office, and the Controller should collaborate to conduct periodic nexus studies.** No less than every ten years, the Port, the Mayor's Budget Office, and the Controller should collaborate on a nexus study. The nexus analysis will examine whether the cost of basic municipal services provided to Port property, such as services provided by the Fire and Police Departments, is covered by the sum of: (a) the portion of property taxes the City receives from Port land that is not allocated to the waterfront district; (b) hotel, sales, payroll or gross receipts, and any other taxes the City receives from Port land; and (c) any other revenues that the City receives from Port land.

CITY POLICY FOR PORT IFD

BOARD OF SUPERVISORS BUDGET COMMITTEE

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INFRASTRUCTURE FINANCING DISTRICTS

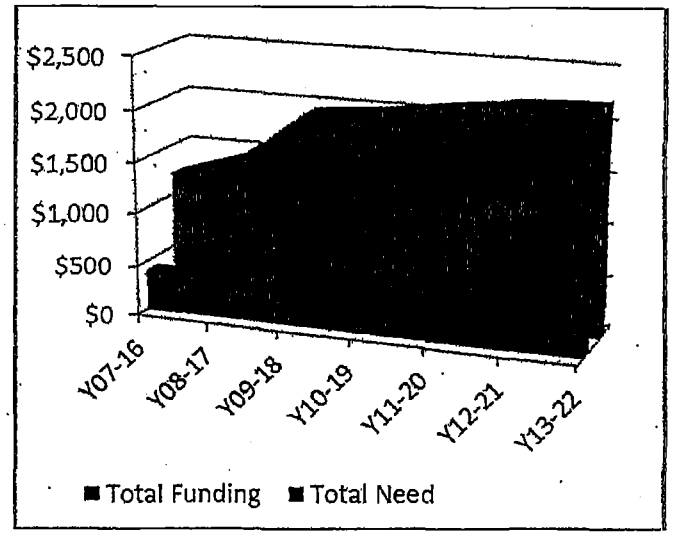
- A city or county may form an Infrastructure Financing District (technically a separate political subdivision) to finance public improvements like new **streets, utility infrastructure and parks.**

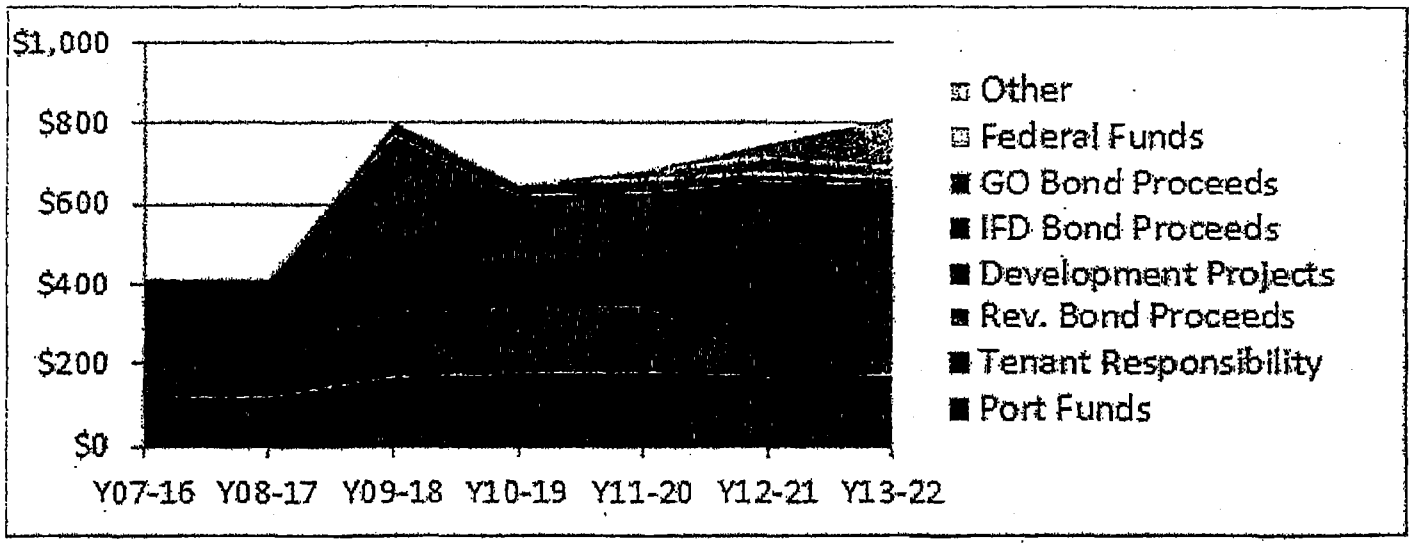
- The method of financing – *tax increment* – is similar to redevelopment, where growth in property taxes may be captured for periods of up to 45 years, except that in most cases, **only local property tax may be captured.**

- Tax increment may be used to pay for infrastructure via the sale of bonds, or on a pay-as-you go basis.

- Port IFDs are structured to provide different types of public benefits than redevelopment, which focused on affordable housing. By state law, **20% of the Port IFD tax increment must be spent on parks, Bay access and fill removal and environmental remediation.**

Port 10 Year Capital Plan





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IFD Legislative Efforts

- **SB 1085 (2005)** – Authorized the Board of Supervisors to form Infrastructure Financing Districts along Port of San Francisco property

- **AB 1199 (2010)** – Pier 70 State Share of Tax Increment

- **AB 664 & AB 2259 (2012)** – 34th America's Cup IFD State Share of Tax Increment

Proposed Port IFD Policy

Nexus Analysis

- Charter and the Burton Act established Port Harbor Fund
- 2004 and 2008 nexus analysis (taxes and revenues from Port vs. cost of City services)
- Taxes generated from Port property are sufficient to pay for City services on leased property and the workorder budget supports services on unleased property.
- **Principle:** General Fund should not subsidize City services for unleased Port property, and the Harbor Fund should not pay for City services on leased property.

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PORTWIDE IFD

- **Waterfront project areas for each project**

- **Eligible uses:**
  - Piers, docks, wharves & aprons
  - Installation of piles
  - Seismic upgrades
  - Utility infrastructure
  - Streets and sidewalks
  - **Parks and Bay access**
  - **Fill removal**
  - **Environmental remediation**
  - Historic rehabilitation
  - Seawall and sea level rise
  - Port maritime facilities

PROPOSED PORT IFD POLICY

1. **Port land.** Districts formed on Port property.
2. **Annexing Non-Port Land.** Case-by-case policy decision about applying existing City IFD Guidelines.
3. **CEQA.** Conduct CEQA prior to adopting an Infrastructure Financing Plan.
4. **Priority of Improvements.** Consistent with: IFD law, Waterfront Plan, public trust and Capital Plan.
5. **Economic Benefit and General Fund Impact.** Results in total net revenue to General Fund, jobs and other economic development benefits.
6. **State and City matching contributions.** Maximize use of local increment to leverage the maximum available State share.

PROPOSED PORT IFD POLICY

7. **Amount of increment allocated.** Up to **$0.65 per property tax dollar**, or, where permitted by State law, **up to $0.90 per property tax dollar**, until the costs of required infrastructure are fully paid or reimbursed. No increment will be used to pay a developer's return, except as permitted by law.
8. **Excess increment.** To the City's General Fund or to improvements to the City's seawall or to address sea level rise.
9. **Port Annual Capital Program.** If the Port issues revenue bonds, debt service coverage to Port Capital Program.
10. **Funding for Infrastructure Maintenance.** Identify source to maintain improvements.

PORT IFD FORMATION

- Resolution 110-12 – "City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco)"
- City staff will develop an Infrastructure Finance Plan ("IFP") which will include a separate "IFP appendix" for each project
- Port, DPW, SFPUC review of horizontal infrastructure proposals and third-party cost estimates
- Mechanisms to ensure a fair infrastructure price (e.g., GMP contracts)
- CPC recommendation to full BOS regarding each IFP appendix

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STRATEGIC CRITERIA & NEXUS

1. Use IFDs where other Port moneys are insufficient.

2. Use IFDs strategically to leverage non-City resources.

3. Continue the "best-practices" citizen participation procedures used to help City agencies prioritize implementation.

Conduct periodic nexus analysis every ten years to review net economic benefits to City. What are the costs of City services to the proposed development vs. general taxes (net of tax increment)?

MAJOR WATERFRONT PROJECTS[1]

- SWL 337 & Pier 48

  3.6 million sf of mixed use development, est. all-in cost of $1.47 billion

  $341 million in tax increment captured to service debt (12.5% of total generated over 75 year term)

- Pier 70 Waterfront Site[2]

  > 3.5 million sf of mixed use development, est. all-in cost of $1.76 billion

- Piers 30-32 and SWL 330

  ~2 million sf of mixed use development, est. cost of $875-975 million

Notes:

1 Figures for all development projects (sf of development, cost estimates and financial projections are conceptual, pre-entitlement projections.

2 The Port proposes to form a broader infrastructure financing district project area over all of Pier 70 (69 acres). The Waterfront Site is 25 acres.

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SWL 337 FISCAL IMPACT

BASED ON CHAPTER 29 FISCAL FEASIBILITY REPORT
PROJECTION IS SUBJECT TO REFINEMENT

- Net Fiscal Benefit to CCSF

  $13 million tax and dedicated revenue
  - $2.5 million Police, Fire and DPW costs
  = $10.5 million annual fiscal benefit

- While SFMTA is projected to receive $1.7 million of this amount, the full costs of SFMTA service to the site will be further analyzed during CEQA and SFMTA's related planning studies

- After IFD pays for eligible infrastructure costs, the project will generate $8 million annually (in 2013 dollars) which the Board may allocate to the City's seawall or for General Fund purposes.

SWL 337 & Pier 48: Costs for Parks, Streets, Historic Rehab, Utilities and Site Work

PHASE	COMPONENT	UNINFLATED COSTS	INFLATED COSTS (3%)	START YEAR
Entitlements	Entitlements	$20,000,000	$20,000,000	2012
Phase 1	Parcels A, B & C	$18,390,613	$21,523,162	2017
Phase 1a	Parcel D Garage	$ 5,216,622	$6,164,578	2017
Phase 2	Parcels G & K	$31,832,900	$38,227,462	2018
Phase 3	Parcels E & F	$17,362,012	$21,364,776	2019
Phase 4	Parcels H, I & J	$14,687,489	$18,441,259	2020
Total		$107,489,636	$125,721,237	

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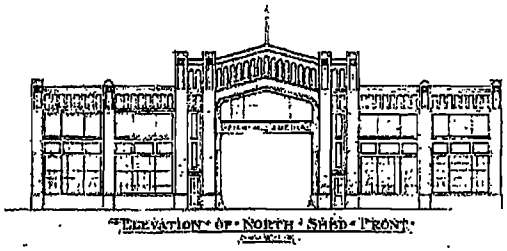
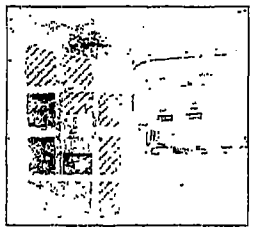
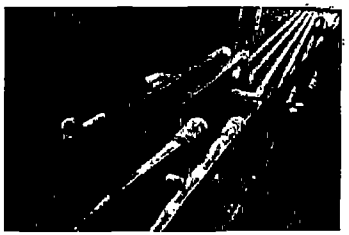
Notes:

- Costs presented in 2012 USD.
- Phase 4 also includes projected costs for Pier 48 of $22,050,000 ($28,428,311 inflated), paid through tenant-funded capital improvements and project IFD proceeds.
- Total = hard costs + 10% contingency + 25% soft costs.

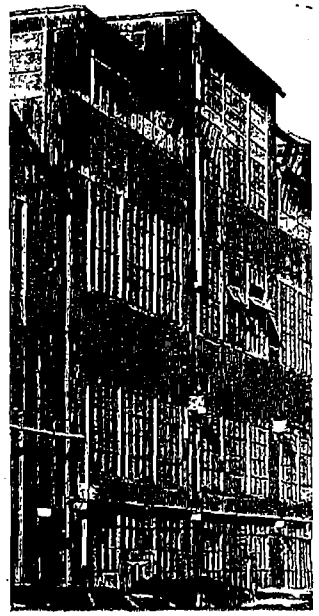






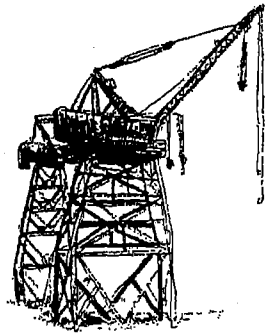
Pier 70 Waterfront Site
Total Infrastructure & Site Conditions Costs

Type of Infrastructure	Est. Cost
Entitlements	$21,000,000
Roads and Utilities	$38,856,000
Site Preparation	$27,837,000
Seacant Wall	$23,413,000
Open Space	$28,894,000
Site Remediation	$11,452,000
Off-site Improvements	$26,894,000
Total	**$178,346,000**



Notes:

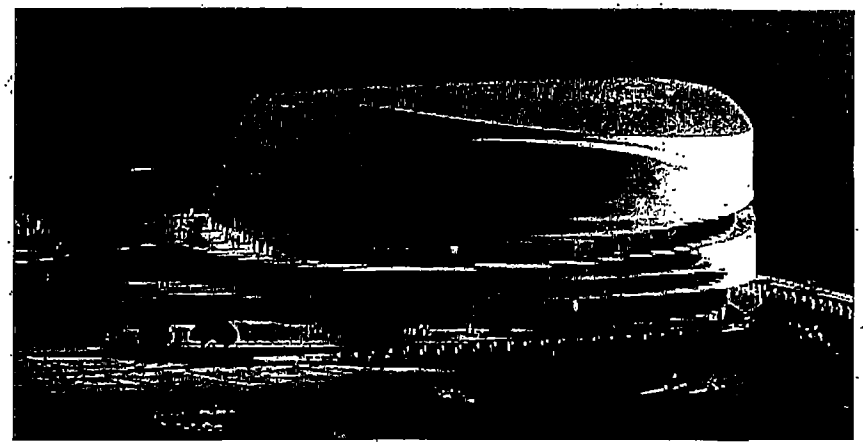
- Costs presented in 2012 USD.
- Does not include approximately $90 million in historic building rehab work, net costs of which (after federal historic tax credits and building revenues) will be eligible for IFD reimbursement.



WARRIORS: FISCAL FEASIBILITY & COSTS

1. **Direct & indirect economic benefits of the project**
   - City Revenue: $19.4M (inc. tax increment)/ $53.8M (one-time)
   - Visitor Spending: $60M/year
   - Jobs: 2,623 (construction) / 1,757 (permanent)

2. **Construction costs: $875-975M (hard & soft costs)**
   - City will reimburse Warriors for agreed improvements to Piers 30-32 capped at $120 M
   - Reimbursement from 3 sources: Piers 30-32 Rent Credits, Sale Price of SWL 330, IFD



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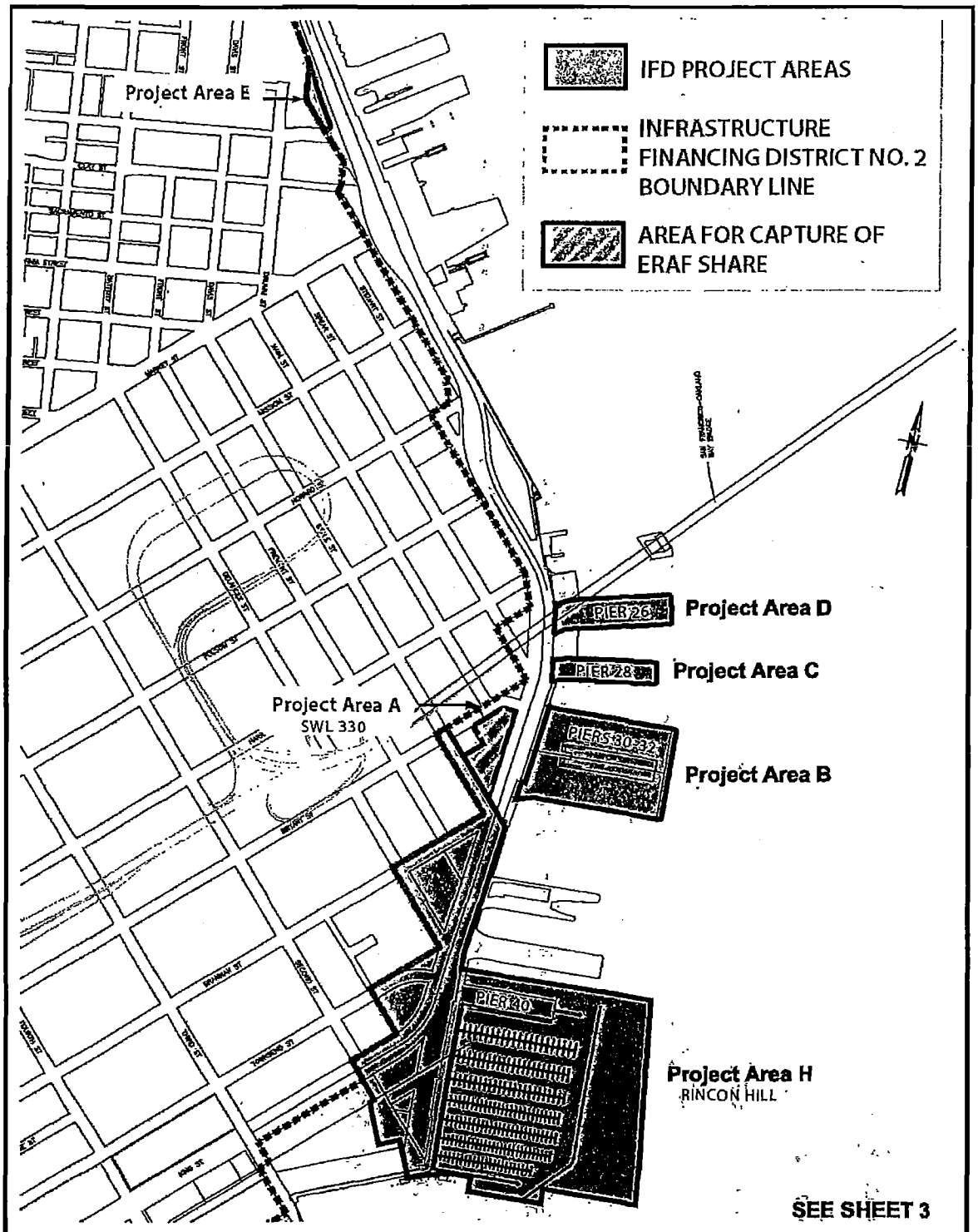
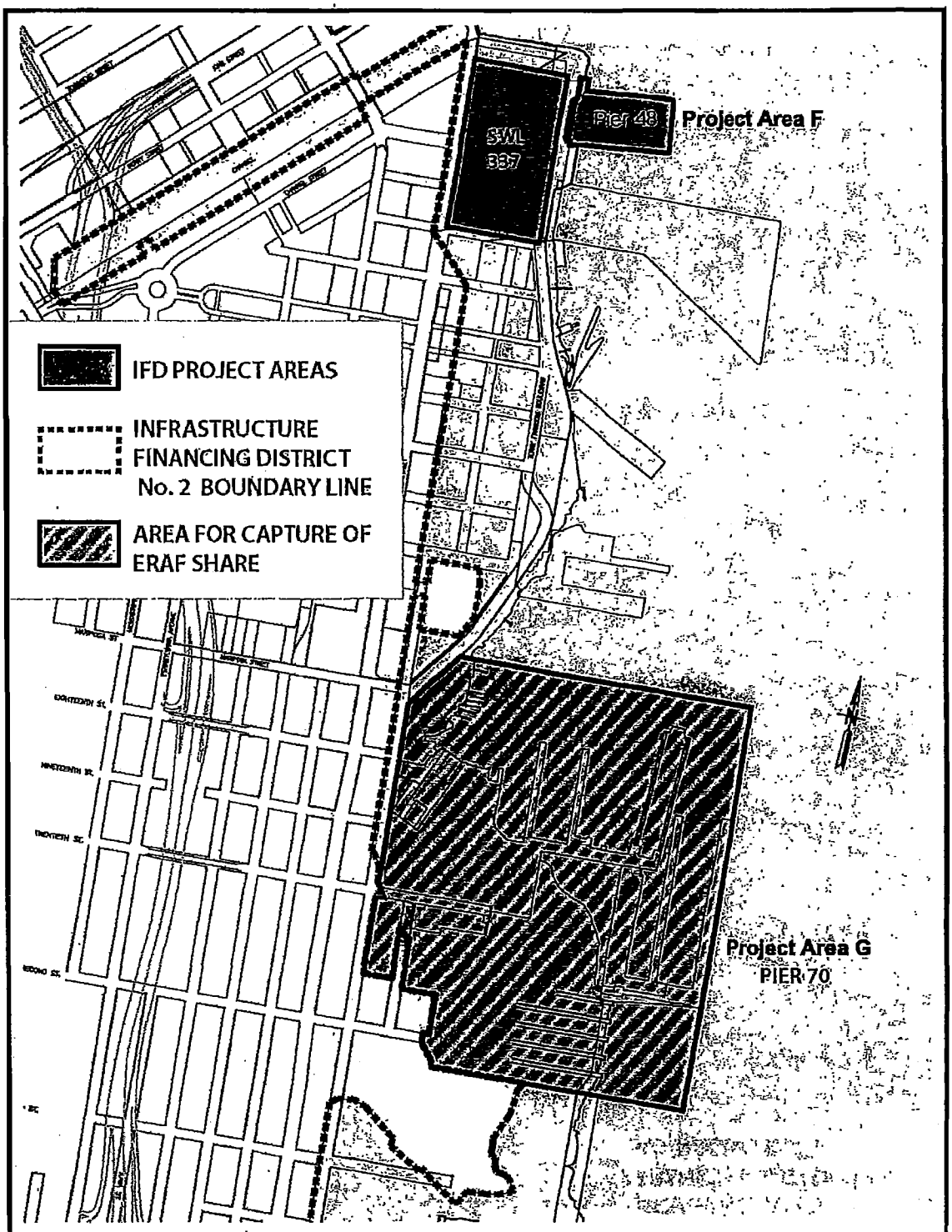
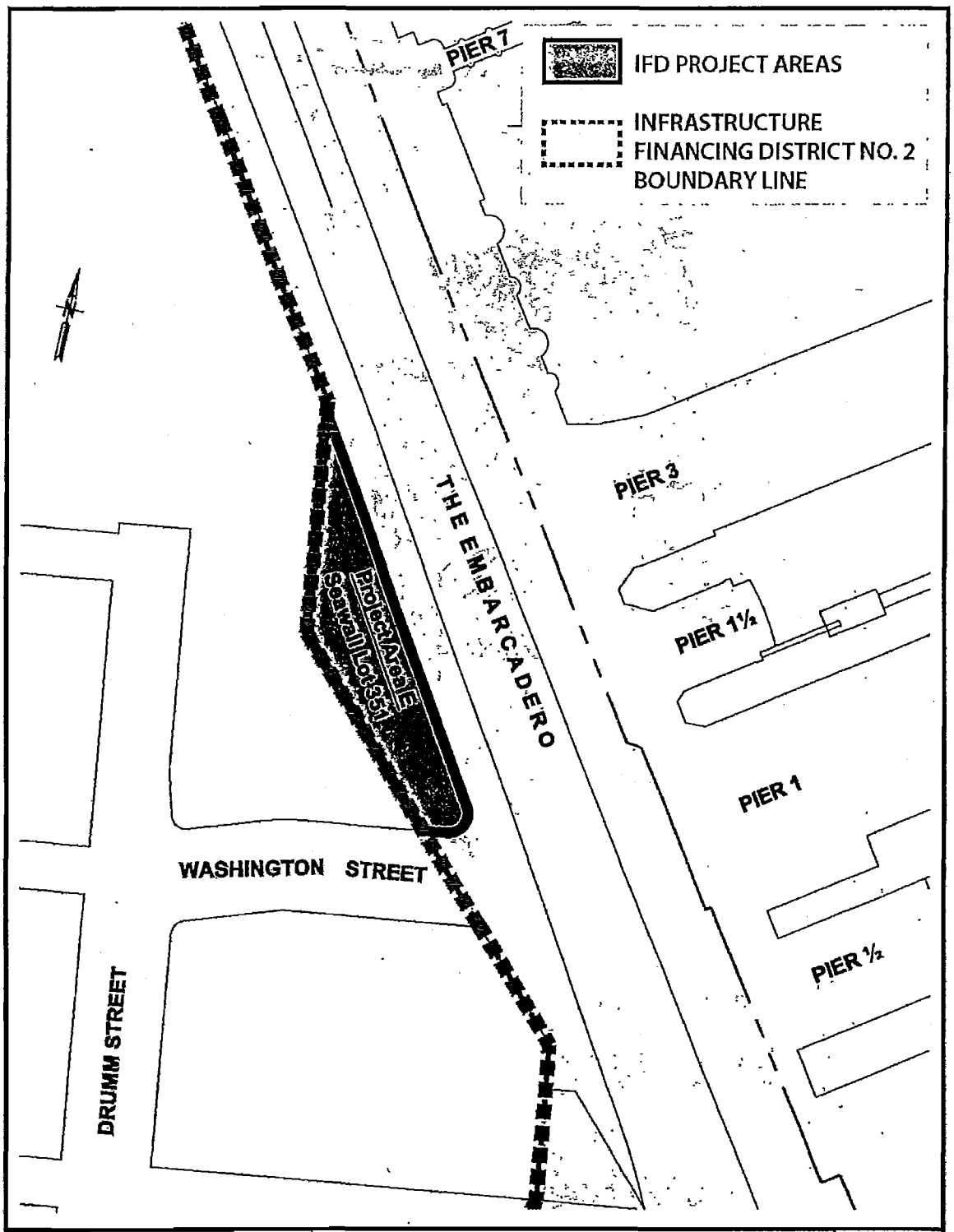


SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO PORT DEPARTMENT OF ENGINEERING	Amended Map of Proposed Boundaries of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), City and County of San Francisco, State of California	DATE: APR. 16, 2012 SCALE: 1" = 2000' SHEET NO. 2 OF 11 SHEETS

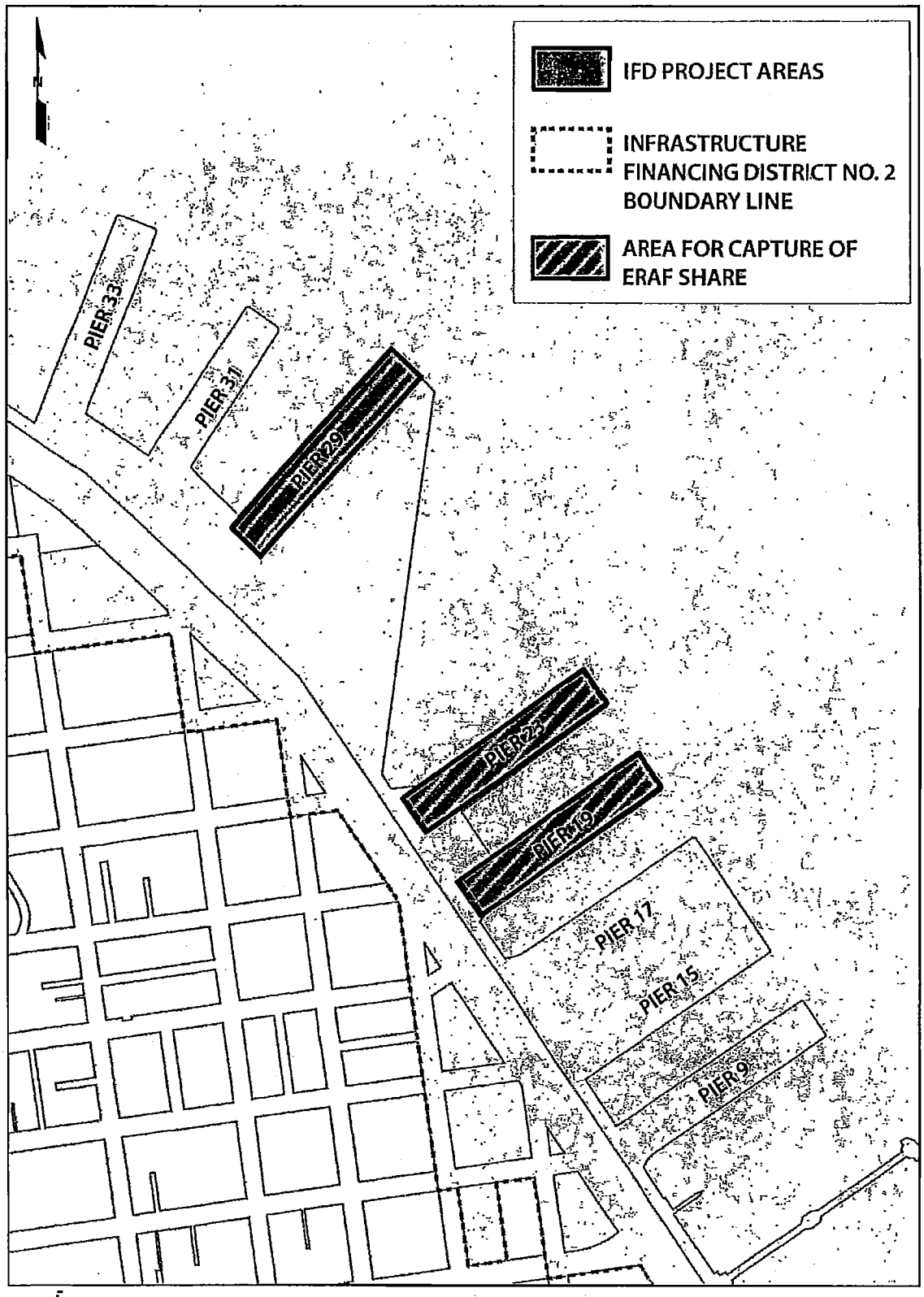
Revised 4-11-13



SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO PORT DEPARTMENT OF ENGINEERING	Amended Map of Proposed Boundaries of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), City and County of San Francisco, State of California	DATED APR. 18, 2012 SCALE: 1" = 2000' SHEET NO. 3 OF 11 SHEETS



SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO PORT DEPARTMENT OF ENGINEERING	Amended Map of Proposed Boundaries of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), City and County of San Francisco, State of California	DATE: APR. 16, 2012 SCALE: 1" = 150' SHEET NO. 8 OF 11 SHEETS



Port of San Francisco
Infrastructure Financing Districts in the
Northern Waterfront Defined by AB 2259

0 250 500 1,000 Feet

Revised 4-11-13

Attachment 3:

Cash Flow Projection of Annual Sources and Uses of Funds

Anticipated Sources and Uses	Dollars (millions) 2017	Nominal Total	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Project Sources												
Horizontal Sponsor Capital Contribution	$193.3	$217.6	$2.6	$4.5	$2.8	$2.5	$7.2	$4.2	$5.0	$21.1	$29.7	$43.7
Port's Advance of Land Proceeds	$63.1	$67.0	--	--	--	--	--	--	--	$65.1	$1.9	--
CFD												
Net Bond Proceeds	$61.2	$73.7	--	--	--	--	--	--	--	--	$18.9	$16.3
CFD Pay Go	$84.0	$257.2	--	--	--	--	--	--	--	--	--	$0.6
Tax Increment												
Net IFD Bond Proceeds	$109.3	$143.2	--	--	--	--	--	--	--	--	--	--
IFD Pay Go	$186.7	$563.7	--	--	--	--	--	--	$0.0	$0.2	$0.7	$0.7
Total Sources	**$697.6**	**$1,322.4**	$2.6	$4.5	$2.8	$2.5	$7.2	$4.2	$5.0	$86.4	$51.1	$61.3
Project Uses												
Entitlement Costs	$25.0	$25.0	$2.6	$4.5	$2.8	$2.5	$7.2	$4.2	$1.1	--	--	--
Hard and Soft IFD Facility Costs	$203.3	$300.6	--	--	--	--	--	--	$3.9	$21.1	$29.7	$43.7
Preferred Return to Horizontal Sponsor	$88.3	$111.4	--	--	--	--	--	--	--	$17.0	$0.8	$0.7
Reimbursement of Horizontal Sponsor Capital	$180.0	$217.6	--	--	--	--	--	--	--	$48.3	$20.6	$16.3
Repayment of Port's Advance of Land Proceeds	$71.9	$171.1	--	--	--	--	--	--	--	--	--	--
Seawall & Sea Level Rise, Port-Wide Improvements	$129.2	$496.7	--	--	--	--	--	--	$0.0	--	--	$0.6
Total Uses	**$697.6**	**$1,322.4**	$2.6	$4.5	$2.8	$2.5	$7.2	$4.2	$5.0	$86.4	$51.1	$61.3

**All Numbers are in millions of dollars*

Anticipated Sources and Uses	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Project Sources													
Horizontal Sponsor Capital Contribution	$32.8	$29.6	$18.8	$13.0	--	--	--	--	--	--	--	--	--
Port's Advance of Land Proceeds	--	--	--	--	--	--	--	--	--	--	--	--	--
CFD													
Net Bond Proceeds	--	--	$13.6	$5.0	$8.9	$0.4	$4.5	$1.2	$1.5	$0.9	$0.9	$0.9	$0.9
CFD Pay Go	$0.9	$1.1	$1.4	$1.4	$1.4	$1.4	$1.5	$1.5	$1.5	$1.6	$1.6	$1.6	$1.7
Tax Increment													
Net IFD Bond Proceeds	--	--	$50.5	$18.7	$33.0	$1.4	$16.7	$4.3	$5.5	$3.2	$3.2	$3.3	$3.4
IFD Pay Go	$4.5	$10.5	$6.2	$3.7	$2.9	$3.5	$2.7	$2.4	$2.0	$1.9	$1.7	$1.6	$1.4
Total Sources	$38.2	$41.2	$90.5	$41.9	$46.2	$6.7	$25.4	$9.4	$10.5	$7.5	$7.4	$7.4	$7.4
Project Uses													
Entitlement Costs	--	--	--	--	--	--	--	--	--	--	--	--	--
Hard and Soft IFD Facility Costs	$32.8	$29.6	$18.8	$13.0	--	--	--	--	--	--	--	--	--
Preferred Return to Horizontal Sponsor	$4.5	$8.1	$26.4	$11.6	$8.1	$1.5	$11.6	$3.5	$5.4	$0.3	$6.6	$5.0	$0.3
Reimbursement of Horizontal Sponsor Capital	--	--	$44.2	$16.9	$37.0	$2.6	$11.7	$4.2	$3.5	$5.3	--	$1.3	$5.7
Repayment of Port's Advance of Land Proceeds	--	--	$0.7	$0.4	$1.0	$2.6	$2.1	$1.7	$1.6	$1.9	$0.9	$1.1	$1.3
Seawall & Sea Level Rise, Port-Wide Improvements	$0.9	$3.6	$0.4	$0.0	$0.0	--	$0.0	--	--	--	--	--	--
Total Uses	$38.2	$41.2	$90.5	$41.9	$46.2	$6.7	$25.4	$9.4	$10.5	$7.5	$7.4	$7.4	$7.4

**All Numbers are in millions of dollars*

Anticipated Sources and Uses	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Project Sources													
Horizontal Sponsor Capital Contribution	--	--	--	--	--	--	--	--	--	--	--	--	--
Port's Advance of Land Proceeds	--	--	--	--	--	--	--	--	--	--	--	--	--
CFD													
Net Bond Proceeds	--	--	--	--	--	--	--	--	--	--	--	--	--
CFD Pay Go	$1.7	$1.7	$1.8	$1.8	$1.8	$1.9	$1.9	$1.9	$2.0	$2.0	$2.1	$2.1	$2.1
Tax Increment													
Net IFD Bond Proceeds	--	--	--	--	--	--	--	--	--	--	--	--	--
IFD Pay Go	$1.4	$1.5	$1.7	$1.8	$1.9	$2.1	$2.2	$2.3	$2.5	$2.6	$2.8	$2.9	$3.1
Total Sources	$3.1	$3.2	$3.4	$3.6	$3.7	$3.9	$4.1	$4.3	$4.5	$4.6	$4.8	$5.0	$5.2
Project Uses													
Entitlement Costs	--	--	--	--	--	--	--	--	--	--	--	--	--
Hard and Soft IFD Facility Costs	--	--	--	--	--	--	--	--	--	--	--	--	--
Preferred Return to Horizontal Sponsor	--	--	--	--	--	--	--	--	--	--	--	--	--
Reimbursement of Horizontal Sponsor Capital	--	--	--	--	--	--	--	--	--	--	--	--	--
Repayment of Port's Advance of Land Proceeds	$3.1	$3.2	$3.4	$3.6	$3.7	$3.9	$4.1	$4.3	$4.5	$4.6	$4.8	$5.0	$5.2
Seawall & Sea Level Rise, Port-Wide Improvements	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Uses	$3.1	$3.2	$3.4	$3.6	$3.7	$3.9	$4.1	$4.3	$4.5	$4.6	$4.8	$5.0	$5.2

**All Numbers are in millions of dollars*

Anticipated Sources and Uses	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Project Sources													
Horizontal Sponsor Capital Contribution	--	--	--	--	--	--	--	--	--	--	--	--	--
Port's Advance of Land Proceeds	--	--	--	--	--	--	--	--	--	--	--	--	--
CFD													
Net Bond Proceeds	--	--	--	--	--	--	--	--	--	--	--	--	--
CFD Pay Go	$2.7	$3.7	$5.0	$6.1	$6.6	$7.3	$8.0	$8.1	$8.3	$8.4	$8.6	$8.8	$9.0
Tax Increment													
Net IFD Bond Proceeds	--	--	--	--	--	--	--	--	--	--	--	--	--
IFD Pay Go	$3.2	$3.4	$3.0	$14.4	$14.9	$15.5	$20.1	$22.2	$25.5	$26.2	$28.1	$29.1	$30.1
Total Sources	$6.0	$7.1	$8.1	$20.5	$21.5	$22.8	$28.1	$30.3	$33.7	$34.6	$36.7	$37.8	$39.1
Project Uses													
Entitlement Costs	--	--	--	--	--	--	--	--	--	--	--	--	--
Hard and Soft IFD Facility Costs	--	--	--	$10.0	$10.5	$11.0	$11.6	$12.2	$12.8	$13.4	$14.1	$12.5	--
Preferred Return to Horizontal Sponsor	--	--	--	--	--	--	--	--	--	--	--	--	--
Reimbursement of Horizontal Sponsor Capital	--	--	--	--	--	--	--	--	--	--	--	--	--
Repayment of Port's Advance of Land Proceeds	$6.0	$7.1	$8.1	$8.9	$9.8	$10.7	$11.8	$13.0	$14.3	$12.7	--	--	--
Seawall & Sea Level Rise, Port-Wide Improvements	--	--	--	$1.6	$1.2	$1.0	$4.7	$5.2	$6.7	$8.5	$22.6	$25.4	$39.1
Total Uses	$6.0	$7.1	$8.1	$20.5	$21.5	$22.8	$28.1	$30.3	$33.7	$34.6	$36.7	$37.8	$39.1

**All Numbers are in millions of dollars*

Anticipated Sources and Uses	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
Project Sources												
Horizontal Sponsor Capital Contribution	--	--	--	--	--	--	--	--	--	--	--	--
Port's Advance of Land Proceeds	--	--	--	--	--	--	--	--	--	--	--	--
CFD												
Net Bond Proceeds	--	--	--	--	--	--	--	--	--	--	--	--
CFD Pay Go	$9.1	$9.3	$9.5	$9.7	$9.9	$10.1	$10.3	$10.5	$10.7	$10.9	$11.1	$11.4
Tax Increment												
Net IFD Bond Proceeds	--	--	--	--	--	--	--	--	--	--	--	--
IFD Pay Go	$31.0	$31.9	$32.8	$33.8	$32.3	$22.8	$23.3	$18.5	$15.2	$5.3	$3.7	$1.9
Total Sources	$40.2	$41.2	$42.4	$43.5	$42.2	$32.9	$33.6	$29.0	$25.9	$16.3	$14.9	$13.3
Project Uses												
Entitlement Costs	--	--	--	--	--	--	--	--	--	--	--	--
Hard and Soft IFD Facility Costs	--	--	--	--	--	--	--	--	--	--	--	--
Preferred Return to Horizontal Sponsor	--	--	--	--	--	--	--	--	--	--	--	--
Reimbursement of Horizontal Sponsor Capital	--	--	--	--	--	--	--	--	--	--	--	--
Repayment of Port's Advance of Land Proceeds	--	--	--	--	--	--	--	--	--	--	--	--
Seawall & Sea Level Rise, Port-Wide Improvements	$40.2	$41.2	$42.4	$43.5	$42.2	$32.9	$33.6	$29.0	$25.9	$16.3	$14.9	$13.3
Total Uses	$40.2	$41.2	$42.4	$43.5	$42.2	$32.9	$33.6	$29.0	$25.9	$16.3	$14.9	$13.3

**All Numbers are in millions of dollars*

Attachment 4:

Assessment of Fiscal Impacts to the City and County of San Francisco Mission Rock – Port of San Francisco (Project I of City and County of San Francisco Infrastructure Financing District No. 2)

KEYSER MARSTON ASSOCIATES

ASSESSMENT OF FISCAL IMPACTS TO THE CITY AND COUNTY OF SAN FRANCISCO MISSION ROCK – PORT OF SAN FRANCISCO (PROJECT AREA I OF INFRASTRUCTURE FINANCING DISTRICT No. 2)

Prepared for
City and County of San Francisco

Prepared by
Keyser Marston Associates, Inc.

December 2017

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I. EXECUTIVE SUMMARY

The fiscal impact analysis presented in this report has been prepared to meet the requirements of Section 53395.8 (g) (3) (C) (vii) of the California Government Code relating to the formation of Project Area I and the addition of Sub-Project Areas I-1 through I-13 to the City and County of San Francisco Infrastructure Financing District No. 2. The boundaries of Project Area I encompass the boundaries of the proposed Mission Rock Project ("the Project"). For purposes of this analysis, the term "District" means the aggregate sum of Sub-Project Area I-1 through I-13. The analysis addresses the following:

"The costs to San Francisco for providing facilities and services to the District while the District is being developed and after the district is developed, and of the taxes, fees, charges, and other revenues expected to be received by San Francisco as a result of expected development in the district."

The Project is anticipated to be comprised of the following components[1]:

- Over 8 acres of parks and open space;
- 1,327 rental residential apartments, of which 40% will be affordable to households earning less than 150% of the Area Median Income[2],
- 248,931 square feet of retail;
- 1.7 million square feet of office, retail, and production space; and
- 983,876 square feet of structured parking.

Completion and full occupancy of the Project is anticipated by FY 2026/27. Upon buildout, the Project's service population is projected to reach 2,999 residents and 5,084 employees.

The analysis reflects the anticipated development program and phasing schedule provided by project sponsors in October 2017, as well as current fiscal information derived from the City and County of San Francisco (CCSF) FY 2017/18 Budget and Appropriation Ordinance.

Each Sub-Project area will receive tax increment for 45 years from the date that the such Sub-Project Area receives $100,000 in incremental tax revenues under the IFD Law. This fiscal analysis evaluates the impacts of the entire Project from FY 2018/19 through FY 2072/73 which is the projected termination date of the last Sub-Project Area.

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[1] The development program analyzed in this fiscal analysis represents the Developer's current estimates. The actual program may differ from this projection.

[2] The distribution of affordable residential units is as follows:

- Market Rate units: 801
- 45% AMI units: 27
- 55% AMI units: 131
- 90% AMI units: 50
- 120% AMI units: 228; and
- 150% AMI units: 90

The analysis evaluates the cumulative and annual fiscal impacts to the CCSF General Fund. In accordance with the terms of the draft Disposition and Development Agreement between the Port and Seawall Lot 337 Associates, LLC ("Developer"), this analysis assumes that:

- 100% of the City's share of tax increment (64.59% of every dollar of gross tax increment) will be allocated from the General Fund to the IFD to fund eligible facilities; and

- The maintenance of all of the Project's public facilities, including the parks, open space, plazas, and public right of way, will be funded by a Community Facility District (CFD) and/or other exaction on property owners. Maintenance will not be funded by the CCSF General Fund.

Net Fiscal impacts to the General Fund

The Project is anticipated to generate a surplus to the City's General Fund during each and every year, from construction through the anticipated termination of the IFD in FY 2072/73. The cumulative surplus to the City's General Fund from FY 2017/18 through FY 2072/73 will total approximately $750.9 million in nominal dollars or $288.6 million in current (2017) dollars. Net of transfers from the General Fund pursuant to the City Charter and policies, the cumulative surplus to the General Fund is estimated to total $402.3 million in nominal dollars or $156.9 million in current (2017) dollars.

Upon stabilization in FY 2028/29, the Project is estimated to generate an annual surplus of $8.0 million in nominal dollars or $5.7 million in current (2017) dollars. After accounting for City Charter and policy transfers, the annual surplus upon stabilization is estimated at $4.3 million in nominal dollars or $3.1 million in current (2017) dollars. The Project is anticipated to generate an annual General Fund surplus throughout the study period.

Exhibit 1 – Net General Fund Impacts

	Cumulative Impacts (FY 2017/18 – FY 2071/72)		Annual Impacts Upon Build-out / Stabilization (FY 2028/29)	
	$2017 millions	**$nominal millions**	**$2017 millions**	**$nominal millions**
Impacts Before ADR Transfers				
Revenues*	$610.1	$1,613.5	$12.1	$16.8
Expenditures	($321.5)	($862.6)	($6.4)	($8.8)
Net Surplus (Expense)	**$288.6**	**$750.9**	**$5.7**	**$8.0**
Impacts After ADR Transfers				
Revenues*	$478.4	$1,264.9	$9.5	$13.2
Expenditures	$(321.5)	$(862.6)	($6.4)	($8.8)
Net Surplus (Expense)	**$156.9**	**$402.3**	**$3.1**	**$4.3**

* Includes annual recurring and construction-related revenues

II. INTRODUCTION

The fiscal impact analysis presented in this report has been prepared to meet the requirements of Section 53395.8 (g) (3) (C) (vii) of the California Government Code relating to the formation of Project Area I and the addition of Sub-Project Areas I-1 through I-13 to the City and County of San Francisco Infrastructure Financing District No. 2. The boundaries of Project Area I encompass the boundaries of the proposed Mission Rock Project ("the Project"). For purposes of this analysis, the term "District" means the aggregate sum of Sub-Project Area I-1 through I-13. The analysis addresses the following:

"The costs to San Francisco for providing facilities and services to the District while the District is being developed and after the district is developed, and of the taxes, fees, charges, and other revenues expected to be received by San Francisco as a result of expected development in the district."

A. Project Description

The Project consists of the development of a mixed use community on SWL 337 and Pier 48 to be undertaken by Seawall Lot 337 Associates, LLC as the Master Developer and additional developers to construct vertical improvements. The Project will also contain over eight (8) acres of Community Facilities District- maintained parks and open space, among other community amenities. Full occupancy of the Project is anticipated by FY 2026/27. Exhibit 2 summarizes the anticipated development program[3].

Exhibit 2 – Development Program

Land Use			Total	
Residential				
Units	Market	BMR		
For Rent	801	526	1,327	DU
Commercial (Gross Sq Ft)				
Retail			248,931	Sq Ft
Office			1,231,091	Sq Ft
Production			202,500	Sq Ft
Total Excluding Parking			**1,682,522**	**Sq Ft**
Parking			983,876	Sq Ft
Total Including Parking			**2,666,398**	**Sq Ft**

B. Service Population

In accordance with the Project's Draft EIR, the Project's population is projected to reach 2,999 residents and 5,084 employees (Exhibit 3), with an average household size of 2.35 (Appendix

[3] The development program analyzed in this fiscal analysis represents the Developer's current estimates. The actual program may differ from this projection.

Table C2). For purposes of this analysis, the service population is equivalent to the sum of the resident and the half of the employee population (day and evening population).

Exhibit 3 – Project Demographics		
Service Population	**Measure**	**Estimate**
Households		
Market Rate Units	*95% occupied*	761
BMR	*98% occupied*	515
Residents	*Appendix Table C2*	2,999
Employees		
Retail	*90% occupied, 327 sf/employee*	685
Office	*95% occupied, 276 sf/employee*	4,237
Production	*90% occupied, 1,213 sf/employee*	150
Parking	*90% occupied, 75,000 sf/employee*	12
		5,084
Service Population:		
Day & Evening Population	*pop + 0.5*emp.*	5,541

C. Approach and Key Assumptions

The subject analysis evaluates the marginal impacts of the Project on the CCSF General Fund. The time horizon of the analysis extends from FY 2017/18 through FY 2072/73, which encompasses the full construction period and the anticipated duration of the IFD.

The fiscal impacts are presented net of General Fund tax increment to be diverted to the IFD. The analysis reflects the diversion of 100% of the General Fund's 64.59% share of gross property tax increment.

Pursuant to the City's charter and adopted policies, this analysis measures General Fund revenues before and after transfers to the San Francisco Municipal Transportation Agency (MTA) Fund, Children's Services Fund and Library Preservation Fund. The baseline revenue transfers reflected in the analysis are as follows:

- MTA Fund – 9.19% of General Fund Aggregate Discretionary Revenue (ADR)
- Library Preservation Fund – 2.29% of ADR
- Children's Services Fund – 8.76% of ADR

Projections contained in the subject analysis reflect the Developer's anticipated development and absorption schedule. Projected revenues and costs are based on a combination of Project-specific information and average per capita factors derived from the City's budget. Project-specific information includes anticipated development costs, the estimated value of improved

land to be transferred to vertical builders, estimated gross receipts, estimated rental rates for completed buildings and parking, and the number of additional police and fire staff that will be required to meet the Project's residents and employees (which have been determined by the Project's Draft EIR). Projected utility user revenues, licenses, permits and franchise fees, community health expenditures, human welfare, culture and recreation, and general administration and finance department expenses are based on current per capita revenues/expenses applied to the Project's projected population and employment (as shown on Exhibit 3). Given that public facility maintenance costs will be funded by property owners, the Project will not generate any costs to the City's public works department.

With the exception of property-based revenues, revenue and service cost factors are assumed to increase at an annual rate of 3% per year. Assessed property values reflect the sum of the estimated value of land to be conveyed to vertical builders and estimated development costs of vertical improvements. For purposes of this analysis, assessed values are conservatively assumed to increase at the Proposition 13 statutory rate of 2% per year.

Annual projections contained in the attached tables are presented in nominal (inflated) dollars, unless otherwise noted. Current (2017) dollar figures are calculated based on a 3% per year discount rate and are included in summary tables for comparison purposes.

III. FISCAL IMPACTS

A. Summary of Net Fiscal Impacts to the General Fund

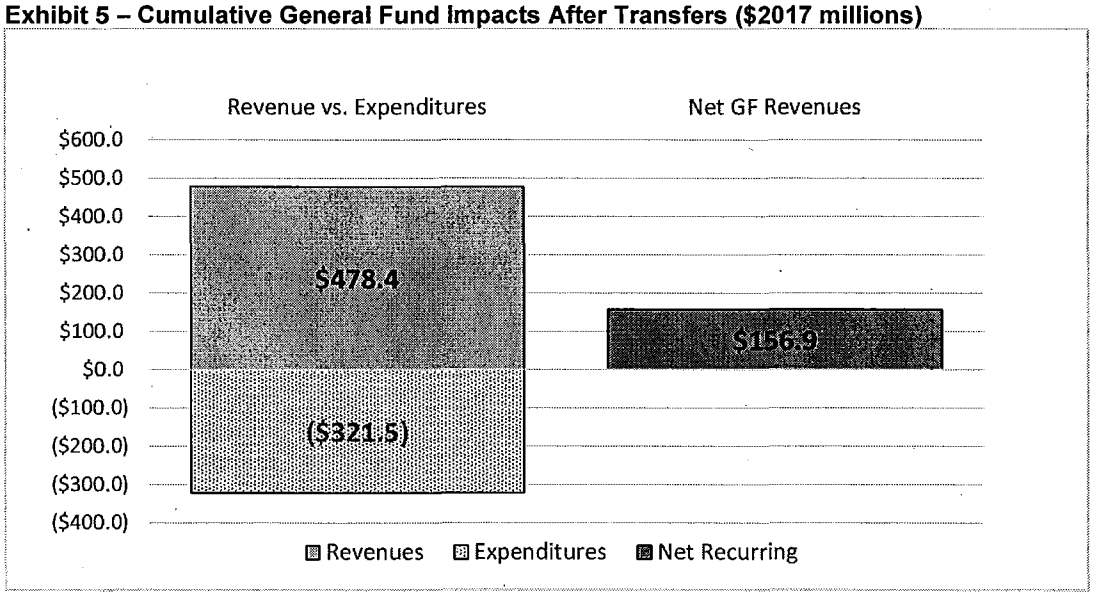
Exhibits 4 and 5 and Table A1 (attached) present the revenue and service cost impacts of the Project to the CCSF General Fund after the diversion of tax increment to each Sub-Project Area.

The Project is anticipated to generate a cumulative surplus to the City's General Fund of $288.6 million (2017$) before General Fund transfers or $156.9 million after transfers (2017$). Upon stabilization in FY 2028/29, the annual surplus is estimated to total $5.7 million before General Fund transfers or $3.1 million after transfers. The Project is expected to generate an annual surplus to the General Fund during each and every year of the projection, from construction through the termination of the IFD.

Exhibit 4 – Summary of General Fund Fiscal Impacts

General Fund Impact	Cumulative FY 2017/18 – FY 2072/73		Stabilized Year FY 2028/29	
	$2017 millions	$nominal	$2017 millions	$nominal
Revenues				
Recurring Revenues	$598.8	$1,600.5	$12.1	$16.8
Construction Revenues	$11.3	$12.9	$0	$0
Total Revenues	$610.1	$1,613.4	$12.1	$16.8
Expenditures	($321.5)	($862.6)	($6.4)	($8.8)
Net GF Surplus, Before Transfers	**$288.6**	**$750.9**	**$5.7**	**$8.0**
Transfers	($131.7)	($348.6)	($2.6)	($3.6)
Net General Fund Surplus, After Transfers	**$156.9**	**$402.3**	**$3.1**	**$4.3**

Exhibit 5 – Cumulative General Fund Impacts After Transfers ($2017 millions)



B. General Fund Revenues

Exhibits 6 through 8 and Tables A1 and A2 (attached) summarize the sources of General Fund revenues to be generated by the Project. Detailed assumptions are provided on Table A2 through A10, and Appendix B and C.

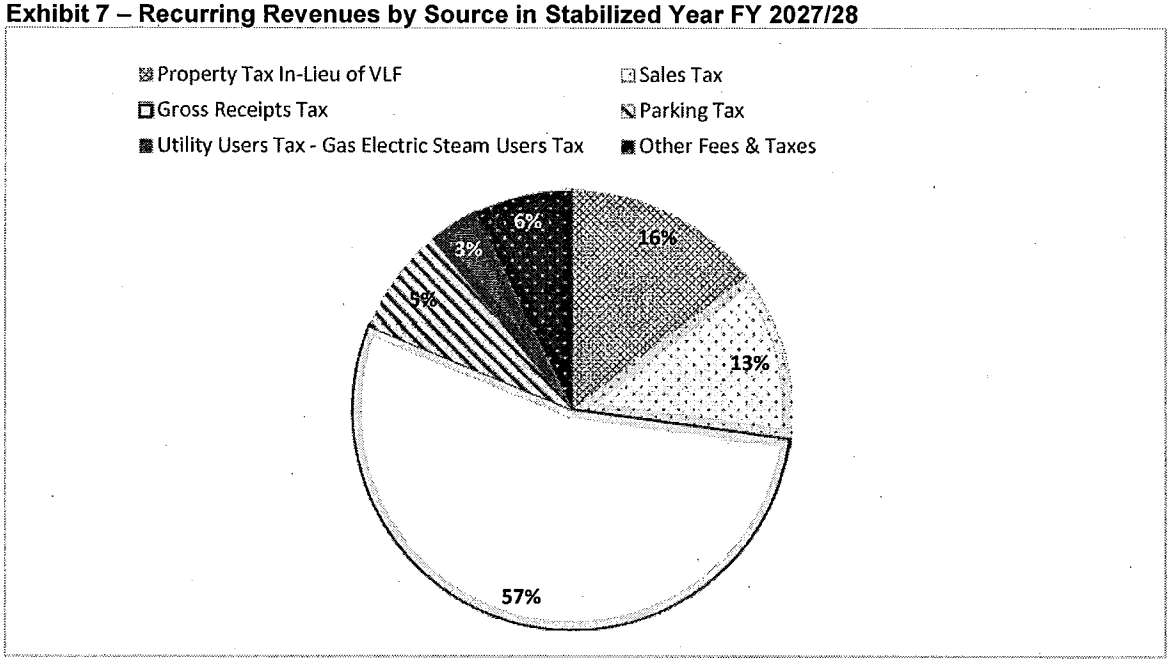
1. Recurring Revenues

Cumulative recurring General Fund revenues are estimated to total $598.8 million (2017$). Upon stabilization, the Project is estimated to generate approximately $12.1 million in annual General Fund revenues (2017$). Gross Receipts tax revenues are expected to be the leading category accounting for 57% of all General Fund revenue to be generated by the Project, followed by property taxes in lieu of motor vehicle license fee revenues at 16%, and sales and use tax revenues at 13%.

Exhibit 6 – Recurring General Fund Revenues, Before Transfers

General Fund Revenues	Cumulative FY 2017/18 - FY 2072/73		Stabilized Year FY 2028/29		% Share
	$2017 millions	$nominal	$2017 millions	$nominal	
Recurring Revenues					
Portion of General Fund Property Tax	$0.0	$0.0	$0.0	$0.0	0%
Property Tax in Lieu of Motor Vehicle Fees	$79.2	$205.8	$2.0	$2.7	16%
Sales and Use Tax	$78.3	$210.6	$1.6	$2.2	13%
Gross Receipts Tax	$346.8	$929.2	$6.9	$9.5	57%
Business Registration Fee	$7.2	$19.4	$0.1	$0.2	1%
Net New Parking Tax Revenue	$36.0	$97.8	$0.6	$0.8	5%
Utility Users Tax - Water Users Tax	$1.1	$3.1	$0.0	$0.0	0%
Utility Users Tax - Gas Electric Steam Users Tax	$18.6	$49.8	$0.4	$0.5	3%
Utility Users Tax - Telephone Users Tax	$11.9	$31.8	$0.2	$0.3	2%
Access Line Tax	$11.5	$30.9	$0.2	$0.3	2%
Licenses, Permits and Franchise Fees	$7.1	$19.1	$0.1	$0.2	1%
Fines and Forfeitures	$1.1	$2.9	$0.0	$0.0	0%
TOTAL	**$598.8**	**$1,600.5**	**$12.1**	**$16.8**	**100%**

Exhibit 7 – Recurring Revenues by Source in Stabilized Year FY 2027/28



2. *One-Time Construction Revenues*

In addition to recurring revenues, the Project will generate one-time, construction-related revenues totaling $11.3 million (2017$) through buildout (Exhibit 8). Sales and Use tax revenues account for 31% of revenues, and Gross receipts tax account for 69% of the total revenue.

Exhibit 8 – Construction-Related Revenues, Before Transfers

General Fund Revenues (Construction-Related)	Cumulative FY 2017/18 - FY 2026/27		% Share
	$2017 millions	$nominal	
Construction Revenues			
Sales and Use Tax	$3.4	$4.0	31%
Gross Receipts Tax	$7.8	$9.0	69%
Total Construction Revenues	**$11.3**	**$12.9**	**100%**

3. *Property Tax In-Lieu of Motor Vehicle License Fees (VLF) Revenues*

Pursuant to SB 1096, the City receives subvention revenues from the State in the form of an allocation of property tax revenues to replace a large portion of the motor vehicle license fee revenues that were distributed proportionate to population prior to the adoption of the legislation in 2004. These subvention payments are based on the growth in assessed value relative to the Citywide assessed value as of 2004/05. Under the State's formula, the City receives $1.07 per $1,000 of growth in assessed property values. Revenue from the Project is based on the Project's contribution to growth in assessed values (Tables A1, A2, and A3).

4. Sales and Use Tax Revenues

The CCSF General Fund receives 1% of taxable sales. Recurring sales tax revenues will be generated from on-site retail sales and through spending by Project residents and employees within the City. Construction-related sales tax revenues comprise business-to-business sales generated from the purchase of construction materials. Specific sales tax assumptions by source are summarized below:

- *Retailer-generated:* Taxable sales to be generated by on-site retailers have been estimated based on an average taxable sales productivity of $400 per rentable square foot, with 75% of retail space being taxable. Retail employees are estimated to spend $47 per week on taxable merchandise. Off-site sales have been reduced by 10% to avoid double-counting of on-site employee expenditures (Tables A4, A4.1, and A4.2).
- *Office-generated*: Offices tenants are estimated to generate taxable sales averaging $25 per rentable square foot. Office employees are estimated to generate taxable sales of $72 per week. Off-site sales have been reduced by 10% to avoid double-counting of on-site employee expenditures (Tables A4, A4.1, and A4.2).
- *Resident-generated:* Taxable sales to be generated by new residents have been estimated based on the level of household income required to support the anticipated apartment rental rates and consumer expenditure data published by the Bureau of Labor Statistics and California Department of Housing and Community Development (Tables C3, A4, and A4.1).
- *Construction-generated:* Use tax revenues to be generated by construction contractors are estimated based on development costs provided by the Developer and typical relationships between "hard" and "soft" development costs and material and labor costs. The revenue estimate reflects the assumption that San Francisco is designated as the point of sale by the general and sub-contractors for 50% of materials purchased for the construction of the Project (Tables B3.3, A4, A4,2).

5. Gross Receipts Tax Revenues

Per the San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax, the tax rate varies by business type and by the amount of gross receipts generated. Businesses generating less than $1 million each year in gross receipts are exempt from the tax.

Average retail, office and production gross receipts are based on industry standard productivity levels. Rental and leasing gross receipts are based on the Developer's estimates of rental income. Tax rates have been estimated for the Project's businesses by estimating a range of industry categories. The assumed types and numbers of businesses are provided in Table B1. (Tables B1, and A5). Gross receipts tax revenues have also been calculated for construction activities, based on the development budget for horizontal infrastructure costs, vertical development costs and softs costs. (Table A5.1)

6. Business Registration Fee Revenues

Per the San Francisco Business and Tax Regulations Code, Article 12: Business Registration, the business registration fee is charged by tier based on the level of gross receipts generated. Average gross receipts for office, retail and hotel businesses used to determine applicable fee rates are consistent with gross receipts tax estimating assumptions (Tables A6, and B1).

7. Net New General Fund Parking Tax Revenues

The City and County of San Francisco imposes a 25% tax on rental income derived from parking for non-residential uses. In accordance with the City's policies, 20% of parking tax proceeds is allocated to the General Fund and 80% is transferred for specified uses. For purposes of this analysis, parking tax revenues have been calculated net of revenues that are currently generated from the site. Future parking revenues are based on the Developer's projection.

8. Utility Users Tax Revenues

The City and County of San Francisco imposes a 7.5% tax on charges for certain utilities services. These include non-residential electricity, natural gas, steam, and water services, and both residential and non-residential telephone and cellular telephone services. For purposes of this analysis, the utility users tax has been estimated based on CCSF budget factors for FY 2017/18. The budget factors have been calculated on a per employee or per persons served basis for electricity, natural gas, steam, and water taxes, and on a per service population basis for telephone services (Tables A8).

9. Access Line Tax Revenues

Access line taxes are levied against residential and commercial users. For purposes of this analysis, the access tax is estimated based on CCSF budget factors for FY 2017/18. The budget factors have been calculated on a per service population basis. Based on the City's 2017/18 budget, access line tax revenues total approximately $41.25 per resident/employee (Tables A8).

10. Licenses, Permits and Franchise Fees and Fines, Forfeitures and Penalties

Licenses, permits, and franchise fees, and fines, forfeitures, and penalties are estimated based on CCSF budget factors for FY 2017/18. The budget factors have been calculated on a per service population basis. Based on the City's 2017/18 budget, Licenses, Permits and Franchise Fees revenues total approximately $25.59 per resident/employee; Fines and Forfeitures revenues are $3.91 per resident/employee (Table A8).

C. General Fund Expenses

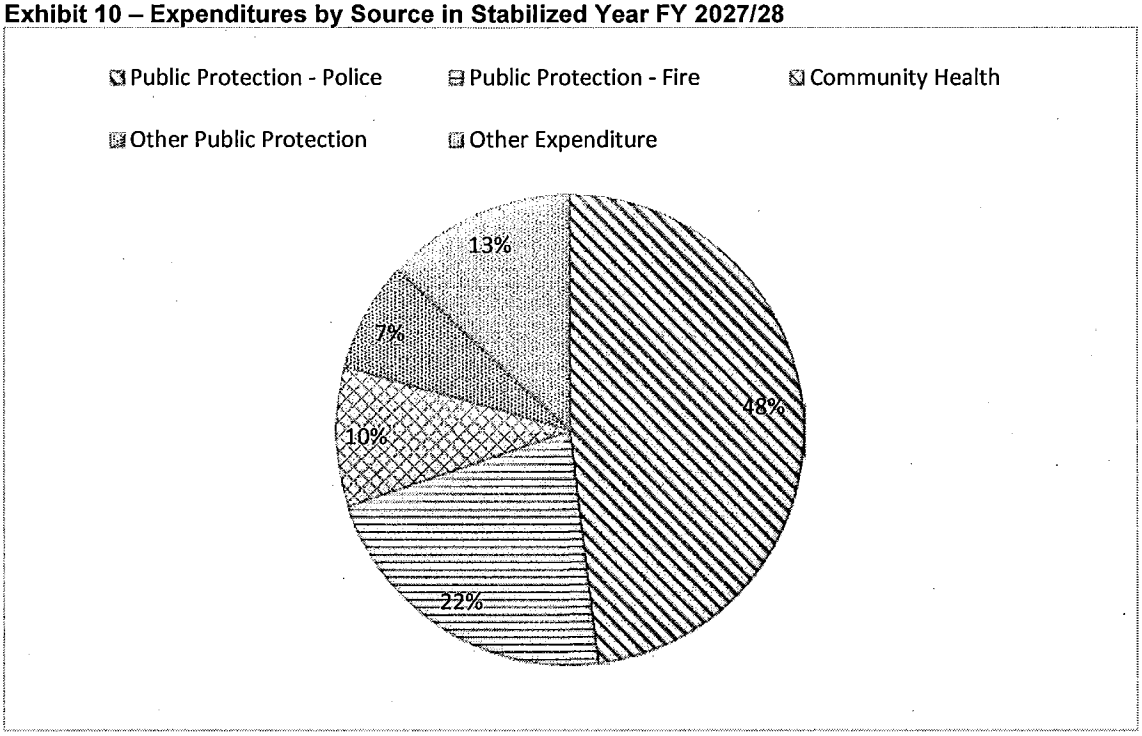
Exhibits 9 and 10, Tables A1 and A9 provide information on the expense impacts of the Project on the CCSF General Fund after the expected diversion of tax increment to the sub-project areas of the IFD.

Cumulative General Fund expenses are estimated to total $321.5 million (2017$). The Project is estimated to generate approximately $6.4 million in General Fund expenditures in stabilized year FY 2028/29 (2017$). Exhibit 10 illustrates the distribution of recurring General Fund expenditures in the stabilized year. Police Services are expected to be the leading expense category, accounting for 48% of the cost to the General Fund, followed by Fire Protection at 22%, and Community Health at 10%.

Exhibit 9 – General Fund Expenditures

General Fund Expenditures – $2016 millions	Cumulative FY 2017/18 - FY 2072/73		Stabilized Year FY 2028/29		% Share
	$2017 millions	$nominal	$2017 millions	$nominal	
Recurring Expenditures					
General Administration and Finance	$14.0	$37.5	$0.3	$0.4	4%
Public Protection – Police	$154.6	$414.7	$3.1	$4.3	48%
Public Protection – Fire	$69.7	$186.9	$1.4	$1.9	22%
Other Public Protection	$24.3	$65.3	$0.5	$0.7	8%
Community Health	$31.0	$83.2	$0.6	$0.9	10%
Human Welfare and Neigh. Dev.	$19.3	$51.8	$0.4	$0.5	6%
Culture and Recreation	$8.6	$23.1	$0.2	$0.2	3%
Total	**$321.5**	**$862.6**	**$6.4**	**$8.8**	**100%**

Exhibit 10 – Expenditures by Source in Stabilized Year FY 2027/28



1. Police Department Expenditures

In accordance with the Draft EIR, police department expenditures are based on a service level of 2.01 sworn officers per 1,000 residents and employees.. The Project's on-site population and employment is anticipated to require 16 officers upon buildout. The average cost per officer is assumed to be $189,000 based on the "Pier 70 Fiscal and Economic Analysis Update", August 31, 2017. (Tables A10).

2. Fire Department Expenditures

In accordance with the Draft EIR, fire department expenditures are based on a service level of 0.96 fire department personnel per 1,000 residents and employees. The Project's on-site population and employment is anticipated to require 8 officers upon buildout. The average cost per new personnel is $178,329 based on the "Pier 70 Fiscal and Economic Analysis Update", August 31, 2017. (Tables A10).

3. Public Works

Per the City's agreement with the Developer, the maintenance costs of all of the Project's public facilities will be funded through a privately funded CFD. Therefore, the Project will not generate any additional cost to the City's General Fund.

4. *Community Health*

Community health department expenses have been estimated based on the CCSF budget. Cost estimates reflect a cost of $202.62 per resident. (Table A9).

5. *Human Welfare and Neigh. Dev.*

Human welfare and neighborhood development department expenses have been estimated based on the CCSF budget. Cost estimates reflect a cost of $128.03 per resident. (Table A9).

6. *Other Public Protection*

Other Public Protection expenses have been estimated based on the CCSF budget. Cost estimates reflect a cost of $87.30 per person served. (Table A9).

7. *General Administration and Finance*

General Administration and Finance department expenses have been estimated based on the CCSF budget. Cost estimates reflect a cost of $50.18 per person served. (Table A9).

8. *Culture and Recreation*

Culture and Recreation department expenses have been estimated based on the CCSF budget. Cost estimates reflect a cost of $57.17 per resident (Table A9). A service CFD will be established to fund the ongoing maintenance costs of the projects public parks, and open space.

D. Summary of General Fund Revenues Transfers to Other Funds

Under current City policies, approximately 20% of aggregate discretionary revenues (ADR) are transferred from the General Fund to the San Francisco Municipal Transportation Agency (SFMTA), Library Preservation and Children's Services Funds, as detailed on Exhibit 11.

Exhibit 11 – General Fund Set-Asides

Fund	Set-Aside %	
MTA*	9.19%	of ADR
Library Preservation	2.29%	of ADR
Children's Services	8.76%	of ADR

* Baseline transfer only. ADR = Aggregate General Fund Discretionary Revenues

The cumulative transfer over the aggregate life of the IFD is anticipated to total $131.7 million (2017$) through FY2072/73 (Exhibit 12). The annual transfer upon stabilization of the Project in FY 2028/29 is anticipated to be $2.6 million (2017$).

Exhibit 12 – Transfers	Cumulative FY 2017/18 - FY 2072/73		Stabilized Year FY 2028/29	
	$2017 millions	$nominal	$2017 millions	$nominal
From Recurring Revenues				
General Fund, ADR Set-aside				
Children's Services	$52.5	$140.2	$1.1	$1.5
Library Preservation	$13.7	$36.6	$0.3	$0.4
MTA	$55.0	$147.1	$1.1	$1.5
Licenses, Permits, Fines, Franchise Fees	$8.2	$22.1	$0.2	$0.2
Subtotal	**$129.4**	**$346.0**	**$2.6**	**$3.6**
From Non-Recurring Revenues (Construction Related Revenues)				
General Fund, ADR Set-aside				
Children's Services	$1.0	$1.1		
Library Preservation	$0.3	$0.3		
MTA	$1.0	$1.2		
Subtotal	**$2.3**	**$2.6**		
Aggregate				
General Fund, ADR Set-aside				
Children's Services	$53.4	$141.3	$1.1	$1.5
Library Preservation	$13.9	$36.9	$0.3	$0.4
MTA	$56.1	$148.3	$1.1	$1.5
Licenses, Permits, Fines, Franchise Fees	$8.2	$22.1	$0.2	$0.2
Total General Fund Transfers	**$131.7**	**$348.6**	**$2.6**	**$3.6**

** Numbers may be slightly different because of rounded numbers.*

1. SFMTA Revenues

Transfers to the SFMTA Fund over the life of the IFD are anticipated to total $56.1 million (2017$). (Table A1, and A2).

2. Library Preservation Fund

Transfers to the Library Preservation Fund are anticipated to total $13.9 million (2017$). (Table A1, and A2).

3. Children's Services Fund Revenues

Transfers to the Children's Services Fund are anticipated to total $53.4 million (2017$). (Table A1, and A2)

4. Licenses, Permits, Fines, Franchise Fees

It is our understanding that licenses, permits, fines and franchise fee revenues are transferred from the General Fund to be used for specific purposes. The Project is anticipated to generate a total of $8.2 million (2017$). (Table A1, and A2).

Mission Rock IFD

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Table A1
Estimated Annual Project Fiscal Impact
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Revenues	Source	Total 2017$ (Rounded), Discount Rate: 3%	Nominal Cumulative Total (Rounded)	Estimates with Inflation 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Net Recurring Revenues														
Recurring General Fund Revenues														
Taxes	Table A2													
Property Tax		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF		$79,195,000	$205,814,000	$0	$341	$690	$1,045	$66,362	$68,030	$865,715	$910,940	$1,855,706	$2,258,384	$2,567,375
Sales Tax		$78,342,000	$210,626,000	$0	$0	$0	$0	$682,872	$703,358	$1,182,379	$1,522,538	$1,850,515	$2,038,755	$2,099,918
Gross Receipts Tax		$346,768,000	$929,172,000	$0	$24,487	$25,944	$27,443	$3,190,848	$3,275,435	$6,340,741	$7,402,554	$8,529,057	$8,955,209	$9,224,587
Business Registration Fee		$7,240,000	$19,433,000	$0	$0	$0	$0	$63,501	$65,406	$122,420	$146,816	$176,214	$187,842	$193,477
Net New Parking Tax Revenue		$35,986,000	$97,848,000	$0	$408,124	$432,392	$457,388	$412,855	$239,593	$698,516	$684,171	$688,700	$721,385	$755,051
Utility Users Tax - Water Users Tax		$1,138,000	$3,052,000	$0	$0	$0	$0	$10,352	$10,662	$20,086	$23,711	$27,619	$29,474	$30,358
Utility Users Tax - Gas Electric Steam Users Tax		$18,578,000	$49,816,000	$0	$0	$0	$0	$168,993	$174,063	$327,909	$387,079	$450,883	$481,161	$495,595
Utility Users Tax - Telephone Users Tax		$11,868,000	$31,844,000	$0	$0	$0	$0	$108,265	$111,513	$188,196	$247,864	$294,012	$307,720	$316,952
Access Line Tax		$11,503,000	$30,863,000	$0	$0	$0	$0	$104,932	$108,080	$182,401	$240,232	$284,959	$298,245	$307,192
Licenses, Permits and Franchise Fees		$7,136,000	$19,147,000	$0	$0	$0	$0	$65,097	$67,050	$113,156	$149,033	$176,781	$185,023	$190,574
Fines and Forfeitures		$1,090,000	$2,926,000	$0	$0	$0	$0	$9,948	$10,246	$17,292	$22,775	$27,015	$28,275	$29,123
Recurring General Fund Revenues, Before Transfers		**$598,844,000**	**$1,600,540,000**	**$0**	**$432,953**	**$459,025**	**$485,876**	**$4,884,025**	**$4,833,437**	**$10,058,810**	**$11,737,712**	**$14,361,462**	**$15,491,472**	**$16,210,201**
In 2017$				**$0**	**$420,343**	**$432,675**	**$444,646**	**$4,339,393**	**$4,169,365**	**$8,424,095**	**$9,543,834**	**$11,337,071**	**$11,872,923**	**$12,061,912**
Less: Transfers Pursuant to City Charter and City Policies		$129,409,000	$345,958,000	$0	$87,612	$92,888	$98,322	$1,063,376	$1,055,390	$2,165,949	$2,547,051	$3,109,982	$3,348,152	$3,499,993
In 2017$				$0	$85,061	$87,556	$89,979	$944,796	$910,389	$1,813,949	$2,070,986	$2,455,048	$2,566,079	$2,604,323
Recurring General Fund Revenues, After Transfers		**$469,436,000**	**$1,254,582,000**	**$0**	**$345,341**	**$366,137**	**$387,554**	**$3,820,649**	**$3,778,047**	**$7,892,861**	**$9,190,661**	**$11,251,481**	**$12,143,320**	**$12,710,209**
In 2017$				**$0**	**$335,282**	**$345,119**	**$354,667**	**$3,394,597**	**$3,258,976**	**$6,610,147**	**$7,472,849**	**$8,882,023**	**$9,306,844**	**$9,457,589**
Less:														
Estimated Expenditures	Table A9													
General Administration and Finance		$13,993,000	$37,546,000	$0	$0	$0	$0	$127,652	$131,482	$221,895	$292,248	$346,660	$362,822	$373,707
Public Protection - Police		$154,576,000	$414,668,000	$0	$0	$0	$0	$1,408,842	$1,451,107	$2,538,393	$3,225,665	$3,804,630	$4,006,503	$4,126,698
Public Protection - Fire		$69,659,000	$186,868,000	$0	$0	$0	$0	$634,889	$653,935	$1,143,916	$1,453,632	$1,714,541	$1,805,514	$1,859,679
Other Public Protection		$24,343,000	$65,314,000	$0	$0	$0	$0	$222,062	$228,724	$386,005	$508,390	$603,045	$631,160	$650,095
Community Health		$31,003,000	$83,228,000	$0	$0	$0	$0	$283,496	$292,001	$444,390	$648,650	$781,155	$804,589	$828,727
Human Welfare and Neigh. Dev.		$19,303,000	$51,821,000	$0	$0	$0	$0	$176,516	$181,811	$276,694	$403,875	$486,377	$500,968	$515,997
Culture and Recreation		$8,620,000	$23,141,000	$0	$0	$0	$0	$78,824	$81,189	$123,560	$180,353	$217,195	$223,710	$230,422
Total Expenditures		**$321,497,000**	**$862,585,000**	**$0**	**$0**	**$0**	**$0**	**$2,932,280**	**$3,020,249**	**$5,134,855**	**$6,712,812**	**$7,953,602**	**$8,335,266**	**$8,585,324**
In 2017$				**$0**	**$0**	**$0**	**$0**	**$2,605,293.24**	**$2,605,293.24**	**$4,300,360**	**$5,458,131**	**$6,278,647**	**$6,388,288**	**$6,388,288**
Net Recurring General Fund Revenues, Before Transfers		**$277,347,000**	**$737,954,000**	**$0**	**$432,953**	**$459,025**	**$485,876**	**$1,951,744**	**$1,813,188**	**$4,923,956**	**$5,024,900**	**$6,407,860**	**$7,156,205**	**$7,624,877**
In 2017$				**$0**	**$420,343**	**$432,675**	**$444,646**	**$1,734,100**	**$1,564,072**	**$4,123,735**	**$4,085,704**	**$5,058,424**	**$5,484,635**	**$5,673,625**
Net Recurring General Fund Revenues, After Transfers		**$147,938,000**	**$391,996,000**	**$0**	**$345,341**	**$366,137**	**$387,554**	**$888,368**	**$757,798**	**$2,758,006**	**$2,477,849**	**$3,297,879**	**$3,808,054**	**$4,124,884**
In 2017$				**$0**	**$335,282**	**$345,119**	**$354,667**	**$789,304**	**$653,683**	**$2,309,787**	**$2,014,718**	**$2,603,376**	**$2,918,556**	**$3,069,301**
Construction Related Revenues														
Construction Related Revenues	Table A2													
Sales Tax		$3,436,000	$3,963,000	$0	$0	$0	$1,297,183	$0	$1,413,815	$627,336	$461,598	$163,258	$0	$0
Gross Receipts Tax		$7,819,000	$8,958,000	$117,166	$55,314	$270,739	$2,787,652	$125,326	$3,094,177	$1,247,266	$913,269	$347,423	$0	$0
Subtotal, Construction Related Revenues, Before Transfers		**$11,255,000**	**$12,922,000**	**$117,166**	**$55,314**	**$270,739**	**$4,084,835**	**$125,326**	**$4,507,992**	**$1,874,601**	**$1,374,867**	**$510,681**	**$0**	**$0**
In 2017$				**$117,166**	**$53,703**	**$255,198**	**$3,738,202**	**$111,351**	**$3,888,634**	**$1,569,949**	**$1,117,892**	**$403,137**	**$0**	**$0**
Less: Transfers Pursuant to City Charter and City Policies		$2,278,000	$2,615,000	$23,710	$11,193	$54,787	$826,607	$25,361	$912,237	$379,344	$278,218	$103,341	$0	$0
In 2017$				$23,710	$10,867	$51,642	$756,463	$22,533	$786,904	$317,695	$226,217	$81,579	$0	$0
Construction Revenues, After Transfers		**$8,978,000**	**$10,307,000**	**$93,456**	**$44,120**	**$215,953**	**$3,258,227**	**$99,965**	**$3,595,755**	**$1,495,257**	**$1,096,649**	**$407,340**	**$0**	**$0**
In 2017$				**$93,456**	**$42,835**	**$203,556**	**$2,981,740**	**$88,818**	**$3,101,730**	**$1,252,254**	**$891,676**	**$321,558**	**$0**	**$0**
Net Fiscal Impact														
Net Fiscal Impact, Before ADR Transfers		**$288,602,000**	**$750,876,000**	**$117,166**	**$488,267**	**$729,765**	**$4,570,711**	**$2,077,071**	**$6,321,181**	**$6,798,557**	**$6,399,767**	**$6,918,541**	**$7,156,205**	**$7,624,877**
Net Fiscal Impact, Before ADR Transfers, In 2017$					**$474,045**	**$687,873**	**$4,182,848**	**$1,845,450**	**$5,452,706**	**$5,693,685**	**$5,203,596**	**$5,461,561**	**$5,484,635**	**$5,673,625**
Net Fiscal Impact, After ADR Transfers		**$156,916,000**	**$402,303,000**	**$93,456**	**$389,461**	**$582,090**	**$3,645,782**	**$988,334**	**$4,353,553**	**$4,253,263**	**$3,574,498**	**$3,705,218**	**$3,808,054**	**$4,124,884**
Net Fiscal Impact, After ADR Transfers, In 2017$					**$378,118**	**$548,675**	**$3,336,407**	**$878,122**	**$3,755,413**	**$3,562,041**	**$2,906,394**	**$2,924,934**	**$2,918,556**	**$3,069,301**

Table A1
Estimated Annual Project Fiscal Impact
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation																	
Revenues	**2028-29**	**2029-30**	**2030-31**	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**2036-37**	**2037-38**	**2038-39**	**2039-40**	**2040-41**	**2041-42**	**2042-43**	**2043-44**	**2044-45**	**2045-46**
Net Recurring Revenues																		
Recurring General Fund Revenues																		
Taxes																		
Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF	$2,736,854	$2,791,932	$2,848,112	$2,905,416	$2,963,866	$3,023,484	$3,084,295	$3,146,323	$3,209,591	$3,274,124	$3,339,948	$3,407,088	$3,475,571	$3,545,424	$3,616,674	$3,689,349	$3,763,477	$3,839,088
Sales Tax	$2,162,915	$2,227,803	$2,294,637	$2,363,476	$2,434,380	$2,507,412	$2,582,634	$2,660,113	$2,739,916	$2,822,114	$2,906,777	$2,993,981	$3,083,800	$3,176,314	$3,271,603	$3,369,751	$3,470,844	$3,574,969
Gross Receipts Tax	$9,502,046	$9,787,829	$10,082,185	$10,385,372	$10,697,655	$11,019,306	$11,350,607	$11,691,846	$12,043,323	$12,405,344	$12,778,226	$13,162,294	$13,557,885	$13,965,342	$14,385,024	$14,817,296	$15,262,537	$15,721,134
Business Registration Fee	$199,281	$205,260	$211,417	$217,760	$224,293	$231,022	$237,952	$245,091	$252,443	$260,017	$267,817	$275,852	$284,127	$292,651	$301,431	$310,474	$319,788	$329,382
Net New Parking Tax Revenue	$789,727	$825,443	$862,231	$900,122	$939,150	$979,349	$1,020,754	$1,063,401	$1,107,327	$1,152,571	$1,199,172	$1,247,172	$1,296,611	$1,347,534	$1,399,984	$1,454,008	$1,509,653	$1,566,967
Utility Users Tax - Water Users Tax	$31,269	$32,207	$33,173	$34,168	$35,193	$36,249	$37,337	$38,457	$39,610	$40,799	$42,023	$43,283	$44,582	$45,919	$47,297	$48,716	$50,177	$51,683
Utility Users Tax - Gas Electric Steam Users Tax	$510,463	$525,777	$541,551	$557,797	$574,531	$591,767	$609,520	$627,806	$646,640	$666,039	$686,020	$706,601	$727,799	$749,633	$772,122	$795,285	$819,144	$843,718
Utility Users Tax - Telephone Users Tax	$326,460	$336,254	$346,342	$356,732	$367,434	$378,457	$389,810	$401,505	$413,550	$425,956	$438,735	$451,897	$465,454	$479,418	$493,800	$508,614	$523,873	$539,589
Access Line Tax	$316,408	$325,900	$335,677	$345,747	$356,120	$366,803	$377,807	$389,142	$400,816	$412,840	$425,226	$437,982	$451,122	$464,656	$478,595	$492,953	$507,742	$522,974
Licenses, Permits and Franchise Fees	$196,291	$202,179	$208,245	$214,492	$220,927	$227,555	$234,381	$241,413	$248,655	$256,115	$263,798	$271,712	$279,864	$288,260	$296,907	$305,815	$314,989	$324,439
Fines and Forfeitures	$29,997	$30,896	$31,823	$32,778	$33,761	$34,774	$35,817	$36,892	$37,999	$39,139	$40,313	$41,522	$42,768	$44,051	$45,372	$46,734	$48,136	$49,580
Recurring General Fund Revenues, Before Transfers	**$16,801,710**	**$17,291,480**	**$17,795,393**	**$18,313,861**	**$18,847,309**	**$19,396,177**	**$19,960,915**	**$20,541,987**	**$21,139,870**	**$21,755,058**	**$22,388,055**	**$23,039,385**	**$23,709,583**	**$24,399,202**	**$25,108,811**	**$25,838,995**	**$26,590,359**	**$27,363,522**
In 2017$	**$12,137,913**	**$12,127,896**	**$12,117,796**	**$12,107,619**	**$12,097,371**	**$12,087,056**	**$12,076,682**	**$12,066,252**	**$12,055,773**	**$12,045,248**	**$12,034,683**	**$12,024,082**	**$12,013,450**	**$12,002,790**	**$11,992,108**	**$11,981,406**	**$11,970,689**	**$11,959,959**
Less: Transfers Pursuant to City Charter and City Policies	$3,626,281	$3,732,180	$3,841,144	$3,953,263	$4,068,630	$4,187,339	$4,309,490	$4,435,181	$4,564,518	$4,697,607	$4,834,558	$4,975,484	$5,120,503	$5,269,733	$5,423,299	$5,581,327	$5,743,950	$5,911,301
In 2017$	$2,619,703	$2,617,676	$2,615,632	$2,613,573	$2,611,499	$2,609,411	$2,607,312	$2,605,202	$2,603,081	$2,600,951	$2,598,813	$2,596,668	$2,594,516	$2,592,359	$2,590,198	$2,588,032	$2,585,863	$2,583,692
Recurring General Fund Revenues, After Transfers	**$13,175,429**	**$13,559,300**	**$13,954,249**	**$14,360,597**	**$14,778,680**	**$15,208,838**	**$15,651,425**	**$16,106,805**	**$16,575,352**	**$17,057,451**	**$17,553,497**	**$18,063,900**	**$18,589,080**	**$19,129,469**	**$19,685,512**	**$20,257,668**	**$20,846,409**	**$21,452,221**
In 2017$	**$9,518,210**	**$9,510,221**	**$9,502,164**	**$9,494,047**	**$9,485,872**	**$9,477,645**	**$9,469,370**	**$9,461,051**	**$9,452,692**	**$9,444,297**	**$9,435,870**	**$9,427,414**	**$9,418,933**	**$9,410,431**	**$9,401,910**	**$9,393,374**	**$9,384,825**	**$9,376,267**
Less:																		
Estimated Expenditures																		
General Administration and Finance	$384,918	$396,466	$408,360	$420,610	$433,229	$446,226	$459,612	$473,401	$487,603	$502,231	$517,298	$532,817	$548,801	$565,265	$582,223	$599,690	$617,680	$636,211
Public Protection - Police	$4,250,499	$4,378,014	$4,509,354	$4,644,635	$4,783,974	$4,927,493	$5,075,318	$5,227,578	$5,384,405	$5,545,937	$5,712,315	$5,883,685	$6,060,195	$6,242,001	$6,429,261	$6,622,139	$6,820,803	$7,025,427
Public Protection - Fire	$1,915,470	$1,972,934	$2,032,122	$2,093,085	$2,155,878	$2,220,554	$2,287,171	$2,355,786	$2,426,460	$2,499,253	$2,574,231	$2,651,458	$2,731,002	$2,812,932	$2,897,320	$2,984,239	$3,073,766	$3,165,979
Other Public Protection	$669,598	$689,686	$710,376	$731,687	$753,638	$776,247	$799,535	$823,521	$848,226	$873,673	$899,883	$926,880	$954,686	$983,327	$1,012,826	$1,043,211	$1,074,508	$1,106,743
Community Health	$853,589	$879,196	$905,572	$932,739	$960,722	$989,543	$1,019,229	$1,049,806	$1,081,301	$1,113,740	$1,147,152	$1,181,566	$1,217,013	$1,253,524	$1,291,129	$1,329,863	$1,369,759	$1,410,852
Human Welfare and Neigh. Dev.	$531,477	$547,421	$563,844	$580,759	$598,182	$616,128	$634,611	$653,650	$673,259	$693,457	$714,261	$735,689	$757,759	$780,492	$803,907	$828,024	$852,865	$878,451
Culture and Recreation	$237,334	$244,454	$251,788	$259,342	$267,122	$275,136	$283,390	$291,891	$300,648	$309,667	$318,957	$328,526	$338,382	$348,533	$358,989	$369,759	$380,852	$392,277
Total Expenditures	**$8,842,884**	**$9,108,171**	**$9,381,416**	**$9,662,858**	**$9,952,744**	**$10,251,326**	**$10,558,866**	**$10,875,632**	**$11,201,901**	**$11,537,958**	**$11,884,097**	**$12,240,620**	**$12,607,838**	**$12,986,074**	**$13,375,656**	**$13,776,925**	**$14,190,233**	**$14,615,940**
In 2017$	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**
Net Recurring General Fund Revenues, Before Transfers	**$7,958,826**	**$8,183,310**	**$8,413,977**	**$8,651,002**	**$8,894,565**	**$9,144,851**	**$9,402,049**	**$9,666,354**	**$9,937,969**	**$10,217,099**	**$10,503,958**	**$10,798,765**	**$11,101,744**	**$11,413,128**	**$11,733,155**	**$12,062,070**	**$12,400,126**	**$12,747,582**
In 2017$	**$5,749,625**	**$5,739,609**	**$5,729,509**	**$5,719,332**	**$5,709,083**	**$5,698,769**	**$5,688,394**	**$5,677,965**	**$5,667,485**	**$5,656,960**	**$5,646,395**	**$5,635,794**	**$5,625,162**	**$5,614,503**	**$5,603,820**	**$5,593,118**	**$5,582,401**	**$5,571,672**
Net Recurring General Fund Revenues, After Transfers	**$4,332,545**	**$4,451,130**	**$4,572,833**	**$4,697,739**	**$4,825,935**	**$4,957,511**	**$5,092,559**	**$5,231,173**	**$5,373,451**	**$5,519,492**	**$5,669,400**	**$5,823,281**	**$5,981,242**	**$6,143,395**	**$6,309,856**	**$6,480,743**	**$6,656,176**	**$6,836,281**
In 2017$	**$3,129,923**	**$3,121,933**	**$3,113,877**	**$3,105,759**	**$3,097,584**	**$3,089,357**	**$3,081,082**	**$3,072,763**	**$3,064,404**	**$3,056,009**	**$3,047,582**	**$3,039,126**	**$3,030,646**	**$3,022,143**	**$3,013,622**	**$3,005,086**	**$2,996,538**	**$2,987,980**
Construction Related Revenues																		
Construction Related Revenues																		
Sales Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Receipts Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal, Construction Related Revenues, Before Trans	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
In 2017$	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Less: Transfers Pursuant to City Charter and City Policies	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
In 2017$	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Construction Revenues, After Transfers	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
In 2017$	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Fiscal Impact																		
Net Fiscal Impact, Before ADR Transfers	**$7,958,826**	**$8,183,310**	**$8,413,977**	**$8,651,002**	**$8,894,565**	**$9,144,851**	**$9,402,049**	**$9,666,354**	**$9,937,969**	**$10,217,099**	**$10,503,958**	**$10,798,765**	**$11,101,744**	**$11,413,128**	**$11,733,155**	**$12,062,070**	**$12,400,126**	**$12,747,582**
Net Fiscal Impact, Before ADR Transfers, In 2017$	**$5,749,625**	**$5,739,609**	**$5,729,509**	**$5,719,332**	**$5,709,083**	**$5,698,769**	**$5,688,394**	**$5,677,965**	**$5,667,485**	**$5,656,960**	**$5,646,395**	**$5,635,794**	**$5,625,162**	**$5,614,503**	**$5,603,820**	**$5,593,118**	**$5,582,401**	**$5,571,672**
Net Fiscal Impact, After ADR Transfers	**$4,332,545**	**$4,451,130**	**$4,572,833**	**$4,697,739**	**$4,825,935**	**$4,957,511**	**$5,092,559**	**$5,231,173**	**$5,373,451**	**$5,519,492**	**$5,669,400**	**$5,823,281**	**$5,981,242**	**$6,143,395**	**$6,309,856**	**$6,480,743**	**$6,656,176**	**$6,836,281**
Net Fiscal Impact, After ADR Transfers, In 2017$	**$3,129,923**	**$3,121,933**	**$3,113,877**	**$3,105,759**	**$3,097,584**	**$3,089,357**	**$3,081,082**	**$3,072,763**	**$3,064,404**	**$3,056,009**	**$3,047,582**	**$3,039,126**	**$3,030,646**	**$3,022,143**	**$3,013,622**	**$3,005,086**	**$2,996,538**	**$2,987,980**

Table A1
Estimated Annual Project Fiscal Impact
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation																
Revenues	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**	**2053-54**	**2054-55**	**2055-56**	**2056-57**	**2057-58**	**2058-59**	**2059-60**	**2060-61**	**2061-62**	**2062-63**
Net Recurring Revenues																	
Recurring General Fund Revenues																	
Taxes																	
Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF	$3,916,212	$3,994,877	$4,075,116	$4,156,960	$4,240,441	$4,325,591	$4,412,444	$4,501,034	$4,591,397	$4,683,566	$4,777,579	$4,873,472	$4,971,282	$5,071,050	$5,172,812	$5,276,610	$5,382,483
Sales Tax	$3,682,218	$3,792,685	$3,906,465	$4,023,659	$4,144,369	$4,268,700	$4,396,761	$4,528,664	$4,664,524	$4,804,460	$4,948,594	$5,097,051	$5,249,963	$5,407,462	$5,569,686	$5,736,776	$5,908,880
Gross Receipts Tax	$16,193,490	$16,680,016	$17,181,138	$17,697,294	$18,228,934	$18,776,523	$19,340,540	$19,921,478	$20,519,844	$21,136,161	$21,770,967	$22,424,817	$23,098,283	$23,791,953	$24,506,433	$25,242,348	$26,000,340
Business Registration Fee	$339,263	$349,441	$359,924	$370,722	$381,843	$393,299	$405,098	$417,251	$429,768	$442,661	$455,941	$469,619	$483,708	$498,219	$513,166	$528,561	$544,417
Net New Parking Tax Revenue	$1,626,000	$1,686,805	$1,749,433	$1,813,940	$1,880,383	$1,948,819	$2,019,308	$2,091,911	$2,166,693	$2,243,718	$2,323,054	$2,404,770	$2,488,937	$2,575,630	$2,664,923	$2,756,895	$2,851,626
Utility Users Tax - Water Users Tax	$53,233	$54,830	$56,475	$58,169	$59,914	$61,712	$63,563	$65,470	$67,434	$69,457	$71,541	$73,687	$75,898	$78,175	$80,520	$82,935	$85,423
Utility Users Tax - Gas Electric Steam Users Tax	$869,030	$895,101	$921,954	$949,612	$978,101	$1,007,444	$1,037,667	$1,068,797	$1,100,861	$1,133,887	$1,167,903	$1,202,940	$1,239,028	$1,276,199	$1,314,485	$1,353,920	$1,394,537
Utility Users Tax - Telephone Users Tax	$555,776	$572,450	$589,623	$607,312	$625,531	$644,297	$663,626	$683,535	$704,041	$725,162	$746,917	$769,325	$792,404	$816,176	$840,662	$865,882	$891,858
Access Line Tax	$538,663	$554,823	$571,468	$588,612	$606,270	$624,458	$643,192	$662,488	$682,362	$702,833	$723,918	$745,636	$768,005	$791,045	$814,776	$839,220	$864,396
Licenses, Permits and Franchise Fees	$334,172	$344,197	$354,523	$365,159	$376,113	$387,397	$399,019	$410,989	$423,319	$436,019	$449,099	$462,572	$476,449	$490,743	$505,465	$520,629	$536,248
Fines and Forfeitures	$51,067	$52,599	$54,177	$55,802	$57,476	$59,201	$60,977	$62,806	$64,690	$66,631	$68,630	$70,689	$72,809	$74,994	$77,243	$79,561	$81,948
Recurring General Fund Revenues, Before Transfers	**$28,159,124**	**$28,977,823**	**$29,820,296**	**$30,687,241**	**$31,579,376**	**$32,497,440**	**$33,442,195**	**$34,414,423**	**$35,414,933**	**$36,444,554**	**$37,504,142**	**$38,594,578**	**$39,716,768**	**$40,871,645**	**$42,060,171**	**$43,283,335**	**$44,542,157**
In 2017$	**$11,949,222**	**$11,938,479**	**$11,927,735**	**$11,916,992**	**$11,906,254**	**$11,895,522**	**$11,884,801**	**$11,874,092**	**$11,863,398**	**$11,852,722**	**$11,842,066**	**$11,831,432**	**$11,820,822**	**$11,810,239**	**$11,799,684**	**$11,789,159**	**$11,778,667**
Less: Transfers Pursuant to City Charter and City Policies	$6,083,519	$6,260,748	$6,443,135	$6,630,831	$6,823,992	$7,022,779	$7,227,358	$7,437,898	$7,654,575	$7,877,569	$8,107,067	$8,343,260	$8,586,344	$8,836,522	$9,094,005	$9,359,005	$9,631,746
In 2017$	$2,581,519	$2,579,345	$2,577,171	$2,574,997	$2,572,824	$2,570,653	$2,568,483	$2,566,316	$2,564,152	$2,561,992	$2,559,835	$2,557,683	$2,555,536	$2,553,395	$2,551,259	$2,549,129	$2,547,006
Recurring General Fund Revenues, After Transfers	**$22,075,605**	**$22,717,075**	**$23,377,161**	**$24,056,410**	**$24,755,384**	**$25,474,661**	**$26,214,837**	**$26,976,525**	**$27,760,358**	**$28,566,985**	**$29,397,075**	**$30,251,318**	**$31,130,424**	**$32,035,123**	**$32,966,166**	**$33,924,330**	**$34,910,410**
In 2017$	**$9,367,703**	**$9,359,134**	**$9,350,564**	**$9,341,995**	**$9,333,429**	**$9,324,870**	**$9,316,318**	**$9,307,776**	**$9,299,246**	**$9,290,730**	**$9,282,231**	**$9,273,749**	**$9,265,286**	**$9,256,844**	**$9,248,425**	**$9,240,030**	**$9,231,661**
Less:																	
Estimated Expenditures																	
General Administration and Finance	$655,297	$674,956	$695,205	$716,061	$737,543	$759,669	$782,459	$805,933	$830,111	$855,014	$880,665	$907,085	$934,297	$962,326	$991,196	$1,020,932	$1,051,560
Public Protection - Police	$7,236,190	$7,453,276	$7,676,874	$7,907,180	$8,144,396	$8,388,727	$8,640,389	$8,899,601	$9,166,589	$9,441,587	$9,724,834	$10,016,579	$10,317,077	$10,626,589	$10,945,387	$11,273,748	$11,611,961
Public Protection - Fire	$3,260,959	$3,358,787	$3,459,551	$3,563,338	$3,670,238	$3,780,345	$3,893,755	$4,010,568	$4,130,885	$4,254,812	$4,382,456	$4,513,930	$4,649,347	$4,788,828	$4,932,493	$5,080,467	$5,232,881
Other Public Protection	$1,139,945	$1,174,143	$1,209,368	$1,245,649	$1,283,018	$1,321,509	$1,361,154	$1,401,989	$1,444,048	$1,487,370	$1,531,991	$1,577,951	$1,625,289	$1,674,048	$1,724,269	$1,775,997	$1,829,277
Community Health	$1,453,178	$1,496,773	$1,541,676	$1,587,926	$1,635,564	$1,684,631	$1,735,170	$1,787,225	$1,840,842	$1,896,067	$1,952,949	$2,011,538	$2,071,884	$2,134,040	$2,198,061	$2,264,003	$2,331,923
Human Welfare and Neigh. Dev.	$904,804	$931,948	$959,907	$988,704	$1,018,365	$1,048,916	$1,080,383	$1,112,795	$1,146,179	$1,180,564	$1,215,981	$1,252,460	$1,290,034	$1,328,735	$1,368,597	$1,409,655	$1,451,945
Culture and Recreation	$404,046	$416,167	$428,652	$441,512	$454,757	$468,400	$482,452	$496,925	$511,833	$527,188	$543,004	$559,294	$576,073	$593,355	$611,156	$629,490	$648,375
Total Expenditures	**$15,054,418**	**$15,506,051**	**$15,971,232**	**$16,450,369**	**$16,943,881**	**$17,452,197**	**$17,975,763**	**$18,515,036**	**$19,070,487**	**$19,642,601**	**$20,231,879**	**$20,838,836**	**$21,464,001**	**$22,107,921**	**$22,771,159**	**$23,454,293**	**$24,157,922**
In 2017$	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**
Net Recurring General Fund Revenues, Before Transfers	**$13,104,706**	**$13,471,772**	**$13,849,064**	**$14,236,872**	**$14,635,495**	**$15,045,243**	**$15,466,432**	**$15,899,387**	**$16,344,446**	**$16,801,953**	**$17,272,263**	**$17,755,742**	**$18,252,767**	**$18,763,724**	**$19,289,013**	**$19,829,042**	**$20,384,235**
In 2017$	**$5,560,934**	**$5,550,192**	**$5,539,447**	**$5,528,705**	**$5,517,966**	**$5,507,235**	**$5,496,513**	**$5,485,804**	**$5,475,111**	**$5,464,434**	**$5,453,778**	**$5,443,144**	**$5,432,534**	**$5,421,951**	**$5,411,396**	**$5,400,872**	**$5,390,379**
Net Recurring General Fund Revenues, After Transfers	**$7,021,187**	**$7,211,024**	**$7,405,929**	**$7,606,041**	**$7,811,503**	**$8,022,464**	**$8,239,074**	**$8,461,489**	**$8,689,871**	**$8,924,383**	**$9,165,196**	**$9,412,482**	**$9,666,423**	**$9,927,202**	**$10,195,008**	**$10,470,037**	**$10,752,488**
In 2017$	**$2,979,415**	**$2,970,846**	**$2,962,276**	**$2,953,707**	**$2,945,142**	**$2,936,582**	**$2,928,030**	**$2,919,488**	**$2,910,959**	**$2,902,443**	**$2,893,943**	**$2,885,461**	**$2,876,998**	**$2,868,557**	**$2,860,137**	**$2,851,743**	**$2,843,373**
Construction Related Revenues																	
Construction Related Revenues																	
Sales Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Receipts Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal, Construction Related Revenues, Before Trans	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
In 2017$	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Less: Transfers Pursuant to City Charter and City Policies	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
In 2017$	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Construction Revenues, After Transfers	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
In 2017$	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Fiscal Impact																	
Net Fiscal Impact, Before ADR Transfers	**$13,104,706**	**$13,471,772**	**$13,849,064**	**$14,236,872**	**$14,635,495**	**$15,045,243**	**$15,466,432**	**$15,899,387**	**$16,344,446**	**$16,801,953**	**$17,272,263**	**$17,755,742**	**$18,252,767**	**$18,763,724**	**$19,289,013**	**$19,829,042**	**$20,384,235**
Net Fiscal Impact, Before ADR Transfers, In 2017$	**$5,560,934**	**$5,550,192**	**$5,539,447**	**$5,528,705**	**$5,517,966**	**$5,507,235**	**$5,496,513**	**$5,485,804**	**$5,475,111**	**$5,464,434**	**$5,453,778**	**$5,443,144**	**$5,432,534**	**$5,421,951**	**$5,411,396**	**$5,400,872**	**$5,390,379**
Net Fiscal Impact, After ADR Transfers	**$7,021,187**	**$7,211,024**	**$7,405,929**	**$7,606,041**	**$7,811,503**	**$8,022,464**	**$8,239,074**	**$8,461,489**	**$8,689,871**	**$8,924,383**	**$9,165,196**	**$9,412,482**	**$9,666,423**	**$9,927,202**	**$10,195,008**	**$10,470,037**	**$10,752,488**
Net Fiscal Impact, After ADR Transfers, In 2017$	**$2,979,415**	**$2,970,846**	**$2,962,276**	**$2,953,707**	**$2,945,142**	**$2,936,582**	**$2,928,030**	**$2,919,488**	**$2,910,959**	**$2,902,443**	**$2,893,943**	**$2,885,461**	**$2,876,998**	**$2,868,557**	**$2,860,137**	**$2,851,743**	**$2,843,373**

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table A1
Estimated Annual Project Fiscal Impact
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation									
Revenues	**2063-64**	**2064-65**	**2065-66**	**2066-67**	**2067-68**	**2068-69**	**2069-70**	**2070-71**	**2071-72**	**2072-73**
Net Recurring Revenues										
Recurring General Fund Revenues										
Taxes										
Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF	$5,490,474	$5,600,625	$5,712,979	$5,827,580	$5,944,473	$6,063,704	$6,185,320	$6,309,367	$6,435,896	$6,564,956
Sales Tax	$6,086,146	$6,268,730	$6,456,792	$6,650,496	$6,850,011	$7,055,511	$7,267,177	$7,485,192	$7,709,748	$7,941,040
Gross Receipts Tax	$26,781,071	$27,585,225	$28,413,503	$29,266,630	$30,145,350	$31,050,432	$31,982,667	$32,942,868	$33,931,876	$34,950,553
Business Registration Fee	$560,750	$577,572	$594,900	$612,747	$631,129	$650,063	$669,565	$689,652	$710,341	$731,652
Net New Parking Tax Revenue	$2,949,199	$3,049,699	$3,153,215	$3,259,836	$3,369,655	$3,482,769	$3,599,276	$3,719,279	$3,842,882	$3,970,192
Utility Users Tax - Water Users Tax	$87,986	$90,626	$93,344	$96,145	$99,029	$102,000	$105,060	$108,212	$111,458	$114,802
Utility Users Tax - Gas Electric Steam Users Tax	$1,436,374	$1,479,465	$1,523,849	$1,569,564	$1,616,651	$1,665,151	$1,715,105	$1,766,558	$1,819,555	$1,874,142
Utility Users Tax - Telephone Users Tax	$918,614	$946,172	$974,557	$1,003,794	$1,033,908	$1,064,925	$1,096,873	$1,129,779	$1,163,672	$1,198,583
Access Line Tax	$890,328	$917,038	$944,549	$972,886	$1,002,072	$1,032,134	$1,063,098	$1,094,991	$1,127,841	$1,161,676
Licenses, Permits and Franchise Fees	$552,335	$568,905	$585,972	$603,552	$621,658	$640,308	$659,517	$679,303	$699,682	$720,672
Fines and Forfeitures	$84,406	$86,938	$89,546	$92,233	$95,000	$97,850	$100,785	$103,809	$106,923	$110,131
Recurring General Fund Revenues, Before Transfers	**$45,837,684**	**$47,170,997**	**$48,543,208**	**$49,955,461**	**$51,408,937**	**$52,904,849**	**$54,444,446**	**$56,029,014**	**$57,659,879**	**$59,338,404**
In 2017$	**$11,768,208**	**$11,757,784**	**$11,747,398**	**$11,737,050**	**$11,726,743**	**$11,716,476**	**$11,706,253**	**$11,696,073**	**$11,685,938**	**$11,675,850**
Less: Transfers Pursuant to City Charter and City Policies	$9,912,455	$10,201,366	$10,498,722	$10,804,771	$11,119,770	$11,443,983	$11,777,680	$12,121,143	$12,474,658	$12,838,522
In 2017$	$2,544,889	$2,542,780	$2,540,678	$2,538,584	$2,536,498	$2,534,421	$2,532,352	$2,530,292	$2,528,241	$2,526,200
Recurring General Fund Revenues, After Transfers	**$35,925,229**	**$36,969,630**	**$38,044,485**	**$39,150,690**	**$40,289,167**	**$41,460,866**	**$42,666,765**	**$43,907,871**	**$45,185,221**	**$46,499,882**
In 2017$	**$9,223,318**	**$9,215,004**	**$9,206,720**	**$9,198,466**	**$9,190,244**	**$9,182,055**	**$9,173,901**	**$9,165,781**	**$9,157,697**	**$9,149,650**
Less:										
Estimated Expenditures										
General Administration and Finance	$1,083,106	$1,115,600	$1,149,068	$1,183,540	$1,219,046	$1,255,617	$1,293,286	$1,332,084	$1,372,047	$1,413,208
Public Protection - Police	$11,960,319	$12,319,129	$12,688,703	$13,069,364	$13,461,445	$13,865,288	$14,281,247	$14,709,684	$15,150,975	$15,605,504
Public Protection - Fire	$5,389,868	$5,551,564	$5,718,111	$5,889,654	$6,066,344	$6,248,334	$6,435,784	$6,628,858	$6,827,723	$7,032,555
Other Public Protection	$1,884,156	$1,940,680	$1,998,901	$2,058,868	$2,120,634	$2,184,253	$2,249,780	$2,317,274	$2,386,792	$2,458,396
Community Health	$2,401,881	$2,473,937	$2,548,156	$2,624,600	$2,703,338	$2,784,438	$2,867,972	$2,954,011	$3,042,631	$3,133,910
Human Welfare and Neigh. Dev.	$1,495,503	$1,540,368	$1,586,579	$1,634,177	$1,683,202	$1,733,698	$1,785,709	$1,839,280	$1,894,459	$1,951,293
Culture and Recreation	$667,826	$687,861	$708,497	$729,752	$751,644	$774,194	$797,419	$821,342	$845,982	$871,362
Total Expenditures	**$24,882,660**	**$25,629,140**	**$26,398,014**	**$27,189,954**	**$28,005,653**	**$28,845,822**	**$29,711,197**	**$30,602,533**	**$31,520,609**	**$32,466,227**
In 2017$	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**	**$6,388,288**
Net Recurring General Fund Revenues, Before Transfers	**$20,955,024**	**$21,541,857**	**$22,145,194**	**$22,765,507**	**$23,403,285**	**$24,059,027**	**$24,733,249**	**$25,426,481**	**$26,139,270**	**$26,872,177**
In 2017$	**$5,379,920**	**$5,369,497**	**$5,359,110**	**$5,348,763**	**$5,338,455**	**$5,328,189**	**$5,317,965**	**$5,307,785**	**$5,297,651**	**$5,287,562**
Net Recurring General Fund Revenues, After Transfers	**$11,042,569**	**$11,340,491**	**$11,646,472**	**$11,960,736**	**$12,283,514**	**$12,615,044**	**$12,955,568**	**$13,305,338**	**$13,664,612**	**$14,033,655**
In 2017$	**$2,835,031**	**$2,826,717**	**$2,818,432**	**$2,810,178**	**$2,801,957**	**$2,793,768**	**$2,785,613**	**$2,777,493**	**$2,769,409**	**$2,761,363**
Construction Related Revenues										
Construction Related Revenues										
Sales Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Receipts Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal, Construction Related Revenues, Before Trans	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
In 2017$	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Less: Transfers Pursuant to City Charter and City Policies	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
In 2017$	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Construction Revenues, After Transfers	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
In 2017$	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Fiscal Impact										
Net Fiscal Impact, Before ADR Transfers	**$20,955,024**	**$21,541,857**	**$22,145,194**	**$22,765,507**	**$23,403,285**	**$24,059,027**	**$24,733,249**	**$25,426,481**	**$26,139,270**	**$26,872,177**
Net Fiscal Impact, Before ADR Transfers, In 2017$	**$5,379,920**	**$5,369,497**	**$5,359,110**	**$5,348,763**	**$5,338,455**	**$5,328,189**	**$5,317,965**	**$5,307,785**	**$5,297,651**	**$5,287,562**
Net Fiscal Impact, After ADR Transfers	**$11,042,569**	**$11,340,491**	**$11,646,472**	**$11,960,736**	**$12,283,514**	**$12,615,044**	**$12,955,568**	**$13,305,338**	**$13,664,612**	**$14,033,655**
Net Fiscal Impact, After ADR Transfers, In 2017$	**$2,835,031**	**$2,826,717**	**$2,818,432**	**$2,810,178**	**$2,801,957**	**$2,793,768**	**$2,785,613**	**$2,777,493**	**$2,769,409**	**$2,761,363**

Table A2
Estimated Annual Project Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Revenues	Estimating Procedure /	Source	Buildout (Uninflated)	Estimates with Inflation 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Recurring General Fund Revenues															
Taxes															
Property Tax	Case Study	Table A3	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF	Case Study	Table A3	$2,180,249	$0	$341	$690	$1,045	$66,362	$68,030	$865,715	$910,940	$1,855,706	$2,258,384	$2,567,375	$2,736,854
Sales Tax	Case Study	Table A4	$1,562,536	$0	$0	$0	$0	$682,872	$703,358	$1,182,379	$1,522,538	$1,850,515	$2,038,755	$2,099,918	$2,162,915
Gross Receipts Tax	Case Study	Table A5	$6,864,480	$0	$24,487	$25,944	$27,443	$3,190,848	$3,275,435	$6,340,741	$7,402,554	$8,529,057	$8,955,209	$9,224,587	$9,502,046
Business Registration Fee	Case Study	Table A6	$143,965	$0	$0	$0	$0	$63,501	$65,406	$122,420	$146,816	$176,214	$187,842	$193,477	$199,281
Net New Parking Tax Revenue	Case Study	Table A7	$570,516	$0	$408,124	$432,392	$457,388	$412,855	$239,593	$698,516	$684,171	$688,700	$721,385	$755,051	$789,727
Utility Users Tax - Water Users Tax	Per Employee	Table A8	$22,589	$0	$0	$0	$0	$10,352	$10,662	$20,086	$23,711	$27,619	$29,474	$30,358	$31,269
Utility Users Tax - Gas Electric Steam Users Tax	Per Employee	Table A8	$368,770	$0	$0	$0	$0	$168,993	$174,063	$327,909	$387,079	$450,883	$481,161	$495,595	$510,463
Utility Users Tax - Telephone Users Tax	Persons Served	Table A8	$235,842	$0	$0	$0	$0	$108,265	$111,513	$188,196	$247,864	$294,012	$307,720	$316,952	$326,460
Access Line Tax [1]	Persons Served	Table A8	$228,580	$0	$0	$0	$0	$104,932	$108,080	$182,401	$240,232	$284,959	$298,245	$307,192	$316,408
Licenses, Permits and Franchise Fees [2]	Persons Served	Table A8	$141,805	$0	$0	$0	$0	$65,097	$67,050	$113,156	$149,033	$176,781	$185,023	$190,574	$196,291
Fines and Forfeitures [2]	Persons Served	Table A8	$21,670	$0	$0	$0	$0	$9,948	$10,246	$17,292	$22,775	$27,015	$28,275	$29,123	$29,997
Subtotal, Recurring General Fund Revenues, Before Transfers				**$0**	**$432,953**	**$459,025**	**$485,876**	**$4,884,025**	**$4,833,437**	**$10,058,810**	**$11,737,712**	**$14,361,462**	**$15,491,472**	**$16,210,201**	**$16,801,710**
Less: Transfers Pursuant to City Charter and City Policies [3]															
Children's Services, ADR Set-aside	8.76%	of ADR	$1,081,072	$0	$37,927	$40,211	$42,563	$427,841	$423,409	$881,152	$1,028,224	$1,258,064	$1,357,053	$1,420,014	$1,471,830
Library Preservation, ADR Set-aside	2.286%	of ADR	$282,115	$0	$9,897	$10,493	$11,107	$111,649	$110,492	$229,944	$268,324	$328,303	$354,135	$370,565	$384,087
MTA ADR Set-aside	9.19%	of ADR	$1,134,138	$0	$39,788	$42,184	$44,652	$448,842	$444,193	$924,405	$1,078,696	$1,319,818	$1,423,666	$1,489,718	$1,544,077
Licenses, Permits, Fines, Franchise Fees			$163,475	$0	$0	$0	$0	$75,045	$77,296	$130,449	$171,808	$203,796	$213,297	$219,696	$226,287
Total Transfers			**$2,660,800**	**$0**	**$87,612**	**$92,888**	**$98,322**	**$1,063,376**	**$1,055,390**	**$2,165,949**	**$2,547,051**	**$3,109,982**	**$3,348,152**	**$3,499,993**	**$3,626,281**
Recurring General Fund Revenues, After Transfers				**$0**	**$345,341**	**$366,137**	**$387,554**	**$3,820,649**	**$3,778,047**	**$7,892,861**	**$9,190,661**	**$11,251,481**	**$12,143,320**	**$12,710,209**	**$13,175,429**
Construction Related Revenues															
Construction Related Revenues															
Sales Tax	Case Study	Table A4	$0	$0	$0	$0	$1,297,183	$0	$1,413,815	$627,336	$461,598	$163,258	$0	$0	$0
Gross Receipts Tax		Table A5.1		$117,166	$55,314	$270,739	$2,787,652	$125,326	$3,094,177	$1,247,266	$913,269	$347,423	$0	$0	$0
Subtotal, Construction Related Revenues, Before Transfers				**$117,166**	**$55,314**	**$270,739**	**$4,084,835**	**$125,326**	**$4,507,992**	**$1,874,601**	**$1,374,867**	**$510,681**	**$0**	**$0**	**$0**
Less: Transfers Pursuant to City Charter and City Policies [3]															
Children's Services, ADR Set-aside	8.76%	of ADR	$1,081,072	$10,264	$4,845	$23,717	$357,832	$10,979	$394,900	$164,215	$120,438	$44,736	$0	$0	$0
Library Preservation, ADR Set-aside	2.286%	of ADR	$282,115	$2,678	$1,264	$6,189	$93,379	$2,865	$103,053	$42,853	$31,429	$11,674	$0	$0	$0
MTA ADR Set-aside	9.19%	of ADR	$1,134,138	$10,768	$5,083	$24,881	$375,396	$11,517	$414,285	$172,276	$126,350	$46,932	$0	$0	$0
Total Transfers			$2,497,325	$23,710	$11,193	$54,787	$826,607	$25,361	$912,237	$379,344	$278,218	$103,341	$0	$0	$0
Construction Related Revenues, After Transfers				**$93,456**	**$44,120**	**$215,953**	**$3,258,227**	**$99,965**	**$3,595,755**	**$1,495,257**	**$1,096,649**	**$407,340**	**$0**	**$0**	**$0**
Summary															
Total General Fund Revenues, Before Transfers			**$12,341,000**	**$117,166**	**$488,267**	**$729,765**	**$4,570,711**	**$5,009,351**	**$9,341,430**	**$11,933,412**	**$13,112,579**	**$14,872,143**	**$15,491,472**	**$16,210,201**	**$16,801,710**
Total General Fund Revenues, After Transfers			**$9,680,201**	**$93,456**	**$389,461**	**$582,090**	**$3,645,782**	**$3,920,614**	**$7,373,802**	**$9,388,118**	**$10,287,310**	**$11,658,820**	**$12,143,320**	**$12,710,209**	**$13,175,429**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.
[2] City and County of San Francisco, Proposed Budget, FY 2017-18 and FY 2018-19.
[3] City of San Francisco, Office of the Controller. FY 2016-17 and FY 2017-18 Revenue Letter.

Table A2
Estimated Annual Project Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation												
Revenues	**2029-30**	**2030-31**	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**2036-37**	**2037-38**	**2038-39**	**2039-40**	**2040-41**	**2041-42**
Recurring General Fund Revenues													
Taxes													
Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF	$2,791,932	$2,848,112	$2,905,416	$2,963,866	$3,023,484	$3,084,295	$3,146,323	$3,209,591	$3,274,124	$3,339,948	$3,407,088	$3,475,571	$3,545,424
Sales Tax	$2,227,803	$2,294,637	$2,363,476	$2,434,380	$2,507,412	$2,582,634	$2,660,113	$2,739,916	$2,822,114	$2,906,777	$2,993,981	$3,083,800	$3,176,314
Gross Receipts Tax	$9,787,829	$10,082,185	$10,385,372	$10,697,655	$11,019,306	$11,350,607	$11,691,846	$12,043,323	$12,405,344	$12,778,226	$13,162,294	$13,557,885	$13,965,342
Business Registration Fee	$205,260	$211,417	$217,760	$224,293	$231,022	$237,952	$245,091	$252,443	$260,017	$267,817	$275,852	$284,127	$292,651
Net New Parking Tax Revenue	$825,443	$862,231	$900,122	$939,150	$979,349	$1,020,754	$1,063,401	$1,107,327	$1,152,571	$1,199,172	$1,247,172	$1,296,611	$1,347,534
Utility Users Tax - Water Users Tax	$32,207	$33,173	$34,168	$35,193	$36,249	$37,337	$38,457	$39,610	$40,799	$42,023	$43,283	$44,582	$45,919
Utility Users Tax - Gas Electric Steam Users Tax	$525,777	$541,551	$557,797	$574,531	$591,767	$609,520	$627,806	$646,640	$666,039	$686,020	$706,601	$727,799	$749,633
Utility Users Tax - Telephone Users Tax	$336,254	$346,342	$356,732	$367,434	$378,457	$389,810	$401,505	$413,550	$425,956	$438,735	$451,897	$465,454	$479,418
Access Line Tax [1]	$325,900	$335,677	$345,747	$356,120	$366,803	$377,807	$389,142	$400,816	$412,840	$425,226	$437,982	$451,122	$464,656
Licenses, Permits and Franchise Fees [2]	$202,179	$208,245	$214,492	$220,927	$227,555	$234,381	$241,413	$248,655	$256,115	$263,798	$271,712	$279,864	$288,260
Fines and Forfeitures [2]	$30,896	$31,823	$32,778	$33,761	$34,774	$35,817	$36,892	$37,999	$39,139	$40,313	$41,522	$42,768	$44,051
Subtotal, Recurring General Fund Revenues, Before Tra	**$17,291,480**	**$17,795,393**	**$18,313,861**	**$18,847,309**	**$19,396,177**	**$19,960,915**	**$20,541,987**	**$21,139,870**	**$21,755,058**	**$22,388,055**	**$23,039,385**	**$23,709,583**	**$24,399,202**
Less: Transfers Pursuant to City Charter and City Policies [3]													
Children's Services, ADR Set-aside	$1,514,734	$1,558,876	$1,604,294	$1,651,024	$1,699,105	$1,748,576	$1,799,478	$1,851,853	$1,905,743	$1,961,194	$2,018,250	$2,076,959	$2,137,370
Library Preservation, ADR Set-aside	$395,283	$406,803	$418,655	$430,849	$443,397	$456,307	$469,590	$483,257	$497,321	$511,791	$526,680	$542,001	$557,766
MTA ADR Set-aside	$1,589,087	$1,635,397	$1,683,044	$1,732,068	$1,782,509	$1,834,408	$1,887,809	$1,942,754	$1,999,290	$2,057,462	$2,117,319	$2,178,911	$2,242,287
Licenses, Permits, Fines, Franchise Fees	$233,076	$240,068	$247,270	$254,688	$262,329	$270,199	$278,305	$286,654	$295,254	$304,111	$313,235	$322,632	$332,310
Total Transfers	**$3,732,180**	**$3,841,144**	**$3,953,263**	**$4,068,630**	**$4,187,339**	**$4,309,490**	**$4,435,181**	**$4,564,518**	**$4,697,607**	**$4,834,558**	**$4,975,484**	**$5,120,503**	**$5,269,733**
Recurring General Fund Revenues, After Transfers	**$13,559,300**	**$13,954,249**	**$14,360,597**	**$14,778,680**	**$15,208,838**	**$15,651,425**	**$16,106,805**	**$16,575,352**	**$17,057,451**	**$17,553,497**	**$18,063,900**	**$18,589,080**	**$19,129,469**
Construction Related Revenues													
Construction Related Revenues													
Sales Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Receipts Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal, Construction Related Revenues, Befo	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Less: Transfers Pursuant to City Charter and City Policies [3]													
Children's Services, ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Library Preservation, ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
MTA ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Transfers	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Construction Related Revenues, After Transfers	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Summary													
Total General Fund Revenues, Before Transfers	**$17,291,480**	**$17,795,393**	**$18,313,861**	**$18,847,309**	**$19,396,177**	**$19,960,915**	**$20,541,987**	**$21,139,870**	**$21,755,058**	**$22,388,055**	**$23,039,385**	**$23,709,583**	**$24,399,202**
Total General Fund Revenues, After Transfers	**$13,559,300**	**$13,954,249**	**$14,360,597**	**$14,778,680**	**$15,208,838**	**$15,651,425**	**$16,106,805**	**$16,575,352**	**$17,057,451**	**$17,553,497**	**$18,063,900**	**$18,589,080**	**$19,129,469**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.
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Table A2
Estimated Annual Project Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation												
Revenues	**2042-43**	**2043-44**	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**	**2053-54**	**2054-55**
Recurring General Fund Revenues													
Taxes													
Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF	$3,616,674	$3,689,349	$3,763,477	$3,839,088	$3,916,212	$3,994,877	$4,075,116	$4,156,960	$4,240,441	$4,325,591	$4,412,444	$4,501,034	$4,591,397
Sales Tax	$3,271,603	$3,369,751	$3,470,844	$3,574,969	$3,682,218	$3,792,685	$3,906,465	$4,023,659	$4,144,369	$4,268,700	$4,396,761	$4,528,664	$4,664,524
Gross Receipts Tax	$14,385,024	$14,817,296	$15,262,537	$15,721,134	$16,193,490	$16,680,016	$17,181,138	$17,697,294	$18,228,934	$18,776,523	$19,340,540	$19,921,478	$20,519,844
Business Registration Fee	$301,431	$310,474	$319,788	$329,382	$339,263	$349,441	$359,924	$370,722	$381,843	$393,299	$405,098	$417,251	$429,768
Net New Parking Tax Revenue	$1,399,984	$1,454,008	$1,509,653	$1,566,967	$1,626,000	$1,686,805	$1,749,433	$1,813,940	$1,880,383	$1,948,819	$2,019,308	$2,091,911	$2,166,693
Utility Users Tax - Water Users Tax	$47,297	$48,716	$50,177	$51,683	$53,233	$54,830	$56,475	$58,169	$59,914	$61,712	$63,563	$65,470	$67,434
Utility Users Tax - Gas Electric Steam Users Tax	$772,122	$795,285	$819,144	$843,718	$869,030	$895,101	$921,954	$949,612	$978,101	$1,007,444	$1,037,667	$1,068,797	$1,100,861
Utility Users Tax - Telephone Users Tax	$493,800	$508,614	$523,873	$539,589	$555,776	$572,450	$589,623	$607,312	$625,531	$644,297	$663,626	$683,535	$704,041
Access Line Tax [1]	$478,595	$492,953	$507,742	$522,974	$538,663	$554,823	$571,468	$588,612	$606,270	$624,458	$643,192	$662,488	$682,362
Licenses, Permits and Franchise Fees [2]	$296,907	$305,815	$314,989	$324,439	$334,172	$344,197	$354,523	$365,159	$376,113	$387,397	$399,019	$410,989	$423,319
Fines and Forfeitures [2]	$45,372	$46,734	$48,136	$49,580	$51,067	$52,599	$54,177	$55,802	$57,476	$59,201	$60,977	$62,806	$64,690
Subtotal, Recurring General Fund Revenues, Before Tra	**$25,108,811**	**$25,838,995**	**$26,590,359**	**$27,363,522**	**$28,159,124**	**$28,977,823**	**$29,820,296**	**$30,687,241**	**$31,579,376**	**$32,497,440**	**$33,442,195**	**$34,414,423**	**$35,414,933**
Less: Transfers Pursuant to City Charter and City Policies [3]													
Children's Services, ADR Set-aside	$2,199,532	$2,263,496	$2,329,315	$2,397,045	$2,466,739	$2,538,457	$2,612,258	$2,688,202	$2,766,353	$2,846,776	$2,929,536	$3,014,703	$3,102,348
Library Preservation, ADR Set-aside	$573,987	$590,679	$607,856	$625,530	$643,718	$662,433	$681,692	$701,510	$721,905	$742,891	$764,489	$786,714	$809,585
MTA ADR Set-aside	$2,307,500	$2,374,604	$2,443,654	$2,514,708	$2,587,824	$2,663,062	$2,740,485	$2,820,157	$2,902,145	$2,986,515	$3,073,338	$3,162,685	$3,254,632
Licenses, Permits, Fines, Franchise Fees	$342,280	$352,548	$363,125	$374,018	$385,239	$396,796	$408,700	$420,961	$433,590	$446,598	$459,995	$473,795	$488,009
Total Transfers	**$5,423,299**	**$5,581,327**	**$5,743,950**	**$5,911,301**	**$6,083,519**	**$6,260,748**	**$6,443,135**	**$6,630,831**	**$6,823,992**	**$7,022,779**	**$7,227,358**	**$7,437,898**	**$7,654,575**
Recurring General Fund Revenues, After Transfers	**$19,685,512**	**$20,257,668**	**$20,846,409**	**$21,452,221**	**$22,075,605**	**$22,717,075**	**$23,377,161**	**$24,056,410**	**$24,755,384**	**$25,474,661**	**$26,214,837**	**$26,976,525**	**$27,760,358**
Construction Related Revenues													
Construction Related Revenues													
Sales Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Receipts Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal, Construction Related Revenues, Befo	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Less: Transfers Pursuant to City Charter and City Policies [3]													
Children's Services, ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Library Preservation, ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
MTA ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Transfers	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Construction Related Revenues, After Transfers	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Summary													
Total General Fund Revenues, Before Transfers	**$25,108,811**	**$25,838,995**	**$26,590,359**	**$27,363,522**	**$28,159,124**	**$28,977,823**	**$29,820,296**	**$30,687,241**	**$31,579,376**	**$32,497,440**	**$33,442,195**	**$34,414,423**	**$35,414,933**
Total General Fund Revenues, After Transfers	**$19,685,512**	**$20,257,668**	**$20,846,409**	**$21,452,221**	**$22,075,605**	**$22,717,075**	**$23,377,161**	**$24,056,410**	**$24,755,384**	**$25,474,661**	**$26,214,837**	**$26,976,525**	**$27,760,358**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.
[2] City and County of San Francisco, Proposed Budget, FY 2017-18 and FY 2018-19.
[3] City of San Francisco, Office of the Controller. FY 2016-17 and FY 2017-18 Revenue Letter.

Table A2
Estimated Annual Project Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation																	
Revenues	**2055-56**	**2056-57**	**2057-58**	**2058-59**	**2059-60**	**2060-61**	**2061-62**	**2062-63**	**2063-64**	**2064-65**	**2065-66**	**2066-67**	**2067-68**	**2068-69**	**2069-70**	**2070-71**	**2071-72**	**2072-73**
Recurring General Fund Revenues																		
Taxes																		
Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of VLF	$4,683,566	$4,777,579	$4,873,472	$4,971,282	$5,071,050	$5,172,812	$5,276,610	$5,382,483	$5,490,474	$5,600,625	$5,712,979	$5,827,580	$5,944,473	$6,063,704	$6,185,320	$6,309,367	$6,435,896	$6,564,956
Sales Tax	$4,804,460	$4,948,594	$5,097,051	$5,249,963	$5,407,462	$5,569,686	$5,736,776	$5,908,880	$6,086,146	$6,268,730	$6,456,792	$6,650,496	$6,850,011	$7,055,511	$7,267,177	$7,485,192	$7,709,748	$7,941,040
Gross Receipts Tax	$21,136,161	$21,770,967	$22,424,817	$23,098,283	$23,791,953	$24,506,433	$25,242,348	$26,000,340	$26,781,071	$27,585,225	$28,413,503	$29,266,630	$30,145,350	$31,050,432	$31,982,667	$32,942,868	$33,931,876	$34,950,553
Business Registration Fee	$442,661	$455,941	$469,619	$483,708	$498,219	$513,166	$528,561	$544,417	$560,750	$577,572	$594,900	$612,747	$631,129	$650,063	$669,565	$689,652	$710,341	$731,652
Net New Parking Tax Revenue	$2,243,718	$2,323,054	$2,404,770	$2,488,937	$2,575,630	$2,664,923	$2,756,895	$2,851,626	$2,949,199	$3,049,699	$3,153,215	$3,259,836	$3,369,655	$3,482,769	$3,599,276	$3,719,279	$3,842,882	$3,970,192
Utility Users Tax - Water Users Tax	$69,457	$71,541	$73,687	$75,898	$78,175	$80,520	$82,935	$85,423	$87,986	$90,626	$93,344	$96,145	$99,029	$102,000	$105,060	$108,212	$111,458	$114,802
Utility Users Tax - Gas Electric Steam Users Tax	$1,133,887	$1,167,903	$1,202,940	$1,239,028	$1,276,199	$1,314,485	$1,353,920	$1,394,537	$1,436,374	$1,479,465	$1,523,849	$1,569,564	$1,616,651	$1,665,151	$1,715,105	$1,766,558	$1,819,555	$1,874,142
Utility Users Tax - Telephone Users Tax	$725,162	$746,917	$769,325	$792,404	$816,176	$840,662	$865,882	$891,858	$918,614	$946,172	$974,557	$1,003,794	$1,033,908	$1,064,925	$1,096,873	$1,129,779	$1,163,672	$1,198,583
Access Line Tax [1]	$702,833	$723,918	$745,636	$768,005	$791,045	$814,776	$839,220	$864,396	$890,328	$917,038	$944,549	$972,886	$1,002,072	$1,032,134	$1,063,098	$1,094,991	$1,127,841	$1,161,676
Licenses, Permits and Franchise Fees [2]	$436,019	$449,099	$462,572	$476,449	$490,743	$505,465	$520,629	$536,248	$552,335	$568,905	$585,972	$603,552	$621,658	$640,308	$659,517	$679,303	$699,682	$720,672
Fines and Forfeitures [2]	$66,631	$68,630	$70,689	$72,809	$74,994	$77,243	$79,561	$81,948	$84,406	$86,938	$89,546	$92,233	$95,000	$97,850	$100,785	$103,809	$106,923	$110,131
Subtotal, Recurring General Fund Revenues, Before Tra	**$36,444,554**	**$37,504,142**	**$38,594,578**	**$39,716,768**	**$40,871,645**	**$42,060,171**	**$43,283,335**	**$44,542,157**	**$45,837,684**	**$47,170,997**	**$48,543,208**	**$49,955,461**	**$51,408,937**	**$52,904,849**	**$54,444,446**	**$56,029,014**	**$57,659,879**	**$59,338,404**
Less: Transfers Pursuant to City Charter and City Policies [3]																		
Children's Services, ADR Set-aside	$3,192,543	$3,285,363	$3,380,885	$3,479,189	$3,580,356	$3,684,471	$3,791,620	$3,901,893	$4,015,381	$4,132,179	$4,252,385	$4,376,098	$4,503,423	$4,634,465	$4,769,333	$4,908,142	$5,051,005	$5,198,044
Library Preservation, ADR Set-aside	$833,123	$857,345	$882,272	$907,925	$934,326	$961,496	$989,457	$1,018,234	$1,047,849	$1,078,329	$1,109,698	$1,141,982	$1,175,208	$1,209,405	$1,244,600	$1,280,823	$1,318,105	$1,356,476
MTA ADR Set-aside	$3,349,255	$3,446,631	$3,546,842	$3,649,971	$3,756,104	$3,865,330	$3,977,739	$4,093,424	$4,212,483	$4,335,015	$4,461,121	$4,590,907	$4,724,481	$4,861,956	$5,003,445	$5,149,066	$5,298,943	$5,453,199
Licenses, Permits, Fines, Franchise Fees	$502,649	$517,729	$533,261	$549,259	$565,736	$582,708	$600,190	$618,195	$636,741	$655,843	$675,519	$695,784	$716,658	$738,158	$760,302	$783,111	$806,605	$830,803
Total Transfers	**$7,877,569**	**$8,107,067**	**$8,343,260**	**$8,586,344**	**$8,836,522**	**$9,094,005**	**$9,359,005**	**$9,631,746**	**$9,912,455**	**$10,201,366**	**$10,498,722**	**$10,804,771**	**$11,119,770**	**$11,443,983**	**$11,777,680**	**$12,121,143**	**$12,474,658**	**$12,838,522**
Recurring General Fund Revenues, After Transfers	**$28,566,985**	**$29,397,075**	**$30,251,318**	**$31,130,424**	**$32,035,123**	**$32,966,166**	**$33,924,330**	**$34,910,410**	**$35,925,229**	**$36,969,630**	**$38,044,485**	**$39,150,690**	**$40,289,167**	**$41,460,866**	**$42,666,765**	**$43,907,871**	**$45,185,221**	**$46,499,882**
Construction Related Revenues																		
Construction Related Revenues																		
Sales Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Receipts Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal, Construction Related Revenues, Befo	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Less: Transfers Pursuant to City Charter and City Policies [3]																		
Children's Services, ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Library Preservation, ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
MTA ADR Set-aside	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Transfers	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Construction Related Revenues, After Transfers	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Summary																		
Total General Fund Revenues, Before Transfers	**$36,444,554**	**$37,504,142**	**$38,594,578**	**$39,716,768**	**$40,871,645**	**$42,060,171**	**$43,283,335**	**$44,542,157**	**$45,837,684**	**$47,170,997**	**$48,543,208**	**$49,955,461**	**$51,408,937**	**$52,904,849**	**$54,444,446**	**$56,029,014**	**$57,659,879**	**$59,338,404**
Total General Fund Revenues, After Transfers	**$28,566,985**	**$29,397,075**	**$30,251,318**	**$31,130,424**	**$32,035,123**	**$32,966,166**	**$33,924,330**	**$34,910,410**	**$35,925,229**	**$36,969,630**	**$38,044,485**	**$39,150,690**	**$40,289,167**	**$41,460,866**	**$42,666,765**	**$43,907,871**	**$45,185,221**	**$46,499,882**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.
[2] City and County of San Francisco, Proposed Budget, FY 2017-18 and FY 2018-19.
[3] City of San Francisco, Office of the Controller. FY 2016-17 and FY 2017-18 Revenue Letter.

Table A3
Estimated Revenue, Property Tax and Property Tax In-Lieu of VLF
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

			Revenue Added to Tax Roll ($ with inflation)								
Item	**Assumption/ Source**	**Formula**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**
1-Percent Property Tax											
Cumulative Assessed Value	Table B4		$16,014,000	$16,334,280	$16,660,966	$16,994,185	$78,265,938	$79,831,257	$828,115,289	$870,540,060	$1,756,796,818
Base Value	Table B4										
Cumulative Incremental Assessed Value	Table B4	a	$0	$320,280	$646,966	$980,185	$62,251,938	$63,817,257	$812,101,289	$854,526,060	$1,740,782,818
Property Tax Revenue (1% of AV)	1.00%	b=a*1.00%	$0	$3,203	$6,470	$9,802	$622,519	$638,173	$8,121,013	$8,545,261	$17,407,828
San Francisco Share	64.59%	d=b*0.6459	$0	$2,069	$4,179	$6,331	$402,085	$412,196	$5,245,362	$5,519,384	$11,243,716
Estimated Property Tax Allocation											
100% Property Tax Deposited into EIFD	Table A10										
City and County General Fund [1]	0.00%	c=b*0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of Motor Vehicle In-Lieu Fee Revenue (VLF)											
Property Tax Based Revenue 2004-05 [2]	$109,881,177	g									
2004-05 City of San Francisco Gross Assessed Value [2]	$103,076,295,556	h									
Property Tax in Lieu of VLF per $1,000 in AV Growth	$1.07	i = g / h * 1000									
Property Tax In-Lieu of VLF		j = i * a / 1000	$0	$341	$690	$1,045	$66,362	$68,030	$865,715	$910,940	$1,855,706

[1] Table A10.
[2] Values of City and County of San Francisco. California State Controller's Office.

Table A3
Estimated Revenue, Property Tax and Property
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Revenue Added to Tax Roll ($ with inflation)											
	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1-Percent Property Tax												
Cumulative Assessed Value	$2,134,537,498	$2,424,393,126	$2,583,375,785	$2,635,043,301	$2,687,744,167	$2,741,499,051	$2,796,329,032	$2,852,255,612	$2,909,300,724	$2,967,486,739	$3,026,836,474	$3,087,373,203
Base Value												
Cumulative Incremental Assessed Value	$2,118,523,498	$2,408,379,126	$2,567,361,785	$2,619,029,301	$2,671,730,167	$2,725,485,051	$2,780,315,032	$2,836,241,612	$2,893,286,724	$2,951,472,739	$3,010,822,474	$3,071,359,203
Property Tax Revenue (1% of AV)	$21,185,235	$24,083,791	$25,673,618	$26,190,293	$26,717,302	$27,254,851	$27,803,150	$28,362,416	$28,932,867	$29,514,727	$30,108,225	$30,713,592
San Francisco Share	**$13,683,543**	**$15,555,721**	**$16,582,590**	**$16,916,310**	**$17,256,705**	**$17,603,908**	**$17,958,055**	**$18,319,285**	**$18,687,739**	**$19,063,562**	**$19,446,902**	**$19,837,909**
Estimated Property Tax Allocation												
100% Property Tax Deposited into EIFD												
City and County General Fund [1]	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Property Tax In-Lieu of Motor Vehicle In-Lieu Fe												
Property Tax Based Revenue 2004-05 [2]												
2004-05 City of San Francisco Gross Assessed Value [2]												
Property Tax in Lieu of VLF per $1,000 in AV												
Growth												
Property Tax In-Lieu of VLF	**$2,258,384**	**$2,567,375**	**$2,736,854**	**$2,791,932**	**$2,848,112**	**$2,905,416**	**$2,963,866**	**$3,023,484**	**$3,084,295**	**$3,146,323**	**$3,209,591**	**$3,274,124**

[1] Table A10.
[2] Values of City and County of San Francisco. California State Controller's Office.

Table A3
Estimated Revenue, Property Tax and Property
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)											
Item	**2038-39**	**2039-40**	**2040-41**	**2041-42**	**2042-43**	**2043-44**	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**
1-Percent Property Tax												
Cumulative Assessed Value	$3,149,120,667	$3,212,103,081	$3,276,345,142	$3,341,872,045	$3,408,709,486	$3,476,883,676	$3,546,421,349	$3,617,349,776	$3,689,696,772	$3,763,490,707	$3,838,760,521	$3,915,535,732
Base Value												
Cumulative Incremental Assessed Value	$3,133,106,667	$3,196,089,081	$3,260,331,142	$3,325,858,045	$3,392,695,486	$3,460,869,676	$3,530,407,349	$3,601,335,776	$3,673,682,772	$3,747,476,707	$3,822,746,521	$3,899,521,732
Property Tax Revenue (1% of AV)	$31,331,067	$31,960,891	$32,603,311	$33,258,580	$33,926,955	$34,608,697	$35,304,073	$36,013,358	$36,736,828	$37,474,767	$38,227,465	$38,995,217
San Francisco Share	**$20,236,736**	**$20,643,539**	**$21,058,479**	**$21,481,717**	**$21,913,420**	**$22,353,757**	**$22,802,901**	**$23,261,028**	**$23,728,317**	**$24,204,952**	**$24,691,120**	**$25,187,011**
Estimated Property Tax Allocation												
100% Property Tax Deposited into EIFD												
City and County General Fund [1]	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Property Tax In-Lieu of Motor Vehicle In-Lieu Fe												
Property Tax Based Revenue 2004-05 [2]												
2004-05 City of San Francisco Gross Assessed Value [2]												
Property Tax in Lieu of VLF per $1,000 in AV												
Growth												
Property Tax In-Lieu of VLF	**$3,339,948**	**$3,407,088**	**$3,475,571**	**$3,545,424**	**$3,616,674**	**$3,689,349**	**$3,763,477**	**$3,839,088**	**$3,916,212**	**$3,994,877**	**$4,075,116**	**$4,156,960**

[1] Table A10.
[2] Values of City and County of San Francisco. California State Controller's Office.

Table A3
Estimated Revenue, Property Tax and Property
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Revenue Added to Tax Roll ($ with inflation)											
	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60	2060-61	2061-62
1-Percent Property Tax												
Cumulative Assessed Value	$3,993,846,446	$4,073,723,375	$4,155,197,843	$4,238,301,800	$4,323,067,836	$4,409,529,192	$4,497,719,776	$4,587,674,172	$4,679,427,655	$4,773,016,208	$4,868,476,532	$4,965,846,063
Base Value												
Cumulative Incremental Assessed Value	$3,977,832,446	$4,057,709,375	$4,139,183,843	$4,222,287,800	$4,307,053,836	$4,393,515,192	$4,481,705,776	$4,571,660,172	$4,663,413,655	$4,757,002,208	$4,852,462,532	$4,949,832,063
Property Tax Revenue (1% of AV)	$39,778,324	$40,577,094	$41,391,838	$42,222,878	$43,070,538	$43,935,152	$44,817,058	$45,716,602	$46,634,137	$47,570,022	$48,524,625	$49,498,321
San Francisco Share	**$25,692,820**	**$26,208,745**	**$26,734,988**	**$27,271,757**	**$27,819,261**	**$28,377,715**	**$28,947,338**	**$29,528,353**	**$30,120,989**	**$30,725,477**	**$31,342,055**	**$31,970,965**
Estimated Property Tax Allocation												
100% Property Tax Deposited into EIFD												
City and County General Fund [1]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of Motor Vehicle (In-Lieu Fe												
Property Tax Based Revenue 2004-05 [2]												
2004-05 City of San Francisco Gross Assessed Value [2]												
Property Tax in Lieu of VLF per $1,000 in AV												
Growth												
Property Tax In-Lieu of VLF	**$4,240,441**	**$4,325,591**	**$4,412,444**	**$4,501,034**	**$4,591,397**	**$4,683,566**	**$4,777,579**	**$4,873,472**	**$4,971,282**	**$5,071,050**	**$5,172,812**	**$5,276,610**

[1] Table A10.
[2] Values of City and County of San Francisco. California State Controller's Office.

Table A3
Estimated Revenue, Property Tax and Property
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)										
Item	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
1-Percent Property Tax											
Cumulative Assessed Value	$5,065,162,984	$5,166,466,244	$5,269,795,569	$5,375,191,480	$5,482,695,310	$5,592,349,216	$5,704,196,200	$5,818,280,124	$5,934,645,727	$6,053,338,641	$6,174,405,414
Base Value											
Cumulative Incremental Assessed Value	$5,049,148,984	$5,150,452,244	$5,253,781,569	$5,359,177,480	$5,466,681,310	$5,576,335,216	$5,688,182,200	$5,802,266,124	$5,918,631,727	$6,037,324,641	$6,158,391,414
Property Tax Revenue (1% of AV)	$50,491,490	$51,504,522	$52,537,816	$53,591,775	$54,666,813	$55,763,352	$56,881,822	$58,022,661	$59,186,317	$60,373,246	$61,583,914
San Francisco Share	**$32,612,453**	**$33,266,771**	**$33,934,175**	**$34,614,927**	**$35,309,295**	**$36,017,549**	**$36,739,969**	**$37,476,837**	**$38,228,442**	**$38,995,080**	**$39,777,050**
Estimated Property Tax Allocation											
100% Property Tax Deposited into EIFD											
City and County General Fund [1]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Property Tax In-Lieu of Motor Vehicle In-Lieu Fe											
Property Tax Based Revenue 2004-05 [2]											
2004-05 City of San Francisco Gross Assessed Value [2]											
Property Tax in Lieu of VLF per $1,000 in AV											
Growth											
Property Tax In-Lieu of VLF	**$5,382,483**	**$5,490,474**	**$5,600,625**	**$5,712,979**	**$5,827,580**	**$5,944,473**	**$6,063,704**	**$6,185,320**	**$6,309,367**	**$6,435,896**	**$6,564,956**

[1] Table A10.
[2] Values of City and County of San Francisco. California State Controller's Office.

Table A4
Estimated Annual Sales and Use Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumptions/ Sources	Buildout (uninlfated)	Revenue Added to Tax Roll ($ with Inflation)											
			2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Citywide Taxable Sales, Recurring														
Off-site Spending from Residents & Employees	Table A4.1													
Households - offsite spending		$38,876,031	$0	$0	$0	$0	$17,882,407	$18,418,879	$28,025,394	$40,908,451	$49,246,992	$50,724,402	$52,246,134	$53,813,518
Retail & Production Employee off-site spending		$1,743,998	$0	$0	$0	$0	$630,348	$649,258	$1,081,779	$1,385,193	$1,747,572	$2,275,521	$2,343,787	$2,414,100
Office Employee off-site spending		$12,076,039	$0	$0	$0	$0	$5,767,726	$5,940,758	$11,387,157	$13,292,141	$15,297,564	$15,756,491	$16,229,186	$16,716,062
Subtotal		**$52,696,067**	**$0**	**$0**	**$0**	**$0**	**$24,280,481**	**$25,008,895**	**$40,494,329**	**$55,585,785**	**$66,292,129**	**$68,756,415**	**$70,819,107**	**$72,943,680**
Taxable Sales from Space	Table A4.2													
Retail Sales from Space		$67,211,370	$0	$0	$0	$0	$30,043,826	$30,945,140	$50,173,875	$64,489,863	$81,721,073	$87,695,593	$90,326,461	$93,036,255
Non-retail Sales from Space		$36,346,161	$0	$0	$0	$0	$13,962,905	$14,381,792	$27,569,660	$32,178,154	$37,038,345	$47,423,497	$48,846,201	$50,311,587
Subtotal		**$103,557,531**	**$0**	**$0**	**$0**	**$0**	**$44,006,730**	**$45,326,932**	**$77,743,535**	**$96,668,017**	**$118,759,418**	**$135,119,090**	**$139,172,662**	**$143,347,842**
Total - Citywide Taxable Sales		**$156,253,598**	**$0**	**$0**	**$0**	**$0**	**$68,287,211**	**$70,335,827**	**$118,237,864**	**$152,253,802**	**$185,051,547**	**$203,875,504**	**$209,991,770**	**$216,291,523**
Annual Sales-Tax Revenue, Recurring														
Local Sales Tax Rate	1.0000%													
Total Annual Sales-Tax Revenue		**$1,562,536**	**$0**	**$0**	**$0**	**$0**	**$682,872**	**$703,358**	**$1,182,379**	**$1,522,538**	**$1,850,515**	**$2,038,755**	**$2,099,918**	**$2,162,915**
Annual Sales-Tax Revenue, Non-recurring														
Taxable Sales from Space, Construction		$0	$0	$0	$0	$129,718,278	$0	$141,381,539	$62,733,556	$46,159,802	$16,325,813	$0	$0	$0
Local Sales Tax Rate	1.0000%													
Total Annual Sales-Tax Revenue		**$0**	**$0**	**$0**	**$0**	**$1,297,183**	**$0**	**$1,413,815**	**$627,336**	**$461,598**	**$163,258**	**$0**	**$0**	**$0**

Table A4
Estimated Annual Sales and Use Tax R
Mission Rock IFD Fiscal Impact Analysi
San Francisco, CA

Item	Revenue Added to Tax Roll												
	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42
Citywide Taxable Sales, Recurring													
Off-site Spending from Residents & Employees													
Households - offsite spending	$55,427,924	$57,090,762	$58,803,484	$60,567,589	$62,384,617	$64,256,155	$66,183,840	$68,169,355	$70,214,436	$72,320,869	$74,490,495	$76,725,210	$79,026,966
Retail & Production Employee off-sit	$2,486,524	$2,561,119	$2,637,953	$2,717,091	$2,798,604	$2,882,562	$2,969,039	$3,058,110	$3,149,854	$3,244,349	$3,341,680	$3,441,930	$3,545,188
Office Employee off-site spending	$17,217,543	$17,734,070	$18,266,092	$18,814,075	$19,378,497	$19,959,852	$20,558,647	$21,175,407	$21,810,669	$22,464,989	$23,138,939	$23,833,107	$24,548,100
Subtotal	**$75,131,991**	**$77,385,951**	**$79,707,529**	**$82,098,755**	**$84,561,718**	**$87,098,569**	**$89,711,526**	**$92,402,872**	**$95,174,958**	**$98,030,207**	**$100,971,113**	**$104,000,246**	**$107,120,254**
Taxable Sales from Space													
Retail Sales from Space	$95,827,342	$98,702,163	$101,663,228	$104,713,124	$107,854,518	$111,090,154	$114,422,858	$117,855,544	$121,391,210	$125,032,947	$128,783,935	$132,647,453	$136,626,877
Non-retail Sales from Space	$51,820,935	$53,375,563	$54,976,830	$56,626,135	$58,324,919	$60,074,667	$61,876,907	$63,733,214	$65,645,210	$67,614,566	$69,643,003	$71,732,294	$73,884,262
Subtotal	**$147,648,278**	**$152,077,726**	**$156,640,058**	**$161,339,259**	**$166,179,437**	**$171,164,820**	**$176,299,765**	**$181,588,758**	**$187,036,421**	**$192,647,513**	**$198,426,939**	**$204,379,747**	**$210,511,139**
Total - Citywide Taxable Sales	**$222,780,268**	**$229,463,676**	**$236,347,587**	**$243,438,014**	**$250,741,155**	**$258,263,389**	**$266,011,291**	**$273,991,630**	**$282,211,379**	**$290,677,720**	**$299,398,052**	**$308,379,993**	**$317,631,393**
Annual Sales-Tax Revenue, Recurring													
Local Sales Tax Rate													
Total Annual Sales-Tax Revenue	**$2,227,803**	**$2,294,637**	**$2,363,476**	**$2,434,380**	**$2,507,412**	**$2,582,634**	**$2,660,113**	**$2,739,916**	**$2,822,114**	**$2,906,777**	**$2,993,981**	**$3,083,800**	**$3,176,314**
Annual Sales-Tax Revenue, Non-recurr													
Taxable Sales from Space, Constructi	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Local Sales Tax Rate													
Total Annual Sales-Tax Revenue	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Table A4
Estimated Annual Sales and Use Tax R
Mission Rock IFD Fiscal Impact Analysi
San Francisco, CA

	Revenue Added to Tax Roll											
Item	**2042-43**	**2043-44**	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**	**2053-54**
Citywide Taxable Sales, Recurring												
Off-site Spending from Residents & Employees												
Households - offsite spending	$81,397,775	$83,839,708	$86,354,899	$88,945,546	$91,613,913	$94,362,330	$97,193,200	$100,108,996	$103,112,266	$106,205,634	$109,391,803	$112,673,557
Retail & Production Employee off-sit	$3,651,544	$3,761,090	$3,873,923	$3,990,140	$4,109,844	$4,233,140	$4,360,134	$4,490,938	$4,625,666	$4,764,436	$4,907,369	$5,054,590
Office Employee off-site spending	$25,284,543	$26,043,079	$26,824,372	$27,629,103	$28,457,976	$29,311,715	$30,191,067	$31,096,799	$32,029,703	$32,990,594	$33,980,311	$34,999,721
Subtotal	**$110,333,861**	**$113,643,877**	**$117,053,194**	**$120,564,789**	**$124,181,733**	**$127,907,185**	**$131,744,401**	**$135,696,733**	**$139,767,635**	**$143,960,664**	**$148,279,484**	**$152,727,868**
Taxable Sales from Space												
Retail Sales from Space	$140,725,683	$144,947,454	$149,295,877	$153,774,754	$158,387,996	$163,139,636	$168,033,825	$173,074,840	$178,267,085	$183,615,098	$189,123,551	$194,797,257
Non-retail Sales from Space	$76,100,790	$78,383,814	$80,735,328	$83,157,388	$85,652,110	$88,221,673	$90,868,323	$93,594,373	$96,402,204	$99,294,270	$102,273,099	$105,341,291
Subtotal	**$216,826,473**	**$223,331,268**	**$230,031,206**	**$236,932,142**	**$244,040,106**	**$251,361,309**	**$258,902,148**	**$266,669,213**	**$274,669,289**	**$282,909,368**	**$291,396,649**	**$300,138,549**
Total - Citywide Taxable Sales	**$327,160,335**	**$336,975,145**	**$347,084,399**	**$357,496,931**	**$368,221,839**	**$379,268,494**	**$390,646,549**	**$402,365,946**	**$414,436,924**	**$426,870,032**	**$439,676,133**	**$452,866,417**
Annual Sales-Tax Revenue, Recurring												
Local Sales Tax Rate												
Total Annual Sales-Tax Revenue	**$3,271,603**	**$3,369,751**	**$3,470,844**	**$3,574,969**	**$3,682,218**	**$3,792,685**	**$3,906,465**	**$4,023,659**	**$4,144,369**	**$4,268,700**	**$4,396,761**	**$4,528,664**
Annual Sales-Tax Revenue, Non-recurr												
Taxable Sales from Space, Constructi	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Local Sales Tax Rate												
Total Annual Sales-Tax Revenue	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Table A4
Estimated Annual Sales and Use Tax R
Mission Rock IFD Fiscal Impact Analysi
San Francisco, CA

Item	Revenue Added to Tax Roll												
	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67
Citywide Taxable Sales, Recurring													
Off-site Spending from Residents & Employees													
Households - offsite spending	$116,053,764	$119,535,377	$123,121,438	$126,815,081	$130,619,534	$134,538,120	$138,574,263	$142,731,491	$147,013,436	$151,423,839	$155,966,554	$160,645,551	$165,464,917
Retail & Production Employee off-sit	$5,206,228	$5,362,415	$5,523,287	$5,688,986	$5,859,656	$6,035,445	$6,216,509	$6,403,004	$6,595,094	$6,792,947	$6,996,735	$7,206,637	$7,422,836
Office Employee off-site spending	$36,049,712	$37,131,204	$38,245,140	$39,392,494	$40,574,269	$41,791,497	$43,045,242	$44,336,599	$45,666,697	$47,036,698	$48,447,799	$49,901,233	$51,398,270
Subtotal	**$157,309,704**	**$162,028,995**	**$166,889,865**	**$171,896,561**	**$177,053,458**	**$182,365,062**	**$187,836,014**	**$193,471,094**	**$199,275,227**	**$205,253,484**	**$211,411,088**	**$217,753,421**	**$224,286,023**
Taxable Sales from Space													
Retail Sales from Space	$200,641,175	$206,660,410	$212,860,222	$219,246,029	$225,823,410	$232,598,112	$239,576,056	$246,763,337	$254,166,237	$261,791,224	$269,644,961	$277,734,310	$286,066,339
Non-retail Sales from Space	$108,501,530	$111,756,576	$115,109,273	$118,562,552	$122,119,428	$125,783,011	$129,556,501	$133,443,196	$137,446,492	$141,569,887	$145,816,984	$150,191,493	$154,697,238
Subtotal	**$309,142,705**	**$318,416,986**	**$327,969,496**	**$337,808,581**	**$347,942,838**	**$358,381,123**	**$369,132,557**	**$380,206,534**	**$391,612,730**	**$403,361,111**	**$415,461,945**	**$427,925,803**	**$440,763,577**
Total - Citywide Taxable Sales	**$466,452,409**	**$480,445,981**	**$494,859,361**	**$509,705,142**	**$524,996,296**	**$540,746,185**	**$556,968,570**	**$573,677,627**	**$590,887,956**	**$608,614,595**	**$626,873,033**	**$645,679,224**	**$665,049,601**
Annual Sales-Tax Revenue, Recurring													
Local Sales Tax Rate													
Total Annual Sales-Tax Revenue	**$4,664,524**	**$4,804,460**	**$4,948,594**	**$5,097,051**	**$5,249,963**	**$5,407,462**	**$5,569,686**	**$5,736,776**	**$5,908,880**	**$6,086,146**	**$6,268,730**	**$6,456,792**	**$6,650,496**
Annual Sales-Tax Revenue, Non-recurr													
Taxable Sales from Space, Constructi	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Local Sales Tax Rate													
Total Annual Sales-Tax Revenue	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Table A4
Estimated Annual Sales and Use Tax Re
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Revenue Added to Tax Roll					
	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
Citywide Taxable Sales, Recurring						
Off-site Spending from Residents & Employees						
Households - offsite spending	$170,428,865	$175,541,731	$180,807,982	$186,232,222	$191,819,189	$197,573,764
Retail & Production Employee off-site	$7,645,521	$7,874,887	$8,111,134	$8,354,468	$8,605,102	$8,863,255
Office Employee off-site spending	$52,940,218	$54,528,424	$56,164,277	$57,849,206	$59,584,682	$61,372,222
Subtotal	**$231,014,604**	**$237,945,042**	**$245,083,393**	**$252,435,895**	**$260,008,972**	**$267,809,241**
Taxable Sales from Space						
Retail Sales from Space	$294,648,329	$303,487,779	$312,592,413	$321,970,185	$331,629,291	$341,578,169
Non-retail Sales from Space	$159,338,155	$164,118,300	$169,041,849	$174,113,104	$179,336,497	$184,716,592
Subtotal	**$453,986,485**	**$467,606,079**	**$481,634,261**	**$496,083,289**	**$510,965,788**	**$526,294,762**
Total - Citywide Taxable Sales	**$685,001,089**	**$705,551,121**	**$726,717,655**	**$748,519,184**	**$770,974,760**	**$794,104,003**
Annual Sales-Tax Revenue, Recurring						
Local Sales Tax Rate						
Total Annual Sales-Tax Revenue	**$6,850,011**	**$7,055,511**	**$7,267,177**	**$7,485,192**	**$7,709,748**	**$7,941,040**
Annual Sales-Tax Revenue, Non-recurr						
Taxable Sales from Space, Constructi	$0	$0	$0	$0	$0	$0
Local Sales Tax Rate						
Total Annual Sales-Tax Revenue	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Table A4.1
Sales Tax: Residents and Employees Off-site Spending
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Source	Assumptions	Build-Out (Uninflated)	Assessed Value Added to Tax Roll (FY) 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Inflation Rate					*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Annual Taxable Sales from Cumulative New Households												
	MR Occupancy Rate:	95.0%										
Market Rate Residential Units	Table B1		801	0	0	0	0	327	0	156	202	116
Cumulative Units (Occupied)			761	0	0	0	0	311	311	459	651	761
Avg. Retail Expenditure per Household	Table C3		$55,000	$55,000	$56,650	$58,350	$60,100	$61,903	$63,760	$65,673	$67,643	$69,672
Estimated Household Retail Expenditure			$41,852,250	$0	$0	$0	$0	$19,230,162	$19,807,067	$30,133,999	$44,018,723	$53,017,178
	BMR Occupancy Rate:	98.0%										
45% AMI Residential Units	Table B1		27	0	0	0	0	11	0	5	7	4
Cumulative Units (Occupied)			26	0	0	0	0	11	11	16	23	26
Avg. Retail Expenditure per Household	Table C3		$10,000	$10,000	$10,300	$10,609	$10,927	$11,255	$11,593	$11,941	$12,299	$12,668
Estimated Household Retail Expenditure			$264,600	$0	$0	$0	$0	$121,330	$124,970	$187,227	$277,214	$335,187
55% AMI Residential Units	Table B1		131	0	0	0	0	52	0	26	33	20
Cumulative Units (Occupied)			128	0	0	0	0	51	51	76	109	128
Avg. Retail Expenditure per Household	Table C3		$16,000	$16,000	$16,480	$16,974	$17,484	$18,008	$18,548	$19,105	$19,678	$20,268
Estimated Household Retail Expenditure			$2,054,080	$0	$0	$0	$0	$917,695	$945,226	$1,460,374	$2,140,571	$2,602,047
90% AMI Residential Units	Table B1		50	0	0	0	0	21	0	10	12	7
Cumulative Units (Occupied)			49	0	0	0	0	21	21	30	42	49
Avg. Retail Expenditure per Household	Table C3		$25,000	$25,000	$25,750	$26,523	$27,318	$28,138	$28,982	$29,851	$30,747	$31,669
Estimated Household Retail Expenditure			$1,225,000	$0	$0	$0	$0	$579,074	$596,447	$906,883	$1,295,672	$1,551,793
120% AMI Residential Units	Table B1		228	0	0	0	0	94	0	44	57	33
Cumulative Units (Occupied)			223	0	0	0	0	92	92	135	191	223
Avg. Retail Expenditure per Household	Table C3		$28,000	$28,000	$28,840	$29,705	$30,596	$31,514	$32,460	$33,433	$34,436	$35,470
Estimated Household Retail Expenditure			$6,256,320	$0	$0	$0	$0	$2,903,092	$2,990,185	$4,521,542	$6,580,809	$7,925,319
150% AMI Residential Units	Table B1		90	0	0	0	0	37	0	18	23	12
Cumulative Units (Occupied)			88	0	0	0	0	36	36	54	76	88
Avg. Retail Expenditure per Household	Table C3		$33,000	$33,000	$33,990	$35,010	$36,060	$37,142	$38,256	$39,404	$40,586	$41,803
Estimated Household Retail Expenditure			$2,910,600	$0	$0	$0	$0	$1,346,761	$1,387,164	$2,123,861	$3,102,381	$3,687,061
Total - Estimated Household Retail Expenditure			**$54,562,850**	**$0**	**$0**	**$0**	**$0**	**$25,098,115**	**$25,851,058**	**$39,333,886**	**$57,415,370**	**$69,118,586**
Estimated Citywide Capture from Households		75%	$40,922,138	$0	$0	$0	$0	$18,823,586	$19,388,294	$29,500,414	$43,061,528	$51,838,939
On-site retail expenditures as a % of retail sales in SF [1]		5%	$2,046,107	$0	$0	$0	$0	$941,179	$969,415	$1,475,021	$2,153,076	$2,591,947
Off-site Hhld Retail Expenditures in SF		95%	**$38,876,031**	**$0**	**$0**	**$0**	**$0**	**$17,882,407**	**$18,418,879**	**$28,025,394**	**$40,908,451**	**$49,246,992**
Taxable Sales from Cumulative New Retail, Parking & Production Employment												
Potential Weekly Retail Spending [2]			$46.69	$46.69	$48.09	$49.53	$51.02	$52.55	$54.13	$55.75	$57.42	$59.15
Weeks at Work per Year [1]		49										
Taxable Sales from New Employees [1]		100%										
Cumulative Retail, Parking & Production Employees	Table C2		847	0	0	0	0	272	272	440	547	670
Total City Taxable Sales from New Retail, Prk. & Prod. Employees			**$1,937,775**	**$0**	**$0**	**$0**	**$0**	**$700,386**	**$721,398**	**$1,201,977**	**$1,539,104**	**$1,941,747**
Estimated City Taxable Sales (Ret., Prk. & Prod. Employees) [1]		100%	$1,937,775	$0	$0	$0	$0	$700,386	$721,398	$1,201,977	$1,539,104	$1,941,747
Retail, Parking & Production Employee On-site Spending		10%	$193,778	$0	$0	$0	$0	$70,039	$72,140	$120,198	$153,910	$194,175
Retail, Parking & Production Employee Off-site Spending		90%	**$1,743,998**	**$0**	**$0**	**$0**	**$0**	**$630,348**	**$649,258**	**$1,081,779**	**$1,385,193**	**$1,747,572**
Taxable Sales from Cumulative New Office Employment												
Potential Weekly Retail Spending [2]			$71.81	$71.81	$73.96	$76.18	$78.47	$80.82	$83.25	$85.74	$88.32	$90.97
Weeks at Work per Year [1]		49										
Taxable Sales from New Employees [1]		90%										
Cumulative Office Employees	Table C2		4,237	0	0	0	0	1,798	1,798	3,346	3,792	4,237
Total City Taxable Sales from New Office Employees			**$13,417,821**	**$0**	**$0**	**$0**	**$0**	**$6,408,584**	**$6,600,842**	**$12,652,397**	**$14,769,045**	**$16,997,294**
Estimated City Taxable Sales from Office Employees [1]		100%	$13,417,821	$0	$0	$0	$0	$6,408,584	$6,600,842	$12,652,397	$14,769,045	$16,997,294
Office Employee On-site Spending		10%	$1,341,782	$0	$0	$0	$0	$640,858	$660,084	$1,265,240	$1,476,905	$1,699,729
Office Employee Off-site Spending		90%	**$12,076,039**	**$0**	**$0**	**$0**	**$0**	**$5,767,726**	**$5,940,758**	**$11,387,157**	**$13,292,141**	**$15,297,564**
Total												
Total Off-site Spending			**$52,696,067**	**$0**	**$0**	**$0**	**$0**	**$24,280,481**	**$25,008,895**	**$40,494,329**	**$55,585,785**	**$66,292,129**

[1] KMA assumptions.

[2] Based on taxable food and goods and services spending for urban workers as reported in the ICSC report, "Office-Worker Retail Spending in a Digital Age" (2012). Retail worker spending based on Table BU-8; assumes retail workers earning $25,000 to $35,000 will spend similarly to office workers earning in the same range. Office worker spending based on average for urban office workers.

Table A4.1
Sales Tax: Residents and Employees Off-site Spending
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Assessed Value Added to Tax Roll (FY)											
Item	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**2036-37**	**2037-38**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Annual Taxable Sales from Cumulative New Households												
MR Occ												
Market Rate Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	761	761	761	761	761	761	761	761	761	761	761	761
Avg. Retail Expenditure per Household	$71,763	$73,915	$76,133	$78,417	$80,769	$83,192	$85,688	$88,259	$90,907	$93,634	$96,443	$99,336
Estimated Household Retail Expenditure	$54,607,693	$56,245,924	$57,933,302	$59,671,301	$61,461,440	$63,305,283	$65,204,442	$67,160,575	$69,175,392	$71,250,654	$73,388,174	$75,589,819
BMR Occ												
45% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	26	26	26	26	26	26	26	26	26	26	26	26
Avg. Retail Expenditure per Household	$13,048	$13,439	$13,842	$14,258	$14,685	$15,126	$15,580	$16,047	$16,528	$17,024	$17,535	$18,061
Estimated Household Retail Expenditure	$345,243	$355,600	$366,268	$377,256	$388,574	$400,231	$412,238	$424,605	$437,343	$450,464	$463,978	$477,897
55% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	128	128	128	128	128	128	128	128	128	128	128	128
Avg. Retail Expenditure per Household	$20,876	$21,503	$22,148	$22,812	$23,497	$24,201	$24,927	$25,675	$26,446	$27,239	$28,056	$28,898
Estimated Household Retail Expenditure	$2,680,109	$2,760,512	$2,843,327	$2,928,627	$3,016,486	$3,106,980	$3,200,190	$3,296,195	$3,395,081	$3,496,934	$3,601,842	$3,709,897
90% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	49	49	49	49	49	49	49	49	49	49	49	49
Avg. Retail Expenditure per Household	$32,619	$33,598	$34,606	$35,644	$36,713	$37,815	$38,949	$40,118	$41,321	$42,561	$43,838	$45,153
Estimated Household Retail Expenditure	$1,598,347	$1,646,298	$1,695,686	$1,746,557	$1,798,954	$1,852,922	$1,908,510	$1,965,765	$2,024,738	$2,085,481	$2,148,045	$2,212,486
120% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	223	223	223	223	223	223	223	223	223	223	223	223
Avg. Retail Expenditure per Household	$36,534	$37,630	$38,759	$39,921	$41,119	$42,353	$43,623	$44,932	$46,280	$47,668	$49,098	$50,571
Estimated Household Retail Expenditure	$8,163,079	$8,407,971	$8,660,210	$8,920,016	$9,187,617	$9,463,245	$9,747,143	$10,039,557	$10,340,744	$10,650,966	$10,970,495	$11,299,610
150% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	88	88	88	88	88	88	88	88	88	88	88	88
Avg. Retail Expenditure per Household	$43,058	$44,349	$45,680	$47,050	$48,462	$49,915	$51,413	$52,955	$54,544	$56,180	$57,866	$59,602
Estimated Household Retail Expenditure	$3,797,673	$3,911,603	$4,028,951	$4,149,820	$4,274,314	$4,402,544	$4,534,620	$4,670,659	$4,810,778	$4,955,102	$5,103,755	$5,256,867
Total - Estimated Household Retail Expenditure	**$71,192,144**	**$73,327,908**	**$75,527,745**	**$77,793,577**	**$80,127,385**	**$82,531,206**	**$85,007,142**	**$87,557,357**	**$90,184,077**	**$92,889,600**	**$95,676,288**	**$98,546,576**
Estimated Citywide Capture from Housaholds	$53,394,108	$54,995,931	$56,645,809	$58,345,183	$60,095,539	$61,898,405	$63,755,357	$65,668,018	$67,638,058	$69,667,200	$71,757,216	$73,909,932
On-site retail expenditures as a % of retail sales in SF [1]	$2,669,705	$2,749,797	$2,832,290	$2,917,259	$3,004,777	$3,094,920	$3,187,768	$3,283,401	$3,381,903	$3,483,360	$3,587,861	$3,695,497
Off-site Hhld Retail Expenditures in SF	**$50,724,402**	**$52,246,134**	**$53,813,518**	**$55,427,924**	**$57,090,762**	**$58,803,484**	**$60,567,589**	**$62,384,617**	**$64,256,155**	**$66,183,840**	**$68,169,355**	**$70,214,436**
Taxable Sales from Cumulative New Retail, Parking & Production Empl												
Potential Weekly Retail Spending [2]	$60.92	$62.75	$64.63	$66.57	$68.57	$70.62	$72.74	$74.92	$77.17	$79.49	$81.87	$84.33
Weeks at Work per Year [1]												
Taxable Sales from New Employees [1]												
Cumulative Retail, Parking & Production Employees	847	847	847	847	847	847	847	847	847	847	847	847
Total City Taxable Sales from New Retail, Prk. & Prod. Employe	**$2,528,357**	**$2,604,208**	**$2,682,334**	**$2,762,804**	**$2,845,688**	**$2,931,059**	**$3,018,990**	**$3,109,560**	**$3,202,847**	**$3,298,932**	**$3,397,900**	**$3,499,837**
Estimated City Taxable Sales (Ret., Prk. & Prod. Employees) [1]	$2,528,357	$2,604,208	$2,682,334	$2,762,804	$2,845,688	$2,931,059	$3,018,990	$3,109,560	$3,202,847	$3,298,932	$3,397,900	$3,499,837
Retail, Parking & Production Employee On-site Spending	$252,836	$260,421	$268,233	$276,280	$284,569	$293,106	$301,899	$310,956	$320,285	$329,893	$339,790	$349,984
Retail, Parking & Production Employee Off-site Spending	**$2,275,521**	**$2,343,787**	**$2,414,100**	**$2,486,524**	**$2,561,119**	**$2,637,953**	**$2,717,091**	**$2,798,604**	**$2,882,562**	**$2,969,039**	**$3,058,110**	**$3,149,854**
Taxable Sales from Cumulative New Office Employment												
Potential Weekly Retail Spending [2]	$93.70	$96.51	$99.40	$102.38	$105.46	$108.62	$111.88	$115.23	$118.69	$122.25	$125.92	$129.70
Weeks at Work per Year [1]												
Taxable Sales from New Employees [1]												
Cumulative Office Employees	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237
Total City Taxable Sales from New Office Employees	**$17,507,212**	**$18,032,429**	**$18,573,402**	**$19,130,604**	**$19,704,522**	**$20,295,658**	**$20,904,527**	**$21,531,663**	**$22,177,613**	**$22,842,941**	**$23,528,230**	**$24,234,076**
Estimated City Taxable Sales from Office Employees [1]	$17,507,212	$18,032,429	$18,573,402	$19,130,604	$19,704,522	$20,295,658	$20,904,527	$21,531,663	$22,177,613	$22,842,941	$23,528,230	$24,234,076
Office Employee On-site Spending	$1,750,721	$1,803,243	$1,857,340	$1,913,060	$1,970,452	$2,029,566	$2,090,453	$2,153,166	$2,217,761	$2,284,294	$2,352,823	$2,423,408
Office Employee Off-site Spending	**$15,756,491**	**$16,229,186**	**$16,716,062**	**$17,217,543**	**$17,734,070**	**$18,266,092**	**$18,814,075**	**$19,378,497**	**$19,959,852**	**$20,558,647**	**$21,175,407**	**$21,810,669**
Total												
Total Off-site Spending	**$68,756,415**	**$70,819,107**	**$72,943,680**	**$75,131,991**	**$77,385,951**	**$79,707,529**	**$82,098,755**	**$84,561,718**	**$87,098,569**	**$89,711,526**	**$92,402,872**	**$95,174,958**

[1] KMA assumptions.

[2] Based on taxable food and goods and services spending for urban workers as reported in the ICSC report, "Office-Worker Retail Spending in a Digital Age" (2012). Retail worker spending based on Table BU-8; assumes retail workers earning $25,000 to $35,000 will spend similarly to office workers earning in the same range. Office worker spending based on average for urban office workers.

Table A4.1
Sales Tax: Residents and Employees Off-site Spending
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Assessed Value Added to Tax Roll (FY)											
Item	**2038-39**	**2039-40**	**2040-41**	**2041-42**	**2042-43**	**2043-44**	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Annual Taxable Sales from Cumulative New Households												
MR Occ												
Market Rate Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	761	761	761	761	761	761	761	761	761	761	761	761
Avg. Retail Expenditure per Household	$102,316	$105,386	$108,547	$111,804	$115,158	$118,613	$122,171	$125,836	$129,611	$133,499	$137,504	$141,630
Estimated Household Retail Expenditure	$77,857,513	$80,193,239	$82,599,036	$85,077,007	$87,629,317	$90,258,197	$92,965,943	$95,754,921	$98,627,569	$101,586,396	$104,633,988	$107,773,007
BMR Occ												
45% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	26	26	26	26	26	26	26	26	26	26	26	26
Avg. Retail Expenditure per Household	$18,603	$19,161	$19,736	$20,328	$20,938	$21,566	$22,213	$22,879	$23,566	$24,273	$25,001	$25,751
Estimated Household Retail Expenditure	$492,234	$507,001	$522,211	$537,877	$554,014	$570,634	$587,753	$605,386	$623,547	$642,254	$661,521	$681,367
55% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	128	128	128	128	128	128	128	128	128	128	128	128
Avg. Retail Expenditure per Household	$29,765	$30,658	$31,577	$32,525	$33,500	$34,505	$35,541	$36,607	$37,705	$38,836	$40,001	$41,201
Estimated Household Retail Expenditure	$3,821,194	$3,935,830	$4,053,905	$4,175,522	$4,300,787	$4,429,811	$4,562,705	$4,699,586	$4,840,574	$4,985,791	$5,135,365	$5,289,426
90% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	49	49	49	49	49	49	49	49	49	49	49	49
Avg. Retail Expenditure per Household	$46,507	$47,903	$49,340	$50,820	$52,344	$53,915	$55,532	$57,198	$58,914	$60,682	$62,502	$64,377
Estimated Household Retail Expenditure	$2,278,861	$2,347,227	$2,417,643	$2,490,173	$2,564,878	$2,641,824	$2,721,079	$2,802,711	$2,886,793	$2,973,397	$3,062,598	$3,154,476
120% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	223	223	223	223	223	223	223	223	223	223	223	223
Avg. Retail Expenditure per Household	$52,088	$53,651	$55,260	$56,918	$58,626	$60,385	$62,196	$64,062	$65,984	$67,963	$70,002	$72,102
Estimated Household Retail Expenditure	$11,638,598	$11,987,756	$12,347,389	$12,717,810	$13,099,345	$13,492,325	$13,897,095	$14,314,008	$14,743,428	$15,185,731	$15,641,303	$16,110,542
150% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	88	88	88	88	88	88	88	88	88	88	88	88
Avg. Retail Expenditure per Household	$61,390	$63,231	$65,128	$67,082	$69,095	$71,168	$73,303	$75,502	$77,767	$80,100	$82,503	$84,978
Estimated Household Retail Expenditure	$5,414,573	$5,577,011	$5,744,321	$5,916,651	$6,094,150	$6,276,975	$6,465,284	$6,659,242	$6,859,020	$7,064,790	$7,276,734	$7,495,036
Total - Estimated Household Retail Expenditure	**$101,502,974**	**$104,548,063**	**$107,684,505**	**$110,915,040**	**$114,242,491**	**$117,669,766**	**$121,199,859**	**$124,835,855**	**$128,580,930**	**$132,438,358**	**$136,411,509**	**$140,503,854**
Estimated Citywide Capture from Households	$76,127,230	$78,411,047	$80,763,379	$83,186,280	$85,681,868	$88,252,324	$90,899,894	$93,626,891	$96,435,698	$99,328,769	$102,308,632	$105,377,891
On-site retail expenditures as a % of retail sales in SF [1]	$3,806,362	$3,920,552	$4,038,169	$4,159,314	$4,284,093	$4,412,616	$4,544,995	$4,681,345	$4,821,785	$4,966,438	$5,115,432	$5,268,895
Off-site Hhld Retail Expenditures in SF	**$72,320,869**	**$74,490,495**	**$76,725,210**	**$79,026,966**	**$81,397,775**	**$83,839,708**	**$86,354,899**	**$88,945,546**	**$91,613,913**	**$94,362,330**	**$97,193,200**	**$100,108,996**
Taxable Sales from Cumulative New Retail, Parking & Production Employ												
Potential Weekly Retail Spending [2]	$86.86	$89.46	$92.15	$94.91	$97.76	$100.69	$103.71	$106.82	$110.03	$113.33	$116.73	$120.23
Weeks at Work per Year [1]												
Taxable Sales from New Employees [1]												
Cumulative Retail, Parking & Production Employees	847	847	847	847	847	847	847	847	847	847	847	847
Total City Taxable Sales from New Retail, Prk. & Prod. Employe	**$3,604,832**	**$3,712,977**	**$3,824,367**	**$3,939,098**	**$4,057,271**	**$4,178,989**	**$4,304,358**	**$4,433,489**	**$4,566,494**	**$4,703,489**	**$4,844,593**	**$4,989,931**
Estimated City Taxable Sales (Ret., Prk. & Prod. Employees) [1]	$3,604,832	$3,712,977	$3,824,367	$3,939,098	$4,057,271	$4,178,989	$4,304,358	$4,433,489	$4,566,494	$4,703,489	$4,844,593	$4,989,931
Retail, Parking & Production Employee On-site Spending	$360,483	$371,298	$382,437	$393,910	$405,727	$417,899	$430,436	$443,349	$456,649	$470,349	$484,459	$498,993
Retail, Parking & Production Employee Off-site Spending	**$3,244,349**	**$3,341,680**	**$3,441,930**	**$3,545,188**	**$3,651,544**	**$3,761,090**	**$3,873,923**	**$3,990,140**	**$4,109,844**	**$4,233,140**	**$4,360,134**	**$4,490,938**
Taxable Sales from Cumulative New Office Employment												
Potential Weekly Retail Spending [2]	$133.59	$137.60	$141.72	$145.97	$150.35	$154.86	$159.51	$164.30	$169.22	$174.30	$179.53	$184.92
Weeks at Work per Year [1]												
Taxable Sales from New Employees [1]												
Cumulative Office Employees	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237
Total City Taxable Sales from New Office Employees	**$24,961,099**	**$25,709,932**	**$26,481,230**	**$27,275,667**	**$28,093,937**	**$28,936,755**	**$29,804,857**	**$30,699,003**	**$31,619,973**	**$32,568,572**	**$33,545,630**	**$34,551,998**
Estimated City Taxable Sales from Office Employees [1]	$24,961,099	$25,709,932	$26,481,230	$27,275,667	$28,093,937	$28,936,755	$29,804,857	$30,699,003	$31,619,973	$32,568,572	$33,545,630	$34,551,998
Office Employee On-site Spending	$2,496,110	$2,570,993	$2,648,123	$2,727,567	$2,809,394	$2,893,675	$2,980,486	$3,069,900	$3,161,997	$3,256,857	$3,354,563	$3,455,200
Office Employee Off-site Spending	**$22,464,989**	**$23,138,939**	**$23,833,107**	**$24,548,100**	**$25,284,543**	**$26,043,079**	**$26,824,372**	**$27,629,103**	**$28,457,976**	**$29,311,715**	**$30,191,067**	**$31,096,799**
Total												
Total Off-site Spending	**$98,030,207**	**$100,971,113**	**$104,000,246**	**$107,120,254**	**$110,333,861**	**$113,643,877**	**$117,053,194**	**$120,564,789**	**$124,181,733**	**$127,907,185**	**$131,744,401**	**$135,696,733**

[1] KMA assumptions.

[2] Based on taxable food and goods and services spending for urban workers as reported in the ICSC report, "Office-Worker Retail Spending in a Digital Age" (2012). Retail worker spending based on Table BU-8; assumes retail workers earning $25,000 to $35,000 will spend similarly to office workers earning in the same range. Office worker spending based on average for urban office workers.

Table A4.1
Sales Tax: Residents and Employees Off-site Spending
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Assessed Value Added to Tax Roll (FY)										
Item	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60	2060-61
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Annual Taxable Sales from Cumulative New Households											
MR Oct											
Market Rate Residential Units	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	761	761	761	761	761	761	761	761	761	761	761
Avg. Retail Expenditure per Household	$145,878	$150,255	$154,762	$159,405	$164,187	$169,113	$174,186	$179,412	$184,794	$190,338	$196,048
Estimated Household Retail Expenditure	$111,006,197	$114,336,383	$117,766,475	$121,299,469	$124,938,453	$128,686,607	$132,547,205	$136,523,621	$140,619,330	$144,837,910	$149,183,047
BMR Oct											
45% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	26	26	26	26	26	26	26	26	26	26	26
Avg. Retail Expenditure per Household	$26,523	$27,319	$28,139	$28,983	$29,852	$30,748	$31,670	$32,620	$33,599	$34,607	$35,645
Estimated Household Retail Expenditure	$701,808	$722,862	$744,548	$766,884	$789,891	$813,588	$837,995	$863,135	$889,029	$915,700	$943,171
55% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	128	128	128	128	128	128	128	128	128	128	128
Avg. Retail Expenditure per Household	$42,437	$43,710	$45,022	$46,372	$47,764	$49,197	$50,672	$52,193	$53,758	$55,371	$57,032
Estimated Household Retail Expenditure	$5,448,109	$5,611,552	$5,779,899	$5,953,296	$6,131,894	$6,315,851	$6,505,327	$6,700,487	$6,901,501	$7,108,546	$7,321,803
90% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	49	49	49	49	49	49	49	49	49	49	49
Avg. Retail Expenditure per Household	$66,308	$68,298	$70,347	$72,457	$74,631	$76,870	$79,176	$81,551	$83,997	$86,517	$89,113
Estimated Household Retail Expenditure	$3,249,111	$3,346,584	$3,446,982	$3,550,391	$3,656,903	$3,766,610	$3,879,608	$3,995,996	$4,115,876	$4,239,352	$4,366,533
120% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	223	223	223	223	223	223	223	223	223	223	223
Avg. Retail Expenditure per Household	$74,265	$76,493	$78,788	$81,152	$83,586	$86,094	$88,677	$91,337	$94,077	$96,899	$99,806
Estimated Household Retail Expenditure	$16,593,858	$17,091,674	$17,604,424	$18,132,557	$18,676,533	$19,236,829	$19,813,934	$20,408,352	$21,020,603	$21,651,221	$22,300,758
150% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	88	88	88	88	88	88	88	88	88	88	88
Avg. Retail Expenditure per Household	$87,527	$90,153	$92,857	$95,643	$98,512	$101,468	$104,512	$107,647	$110,877	$114,203	$117,629
Estimated Household Retail Expenditure	$7,719,887	$7,951,484	$8,190,028	$8,435,729	$8,688,801	$8,949,465	$9,217,949	$9,494,487	$9,779,322	$10,072,701	$10,374,883
Total - Estimated Household Retail Expenditure	**$144,718,970**	**$149,060,539**	**$153,532,355**	**$158,138,326**	**$162,882,475**	**$167,768,950**	**$172,802,018**	**$177,986,079**	**$183,325,661**	**$188,825,431**	**$194,490,194**
Estimated Citywide Capture from Households	$108,539,227	$111,795,404	$115,149,266	$118,603,744	$122,161,857	$125,826,712	$129,601,514	$133,489,559	$137,494,246	$141,619,073	$145,867,645
On-site retail expenditures as a % of retail sales in SF [1]	$5,426,961	$5,589,770	$5,757,463	$5,930,187	$6,108,093	$6,291,336	$6,480,076	$6,674,478	$6,874,712	$7,080,954	$7,293,382
Off-site Hhld Retail Expenditures in SF	**$103,112,266**	**$106,205,634**	**$109,391,803**	**$112,673,557**	**$116,053,764**	**$119,535,377**	**$123,121,438**	**$126,815,081**	**$130,619,534**	**$134,538,120**	**$138,574,263**
Taxable Sales from Cumulative New Retail, Parking & Production Empl											
Potential Weekly Retail Spending [2]	$123.84	$127.55	$131.38	$135.32	$139.38	$143.56	$147.87	$152.30	$156.87	$161.58	$166.43
Weeks at Work per Year [1]											
Taxable Sales from New Employees [1]											
Cumulative Retail, Parking & Production Employees	847	847	847	847	847	847	847	847	847	847	847
Total City Taxable Sales from New Retail, Prk. & Prod. Employe	**$5,139,629**	**$5,293,818**	**$5,452,633**	**$5,616,211**	**$5,784,698**	**$5,958,239**	**$6,136,986**	**$6,321,096**	**$6,510,728**	**$6,706,050**	**$6,907,232**
Estimated City Taxable Sales (Ret., Prk. & Prod. Employees) [1]	$5,139,629	$5,293,818	$5,452,633	$5,616,211	$5,784,698	$5,958,239	$6,136,986	$6,321,096	$6,510,728	$6,706,050	$6,907,232
Retail, Parking & Production Employee On-site Spending	$513,963	$529,382	$545,263	$561,621	$578,470	$595,824	$613,699	$632,110	$651,073	$670,605	$690,723
Retail, Parking & Production Employee Off-site Spending	**$4,625,666**	**$4,764,436**	**$4,907,369**	**$5,054,590**	**$5,206,228**	**$5,362,415**	**$5,523,287**	**$5,688,986**	**$5,859,656**	**$6,035,445**	**$6,216,509**
Taxable Sales from Cumulative New Office Employment											
Potential Weekly Retail Spending [2]	$190.46	$196.18	$202.06	$208.13	$214.37	$220.80	$227.42	$234.25	$241.27	$248.51	$255.97
Weeks at Work per Year [1]											
Taxable Sales from New Employees [1]											
Cumulative Office Employees	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237
Total City Taxable Sales from New Office Employees	**$35,588,558**	**$36,656,215**	**$37,755,902**	**$38,888,579**	**$40,055,236**	**$41,256,893**	**$42,494,600**	**$43,769,438**	**$45,082,521**	**$46,434,997**	**$47,828,046**
Estimated City Taxable Sales from Office Employees [1]	$35,588,558	$36,656,215	$37,755,902	$38,888,579	$40,055,236	$41,256,893	$42,494,600	$43,769,438	$45,082,521	$46,434,997	$47,828,046
Office Employee On-site Spending	$3,558,856	$3,665,622	$3,775,590	$3,888,858	$4,005,524	$4,125,689	$4,249,460	$4,376,944	$4,508,252	$4,643,500	$4,782,805
Office Employee Off-site Spending	**$32,029,703**	**$32,990,594**	**$33,980,311**	**$34,999,721**	**$36,049,712**	**$37,131,204**	**$38,245,140**	**$39,392,494**	**$40,574,269**	**$41,791,497**	**$43,045,242**
Total											
Total Off-site Spending	**$139,767,635**	**$143,960,664**	**$148,279,484**	**$152,727,868**	**$157,309,704**	**$162,028,995**	**$166,889,865**	**$171,896,561**	**$177,053,458**	**$182,365,062**	**$187,836,014**

[1] KMA assumptions.
[2] Based on taxable food and goods and services spending for urban workers as reported in the ICSC report, "Office-Worker Retail Spending in a Digital Age" (2012). Retail worker spending based on Table BU-8; assumes retail workers earning $25,000 to $35,000 will spend similarly to office workers earning in the same range. Office worker spending based on average for urban office workers.

Table A4.1
Sales Tax: Residents and Employees Off-site Spending
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assessed Value Added to Tax Roll (FY) 2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Annual Taxable Sales from Cumulative New Households												
MR Occ												
Market Rate Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	761	761	761	761	761	761	761	761	761	761	761	761
Avg. Retail Expenditure per Household	$201,930	$207,988	$214,227	$220,654	$227,274	$234,092	$241,115	$248,348	$255,799	$263,473	$271,377	$279,518
Estimated Household Retail Expenditure	$153,658,538	$158,268,295	$163,016,343	$167,906,834	$172,944,039	$178,132,360	$183,476,331	$188,980,621	$194,650,039	$200,489,540	$206,504,227	$212,699,353
BMR Occ												
45% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	26	26	26	26	26	26	26	26	26	26	26	26
Avg. Retail Expenditure per Household	$36,715	$37,816	$38,950	$40,119	$41,323	$42,562	$43,839	$45,154	$46,509	$47,904	$49,341	$50,821
Estimated Household Retail Expenditure	$971,466	$1,000,610	$1,030,629	$1,061,547	$1,093,394	$1,126,196	$1,159,982	$1,194,781	$1,230,624	$1,267,543	$1,305,569	$1,344,737
55% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	128	128	128	128	128	128	128	128	128	128	128	128
Avg. Retail Expenditure per Household	$58,743	$60,506	$62,321	$64,190	$66,116	$68,100	$70,142	$72,247	$74,414	$76,647	$78,946	$81,314
Estimated Household Retail Expenditure	$7,541,457	$7,767,700	$8,000,731	$8,240,753	$8,487,976	$8,742,615	$9,004,894	$9,275,040	$9,553,292	$9,839,890	$10,135,087	$10,439,140
90% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	49	49	49	49	49	49	49	49	49	49	49	49
Avg. Retail Expenditure per Household	$91,786	$94,540	$97,376	$100,297	$103,306	$106,405	$109,598	$112,886	$116,272	$119,760	$123,353	$127,054
Estimated Household Retail Expenditure	$4,497,529	$4,632,455	$4,771,429	$4,914,571	$5,062,009	$5,213,869	$5,370,285	$5,531,393	$5,697,335	$5,868,255	$6,044,303	$6,225,632
120% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	223	223	223	223	223	223	223	223	223	223	223	223
Avg. Retail Expenditure per Household	$102,801	$105,885	$109,061	$112,333	$115,703	$119,174	$122,749	$126,432	$130,225	$134,132	$138,155	$142,300
Estimated Household Retail Expenditure	$22,969,780	$23,658,874	$24,368,640	$25,099,699	$25,852,690	$26,628,271	$27,427,119	$28,249,932	$29,097,430	$29,970,353	$30,869,464	$31,795,548
150% AMI Residential Units	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units (Occupied)	88	88	88	88	88	88	88	88	88	88	88	88
Avg. Retail Expenditure per Household	$121,158	$124,793	$128,536	$132,393	$136,364	$140,455	$144,669	$149,009	$153,479	$158,084	$162,826	$167,711
Estimated Household Retail Expenditure	$10,686,129	$11,006,713	$11,336,914	$11,677,022	$12,027,332	$12,388,152	$12,759,797	$13,142,591	$13,536,868	$13,942,975	$14,361,264	$14,792,102
Total - Estimated Household Retail Expenditure	**$200,324,900**	**$206,334,647**	**$212,524,686**	**$218,900,427**	**$225,467,439**	**$232,231,463**	**$239,198,407**	**$246,374,359**	**$253,765,589**	**$261,378,557**	**$269,219,914**	**$277,296,511**
Estimated Citywide Capture from Households	$150,243,675	$154,750,985	$159,393,515	$164,175,320	$169,100,580	$174,173,597	$179,398,805	$184,780,769	$190,324,192	$196,033,918	$201,914,935	$207,972,383
On-site retail expenditures as a % of retail sales in SF [1]	$7,512,184	$7,737,549	$7,969,676	$8,208,766	$8,455,029	$8,708,680	$8,969,940	$9,239,038	$9,516,210	$9,801,696	$10,095,747	$10,398,619
Off-site Hhld Retail Expenditures in SF	**$142,731,491**	**$147,013,436**	**$151,423,839**	**$155,966,554**	**$160,645,551**	**$165,464,917**	**$170,428,865**	**$175,541,731**	**$180,807,982**	**$186,232,222**	**$191,819,189**	**$197,573,764**
Taxable Sales from Cumulative New Retail, Parking & Production Employ												
Potential Weekly Retail Spending [2]	$171.42	$176.56	$181.86	$187.32	$192.93	$198.72	$204.68	$210.83	$217.15	$223.66	$230.37	$237.29
Weeks at Work per Year [1]												
Taxable Sales from New Employees [1]												
Cumulative Retail, Parking & Production Employees	847	847	847	847	847	847	847	847	847	847	847	847
Total City Taxable Sales from New Retail, Prk. & Prod. Employees	**$7,114,449**	**$7,327,882**	**$7,547,719**	**$7,774,150**	**$8,007,375**	**$8,247,596**	**$8,495,024**	**$8,749,875**	**$9,012,371**	**$9,282,742**	**$9,561,224**	**$9,848,061**
Estimated City Taxable Sales (Ret., Prk. & Prod. Employees) [1]	$7,114,449	$7,327,882	$7,547,719	$7,774,150	$8,007,375	$8,247,596	$8,495,024	$8,749,875	$9,012,371	$9,282,742	$9,561,224	$9,848,061
Retail, Parking & Production Employee On-site Spending	$711,445	$732,788	$754,772	$777,415	$800,737	$824,760	$849,502	$874,987	$901,237	$928,274	$956,122	$984,806
Retail, Parking & Production Employee Off-site Spending	**$6,403,004**	**$6,595,094**	**$6,792,947**	**$6,996,735**	**$7,206,637**	**$7,422,836**	**$7,645,521**	**$7,874,887**	**$8,111,134**	**$8,354,468**	**$8,605,102**	**$8,863,255**
Taxable Sales from Cumulative New Office Employment												
Potential Weekly Retail Spending [2]	$263.65	$271.56	$279.70	$288.09	$296.74	$305.64	$314.81	$324.25	$333.98	$344.00	$354.32	$364.95
Weeks at Work per Year [1]												
Taxable Sales from New Employees [1]												
Cumulative Office Employees	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237
Total City Taxable Sales from New Office Employees	**$49,262,888**	**$50,740,774**	**$52,262,998**	**$53,830,888**	**$55,445,814**	**$57,109,189**	**$58,822,464**	**$60,587,138**	**$62,404,752**	**$64,276,895**	**$66,205,202**	**$68,191,358**
Estimated City Taxable Sales from Office Employees [1]	$49,262,888	$50,740,774	$52,262,998	$53,830,888	$55,445,814	$57,109,189	$58,822,464	$60,587,138	$62,404,752	$64,276,895	$66,205,202	$68,191,358
Office Employee On-site Spending	$4,926,289	$5,074,077	$5,226,300	$5,383,089	$5,544,581	$5,710,919	$5,882,246	$6,058,714	$6,240,475	$6,427,690	$6,620,520	$6,819,136
Office Employee Off-site Spending	**$44,336,599**	**$45,666,697**	**$47,036,698**	**$48,447,799**	**$49,901,233**	**$51,398,270**	**$52,940,218**	**$54,528,424**	**$56,164,277**	**$57,849,206**	**$59,584,682**	**$61,372,222**
Total												
Total Off-site Spending	**$193,471,094**	**$199,275,227**	**$205,253,484**	**$211,411,088**	**$217,753,421**	**$224,286,023**	**$231,014,604**	**$237,945,042**	**$245,083,393**	**$252,435,895**	**$260,008,972**	**$267,809,241**

[1] KMA assumptions.

[2] Based on taxable food and goods and services spending for urban workers as reported in the ICSC report, "Office-Worker Retail Spending in a Digital Age" (2012). Retail worker spending based on Table BU-8; assumes retail workers earning $25,000 to $35,000 will spend similarly to office workers earning in the same range. Office worker spending based on average for urban office workers.

Table A4.2
Estimated Annual Taxable Sales from Space
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumption/ Source	Build-Out (Uninflated)	Revenue Added to Tax Roll ($ with inflation)										
			2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Inflation Rate				*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Retail Development													
Retail													
Taxable Sales per Sq. Ft. [1]		$400	$400	$412	$424	$437	$450	$464	$478	$492	$507	$522	$538
Cumulative Sq. Ft. (Occupied)	Table C2	224,038	0	0	0	0	88,979	88,979	140,066	174,787	215,038	224,038	224,038
Taxable Retail Space Sq. Ft.	75%	168,028	0	0	0	0	66,734	66,734	105,050	131,090	161,278	168,028	168,028
Subtotal - Annual Taxable Sales		**$67,211,370**	**$0**	**$0**	**$0**	**$0**	**$30,043,826**	**$30,945,140**	**$50,173,875**	**$64,489,863**	**$81,721,073**	**$87,695,593**	**$90,326,461**
Annual Taxable Sales from Retail Dev.		**$67,211,370**	**$0**	**$0**	**$0**	**$0**	**$30,043,826**	**$30,945,140**	**$50,173,875**	**$64,489,863**	**$81,721,073**	**$87,695,593**	**$90,326,461**
Non-Retail Development, Recurring													
Office													
Taxable Sales per Sq. Ft. [1]		$25	$25	$25.75	$26.52	$27.32	$28.14	$28.98	$29.85	$30.75	$31.67	$32.62	$33.60
Cumulative Sq. Ft. (Occupied)	Table C2	1,169,536	0	0	0	0	496,234	496,234	923,566	1,046,551	1,169,536	1,169,536	1,169,536
Taxable Office Space Sq. Ft.	100%	1,169,536	0	0	0	0	496,234	496,234	923,566	1,046,551	1,169,536	1,169,536	1,169,536
Subtotal, Annual Taxable Sales		**$29,238,411**	**$0**	**$0**	**$0**	**$0**	**$13,962,905**	**$14,381,792**	**$27,569,660**	**$32,178,154**	**$37,038,345**	**$38,149,495**	**$39,293,980**
Production													
Taxable Sales per Sq. Ft. [1]		$39	$39	$40.17	$41.38	$42.62	$43.89	$45.21	$46.57	$47.97	$49.40	$50.89	$52.41
Cumulative Sq. Ft. (Occupied)	Table C2	182,250	0	0	0	0	0	0	0	0	0	182,250	182,250
Taxable Office Space Sq. Ft.	100%	182,250	0	0	0	0	0	0	0	0	0	182,250	182,250
Subtotal, Annual Taxable Sales		**$7,107,750**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$9,274,002**	**$9,552,222**
Recurring Annual Taxable Sales, Non-Retail Dev.		**$36,346,161**	**$0**	**$0**	**$0**	**$0**	**$13,962,905**	**$14,381,792**	**$27,569,660**	**$32,178,154**	**$37,038,345**	**$47,423,497**	**$48,846,201**
Non-Retail Development, Non-recurring													
Purchase of Construction Materials													
Material Costs (Uninflated) [2]	Table B3.3				$0	$474,842,400	$0	$487,827,829	$210,153,463	$150,128,572	$51,550,990		
Material Costs (Inflated) [2]	Table B3.3				$0	$518,873,111		$565,526,155	$250,934,225	$184,639,207	$65,303,252		
Material Costs	50%				$0	$259,436,556		$282,763,078	$125,467,113	$92,319,603	$32,651,626		
Subtotal, Taxable Sales	50%				**$0**	**$129,718,278**		**$141,381,539**	**$62,733,556**	**$46,159,802**	**$16,325,813**		
Non-recurring Annual Taxable Sales, Non-Retail Dev.		**$0**	**$0**	**$0**	**$0**	**$129,718,278**	**$0**	**$141,381,539**	**$62,733,556**	**$46,159,802**	**$16,325,813**	**$0**	**$0**
Total Annual Taxable Sales from Space													
Total, Recurring		**$103,557,531**	**$0**	**$0**	**$0**	**$0**	**$44,006,730**	**$45,326,932**	**$77,743,535**	**$96,668,017**	**$118,759,418**	**$135,119,090**	**$139,172,662**
Total, Non-recurring (Construction Related)		**$0**	**$0**	**$0**	**$0**	**$129,718,278**	**$0**	**$141,381,539**	**$62,733,556**	**$46,159,802**	**$16,325,813**	**$0**	**$0**

[1] KMA estimates.
[2] KMA assumes that the construction materials are purchased one year before the vertical completion year.

Table A4.2
Estimated Annual Taxable Sales from Spac
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)															
Item	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Retail Development																
Retail																
Taxable Sales per Sq. Ft. [1]	$554	$570	$587	$605	$623	$642	$661	$681	$701	$722	$744	$766	$789	$813	$838	$863
Cumulative Sq. Ft. (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Taxable Retail Space Sq. Ft.	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028
Subtotal - Annual Taxable Sales	$93,036,255	$95,827,342	$98,702,163	$101,663,228	$104,713,124	$107,854,518	$111,090,154	$114,422,858	$117,855,544	$121,391,210	$125,032,947	$128,783,935	$132,647,453	$136,626,877	$140,725,683	$144,947,454
Annual Taxable Sales from Retail Dev.	$93,036,255	$95,827,342	$98,702,163	$101,663,228	$104,713,124	$107,854,518	$111,090,154	$114,422,858	$117,855,544	$121,391,210	$125,032,947	$128,783,935	$132,647,453	$136,626,877	$140,725,683	$144,947,454
Non-Retail Development, Recurring																
Office																
Taxable Sales per Sq. Ft. [1]	$34.61	$35.64	$36.71	$37.81	$38.95	$40.12	$41.32	$42.56	$43.84	$45.15	$46.51	$47.90	$49.34	$50.82	$52.34	$53.91
Cumulative Sq. Ft. (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Taxable Office Space Sq. Ft.	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Subtotal, Annual Taxable Sales	$40,472,799	$41,686,983	$42,937,593	$44,225,720	$45,552,492	$46,919,067	$48,326,639	$49,776,438	$51,269,731	$52,807,823	$54,392,058	$56,023,819	$57,704,534	$59,435,670	$61,218,740	$63,055,302
Production																
Taxable Sales per Sq. Ft. [1]	$53.99	$55.60	$57.27	$58.99	$60.76	$62.58	$64.46	$66.39	$68.39	$70.44	$72.55	$74.73	$76.97	$79.28	$81.66	$84.11
Cumulative Sq. Ft. (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Taxable Office Space Sq. Ft.	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Subtotal, Annual Taxable Sales	$9,838,788	$10,133,952	$10,437,971	$10,751,110	$11,073,643	$11,405,852	$11,748,028	$12,100,469	$12,463,483	$12,837,387	$13,222,509	$13,619,184	$14,027,760	$14,448,592	$14,882,050	$15,328,512
Recurring Annual Taxable Sales, Non-Retai	$50,311,587	$51,820,935	$53,375,563	$54,976,830	$56,626,135	$58,324,919	$60,074,667	$61,876,907	$63,733,214	$65,645,210	$67,614,566	$69,643,003	$71,732,294	$73,884,262	$76,100,790	$78,383,814
Non-Retail Development, Non-recurring																
Purchase of Construction Materials																
Material Costs (Uninflated) [2]																
Material Costs (Inflated) [2]																
Material Costs																
Subtotal, Taxable Sales																
Non-recurring Annual Taxable Sales, Non-I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Annual Taxable Sales from Space																
Total, Recurring	$143,347,842	$147,648,278	$152,077,726	$156,640,058	$161,339,259	$166,179,437	$171,164,820	$176,299,765	$181,588,758	$187,036,421	$192,647,513	$198,426,939	$204,379,747	$210,511,139	$216,826,473	$223,331,268
Total, Non-recurring (Construction Related	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

[1] KMA estimates.
[2] KMA assumes that the construction mat

Table A4.2
Estimated Annual Taxable Sales from Spac
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)															Reve
Item	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Retail Development																
Retail																
Taxable Sales per Sq. Ft. [1]	$889	$915	$943	$971	$1,000	$1,030	$1,061	$1,093	$1,126	$1,159	$1,194	$1,230	$1,267	$1,305	$1,344	$1,384
Cumulative Sq. Ft. (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Taxable Retail Space Sq. Ft.	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028
Subtotal - Annual Taxable Sales	**$149,295,877**	**$153,774,754**	**$158,387,996**	**$163,139,636**	**$168,033,825**	**$173,074,840**	**$178,267,085**	**$183,615,098**	**$189,123,551**	**$194,797,257**	**$200,641,175**	**$206,660,410**	**$212,860,222**	**$219,246,029**	**$225,823,410**	**$232,598,112**
Annual Taxable Sales from Retail Dev.	**$149,295,877**	**$153,774,754**	**$158,387,996**	**$163,139,636**	**$168,033,825**	**$173,074,840**	**$178,267,085**	**$183,615,098**	**$189,123,551**	**$194,797,257**	**$200,641,175**	**$206,660,410**	**$212,860,222**	**$219,246,029**	**$225,823,410**	**$232,598,112**
Non-Retail Development, Recurring																
Office																
Taxable Sales per Sq. Ft. [1]	$55.53	$57.20	$58.91	$60.68	$62.50	$64.38	$66.31	$68.30	$70.35	$72.46	$74.63	$76.87	$79.18	$81.55	$84.00	$86.52
Cumulative Sq. Ft. (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Taxable Office Space Sq. Ft.	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Subtotal, Annual Taxable Sales	**$64,946,961**	**$66,895,370**	**$68,902,231**	**$70,969,298**	**$73,098,377**	**$75,291,329**	**$77,550,068**	**$79,876,571**	**$82,272,868**	**$84,741,054**	**$87,283,285**	**$89,901,784**	**$92,598,837**	**$95,376,802**	**$98,238,107**	**$101,185,250**
Production																
Taxable Sales per Sq. Ft. [1]	$86.63	$89.23	$91.91	$94.66	$97.50	$100.43	$103.44	$106.54	$109.74	$113.03	$116.42	$119.92	$123.51	$127.22	$131.04	$134.97
Cumulative Sq. Ft. (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Taxable Office Space Sq. Ft.	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Subtotal, Annual Taxable Sales	**$15,788,367**	**$16,262,018**	**$16,749,878**	**$17,252,375**	**$17,769,946**	**$18,303,044**	**$18,852,136**	**$19,417,700**	**$20,000,231**	**$20,600,238**	**$21,218,245**	**$21,854,792**	**$22,510,436**	**$23,185,749**	**$23,881,322**	**$24,597,761**
Recurring Annual Taxable Sales, Non-Retai	**$80,735,328**	**$83,157,388**	**$85,652,110**	**$88,221,673**	**$90,868,323**	**$93,594,373**	**$96,402,204**	**$99,294,270**	**$102,273,099**	**$105,341,291**	**$108,501,530**	**$111,756,576**	**$115,109,273**	**$118,562,552**	**$122,119,428**	**$125,783,011**
Non-Retail Development, Non-recurring																
Purchase of Construction Materials																
Material Costs (Uninflated) [2]																
Material Costs (Inflated) [2]																
Material Costs																
Subtotal, Taxable Sales																
Non-recurring Annual Taxable Sales, Non-I	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total Annual Taxable Sales from Space																
Total, Recurring	**$230,031,206**	**$236,932,142**	**$244,040,106**	**$251,361,309**	**$258,902,148**	**$266,669,213**	**$274,669,289**	**$282,909,368**	**$291,396,649**	**$300,138,549**	**$309,142,705**	**$318,416,986**	**$327,969,496**	**$337,808,581**	**$347,942,838**	**$358,381,123**
Total, Non-recurring (Construction Related	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

[1] KMA estimates.
[2] KMA assumes that the construction mat

Table A4.2
Estimated Annual Taxable Sales from Spac
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	ue Added to Tax Roll ($ with inflation)												
Item	**2060-61**	**2061-62**	**2062-63**	**2063-64**	**2064-65**	**2065-66**	**2066-67**	**2067-68**	**2068-69**	**2069-70**	**2070-71**	**2071-72**	**2072-73**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Retail Development													
Retail													
Taxable Sales per Sq. Ft. [1]	$1,426	$1,469	$1,513	$1,558	$1,605	$1,653	$1,702	$1,754	$1,806	$1,860	$1,916	$1,974	$2,033
Cumulative Sq. Ft. (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Taxable Retail Space Sq. Ft.	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028	168,028
Subtotal - Annual Taxable Sales	**$239,576,056**	**$246,763,337**	**$254,166,237**	**$261,791,224**	**$269,644,961**	**$277,734,310**	**$286,066,339**	**$294,648,329**	**$303,487,779**	**$312,592,413**	**$321,970,185**	**$331,629,291**	**$341,578,169**
Annual Taxable Sales from Retail Dev.	**$239,576,056**	**$246,763,337**	**$254,166,237**	**$261,791,224**	**$269,644,961**	**$277,734,310**	**$286,066,339**	**$294,648,329**	**$303,487,779**	**$312,592,413**	**$321,970,185**	**$331,629,291**	**$341,578,169**
Non-Retail Development, Recurring													
Office													
Taxable Sales per Sq. Ft. [1]	$89.11	$91.79	$94.54	$97.38	$100.30	$103.31	$106.41	$109.60	$112.89	$116.27	$119.76	$123.35	$127.05
Cumulative Sq. Ft. (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Taxable Office Space Sq. Ft.	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Subtotal, Annual Taxable Sales	**$104,220,807**	**$107,347,431**	**$110,567,854**	**$113,884,890**	**$117,301,437**	**$120,820,480**	**$124,445,094**	**$128,178,447**	**$132,023,800**	**$135,984,514**	**$140,064,050**	**$144,265,971**	**$148,593,951**
Production													
Taxable Sales per Sq. Ft. [1]	$139.02	$143.19	$147.48	$151.91	$156.46	$161.16	$165.99	$170.97	$176.10	$181.38	$186.83	$192.43	$198.20
Cumulative Sq. Ft. (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Taxable Office Space Sq. Ft.	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Subtotal, Annual Taxable Sales	**$25,335,694**	**$26,095,765**	**$26,878,638**	**$27,684,997**	**$28,515,547**	**$29,371,013**	**$30,252,144**	**$31,159,708**	**$32,094,499**	**$33,057,334**	**$34,049,054**	**$35,070,526**	**$36,122,642**
Recurring Annual Taxable Sales, Non-Retai	**$129,556,501**	**$133,443,196**	**$137,446,492**	**$141,569,887**	**$145,816,984**	**$150,191,493**	**$154,697,238**	**$159,338,155**	**$164,118,300**	**$169,041,849**	**$174,113,104**	**$179,336,497**	**$184,716,592**
Non-Retail Development, Non-recurring													
Purchase of Construction Materials													
Material Costs (Uninflated) [2]													
Material Costs (Inflated) [2]													
Material Costs													
Subtotal, Taxable Sales													
Non-recurring Annual Taxable Sales, Non-I	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total Annual Taxable Sales from Space													
Total, Recurring	**$369,132,557**	**$380,206,534**	**$391,612,730**	**$403,361,111**	**$415,461,945**	**$427,925,803**	**$440,763,577**	**$453,986,485**	**$467,606,079**	**$481,634,261**	**$496,083,289**	**$510,965,788**	**$526,294,762**
Total, Non-recurring (Construction Related	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

[1] KMA estimates.
[2] KMA assumes that the construction mat

Table A5
Estimated Annual Sales and Gross Receipts Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumptions/ Sources	Buildout (uninflated)	Revenue Added to Tax Roll ($ with Inflation) 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Inflation Rate				*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Business Gross Receipts - Tenants															
1. Retail Space Gross Receipts [7]															
20,000 SF Store	20,000 SF														
Sales per SF	$500	$500	$500	$515	$530	$546	$563	$580	$597	$615	$633	$652	$672	$692	$713
Cumulative - 20,000 SF Store	90% occpcy	3	0	0	0	0	1	1	2	2	3	3	3	3	3
Subtotal GR		$27,000,000	$0	$0	$0	$0	$10,129,579	$10,433,467	$21,492,941	$22,137,730	$34,202,792	$35,228,876	$36,285,742	$37,374,315	$38,495,544
10,000 SF Store	10,000 SF														
Sales per SF	$600	$600	$600	$618	$637	$656	$675	$696	$716	$738	$760	$783	$806	$831	$855
Cumulative - 10,000 SF Store	90% occpcy	4	0	0	0	0	1	1	2	3	3	4	4	4	4
Subtotal GR		$21,600,000	$0	$0	$0	$0	$6,077,748	$6,260,080	$12,895,765	$19,923,957	$20,521,675	$28,183,101	$29,028,594	$29,899,452	$30,796,435
7,400 SF Store	7,400 SF														
Sales per SF	$400	$400	$400	$412	$424	$437	$450	$464	$478	$492	$507	$522	$538	$554	$570
Cumulative - 7,400 SF Store	90% occpcy	7	0	0	0	0	4	4	5	6	7	7	7	7	7
Subtotal GR		$18,648,000	$0	$0	$0	$0	$11,993,422	$12,353,225	$15,904,777	$19,658,304	$23,622,728	$24,331,410	$25,061,353	$25,813,193	$26,587,589
4,000 SF Store	4,000 SF														
Sales per SF	$400	$400	$400	$412	$424	$437	$450	$464	$478	$492	$507	$522	$538	$554	$570
Cumulative - 4,000 SF Store	90% occpcy	9	0	0	0	0	3	3	6	7	9	9	9	9	9
Subtotal GR		$12,960,000	$0	$0	$0	$0	$4,862,198	$5,008,064	$10,316,612	$12,397,129	$16,417,340	$16,909,860	$17,417,156	$17,939,671	$18,477,861
Subtotal - Retail Gross Receipts		**$80,208,000**	**$0**	**$0**	**$0**	**$0**	**$33,062,947**	**$34,054,835**	**$60,610,095**	**$74,117,119**	**$94,764,536**	**$104,653,248**	**$107,792,845**	**$111,026,630**	**$114,357,429**
2. Office Gross Receipts															
Medium Office	5,000 SF														
Office Employees per Business [6]	24														
Gross Receipts / Output per Employee	$213,500	$213,500	$213,500	$219,905	$226,502	$233,297	$240,296	$247,505	$254,930	$262,578	$270,455	$278,569	$286,926	$295,534	$304,400
Cumulative - Medium Office	95% occpcy	147	0	0	0	0	64	64	115	131	147	147	147	147	147
Subtotal Gross Receipts		**$709,603,545**	**$0**	**$0**	**$0**	**$0**	**$347,718,113**	**$358,149,657**	**$662,856,669**	**$777,732,612**	**$898,904,540**	**$925,871,677**	**$953,647,827**	**$982,257,262**	**$1,011,724,980**
Larger Office	50,000 SF														
Office Employees per Business [6]	236														
Gross Receipts / Output per Employee	$213,500	$213,500	$213,500	$219,905	$226,502	$233,297	$240,296	$247,505	$254,930	$262,578	$270,455	$278,569	$286,926	$295,534	$304,400
Cumulative - Larger Office	95% occpcy	10	0	0	0	0	4	4	8	9	10	10	10	10	10
Subtotal Gross Receipts		**$482,723,500**	**$0**	**$0**	**$0**	**$0**	**$217,323,821**	**$223,843,535**	**$461,117,683**	**$534,320,115**	**$611,499,687**	**$629,844,678**	**$648,740,018**	**$668,202,219**	**$688,248,285**
Subtotal - Office Gross Receipts		**$1,192,327,045**	**$0**	**$0**	**$0**	**$0**	**$565,041,934**	**$581,993,192**	**$1,123,974,352**	**$1,312,052,727**	**$1,510,404,228**	**$1,555,716,355**	**$1,602,387,845**	**$1,650,459,481**	**$1,699,973,265**
3. Production Gross Receipts															
Gross Receipts / Output per Employee	$200,000	$200,000	$200,000	$206,000	$212,180	$218,545	$225,102	$231,855	$238,810	$245,975	$253,354	$260,955	$268,783	$276,847	$285,152
Total Employees [6]	150		0	0	0	0	0	0	0	0	0	150	150	150	150
Subtotal Gross Receipts	95% occpcy	**$28,500,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$37,186,036**	**$38,301,617**	**$39,450,665**	**$40,634,185**
Subtotal - Production Gross Receipts		**$28,500,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$37,186,036**	**$38,301,617**	**$39,450,665**	**$40,634,185**
Landlords Gross Receipts - Residential															
1. Market Rate Apartment Gross Receipts															
Junior 1 BDR															
Rent per Unit	Table C4	$3,050	$3,050	$3,142	$3,236	$3,333	$3,433	$3,536	$3,642	$3,751	$3,864	$3,980	$4,099	$4,222	$4,349
New Market Rate Apartments	Table B1	200	0	0	0	0	82	0	38	51	29	0	0	0	0
Occupancy Rate	95.0%														
Cumulative MR Apartments (Occupied)		190	0	0	0	0	78	78	114	162	190	190	190	190	190
Rental Income		**$579,500**	**$0**	**$0**	**$0**	**$0**	**$267,415**	**$275,438**	**$415,172**	**$609,369**	**$734,093**	**$756,116**	**$778,800**	**$802,164**	**$826,228**
1 BDR / 1 Bath															
Rent per Unit	Table C4	$4,448	$4,448	$4,582	$4,719	$4,861	$5,007	$5,157	$5,312	$5,471	$5,635	$5,804	$5,978	$6,158	$6,342
New Market Rate Apartments	Table B1	320	0	0	0	0	130	0	63	81	46	0	0	0	0
Occupancy Rate	95.0%														
Cumulative MR Apartments (Occupied)		304	0	0	0	0	124	124	183	260	304	304	304	304	304
Rental Income		**$1,352,325**	**$0**	**$0**	**$0**	**$0**	**$618,334**	**$636,884**	**$973,894**	**$1,424,106**	**$1,713,085**	**$1,764,477**	**$1,817,412**	**$1,871,934**	**$1,928,092**
2 BDR / 2 Bath															
Rent per Unit	Table C4	$5,650	$5,650	$5,819	$5,994	$6,174	$6,359	$6,550	$6,746	$6,949	$7,157	$7,372	$7,593	$7,821	$8,055
New Market Rate Apartments	Table B1	261	0	0	0	0	107	0	51	65	38	0	0	0	0
Occupancy Rate	95.0%														
Cumulative MR Apartments (Occupied)		248	0	0	0	0	102	102	150	212	248	248	248	248	248
Rental Income		**$1,400,870**	**$0**	**$0**	**$0**	**$0**	**$646,383**	**$665,775**	**$1,012,600**	**$1,472,051**	**$1,774,580**	**$1,827,818**	**$1,882,652**	**$1,939,132**	**$1,997,306**
3 BDR / 3 Bath															
Rent per Unit	Table C4	$7,050	$7,050	$7,262	$7,479	$7,704	$7,935	$8,173	$8,418	$8,671	$8,931	$9,199	$9,475	$9,759	$10,052
New Market Rate Apartments	Table B1	20	0	0	0	0	8	0	4	5	3	0	0	0	0
Occupancy Rate	95.0%														

Table A5
Estimated Annual Sales and Gross Receipts Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumptions/ Sources	Buildout (uninflated)	Revenue Added to Tax Roll ($ with inflation) 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Cumulative MR Apartments (Occupied)		19	0	0	0	0	8	8	11	16	19	19	19	19	19
Rental Income		$133,950	$0	$0	$0	$0	$60,305	$62,114	$95,966	$140,030	$169,684	$174,774	$180,018	$185,418	$190,981
Subtotal Market Rate Apartment Rental Income		$3,466,645	$0	$0	$0	$0	$1,592,437	$1,640,211	$2,497,632	$3,645,555	$4,391,442	$4,523,185	$4,658,881	$4,798,647	$4,942,607
2. BMR - 45% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	Table C4	$908	$908	$935	$963	$992	$1,022	$1,053	$1,084	$1,117	$1,150	$1,185	$1,220	$1,257	$1,295
New 45% AMI Apartments	Table B1	7	0	0	0	0	3	0	1	2	1	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		7	0	0	0	0	3	3	4	6	7	7	7	7	7
Rental Income		$6,229	$0	$0	$0	$0	$3,005	$3,095	$4,250	$6,566	$7,891	$8,127	$8,371	$8,622	$8,881
1 BDR / 1 Bath															
Rent per Unit	Table C4	$1,038	$1,038	$1,069	$1,101	$1,134	$1,168	$1,203	$1,239	$1,277	$1,315	$1,354	$1,395	$1,437	$1,480
New 45% AMI Apartments	Table B1	11	0	0	0	0	4	0	2	3	2	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		11	0	0	0	0	4	4	6	9	11	11	11	11	11
Rental Income		$11,190	$0	$0	$0	$0	$4,580	$4,717	$7,288	$11,260	$14,175	$14,600	$15,038	$15,489	$15,954
2 BDR / 2 Bath															
Rent per Unit	Table C4	$1,168	$1,168	$1,203	$1,239	$1,276	$1,315	$1,354	$1,395	$1,436	$1,480	$1,524	$1,570	$1,617	$1,665
New 45% AMI Apartments	Table B1	9	0	0	0	0	4	0	2	2	1	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		9	0	0	0	0	4	4	6	8	9	9	9	9	9
Rental Income		$10,302	$0	$0	$0	$0	$5,153	$5,308	$8,201	$11,262	$13,050	$13,441	$13,845	$14,260	$14,688
3 BDR / 3 Bath															
Rent per Unit	Table C4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 45% AMI Apartments	Table B1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income		$27,720	$0	$0	$0	$0	$12,737	$13,120	$19,738	$29,088	$35,115	$36,169	$37,254	$38,371	$39,522
3. BMR - 55% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	Table C4	$1,063	$1,063	$1,095	$1,128	$1,162	$1,196	$1,232	$1,269	$1,307	$1,347	$1,387	$1,429	$1,471	$1,516
New 55% AMI Apartments	Table B1	33	0	0	0	0	13	0	7	8	5	0	0		
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		32	0	0	0	0	13	13	20	27	32	32	32	32	32
Rental Income		$34,377	$0	$0	$0	$0	$15,242	$15,700	$24,878	$35,874	$43,548	$44,855	$46,200	$47,586	$49,014
1 BDR / 1 Bath															
Rent per Unit	Table C4	$1,214	$1,214	$1,250	$1,288	$1,327	$1,366	$1,407	$1,450	$1,493	$1,538	$1,584	$1,632	$1,680	$1,731
New 55% AMI Apartments	Table B1	52	0	0	0	0	21	0	10	13	8	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		51	0	0	0	0	21	21	30	43	51	51	51	51	51
Rental Income		$61,865	$0	$0	$0	$0	$28,120	$28,963	$44,038	$64,381	$78,369	$80,720	$83,142	$85,636	$88,205
2 BDR / 2 Bath															
Rent per Unit	Table C4	$1,353	$1,353	$1,394	$1,435	$1,478	$1,523	$1,568	$1,616	$1,664	$1,714	$1,765	$1,818	$1,873	$1,929
New 55% AMI Apartments	Table B1	42	0	0	0	0	17	0	8	11	6	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		41	0	0	0	0	17	17	25	35	41	41	41	41	41
Rental Income		$55,689	$0	$0	$0	$0	$25,370	$26,131	$39,581	$58,707	$70,546	$72,662	$74,842	$77,087	$79,400
3 BDR / 3 Bath															
Rent per Unit	Table C4	$1,478	$1,478	$1,522	$1,568	$1,615	$1,664	$1,713	$1,765	$1,818	$1,872	$1,928	$1,986	$2,046	$2,107
New 55% AMI Apartments	Table B1	4	0	0	0	0	1	0	1	1	1	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		4	0	0	0	0	1	1	2	3	4	4	4	4	4
Rental Income		$5,794	$0	$0	$0	$0	$1,630	$1,679	$3,459	$5,344	$7,339	$7,560	$7,786	$8,020	$8,261
Income		$157,726	$0	$0	$0	$0	$70,362	$72,473	$111,956	$164,306	$199,803	$205,797	$211,971	$218,330	$224,880
4. BMR - 90% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	Table C4	$1,769	$1,769	$1,822	$1,877	$1,933	$1,991	$2,051	$2,112	$2,176	$2,241	$2,308	$2,377	$2,449	$2,522
New 90% AMI Apartments	Table B1	13	0	0	0	0	5	0	3	3	2	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		13	0	0	0	0	5	5	8	11	13	13	13	13	13
Rental Income		$22,537	$0	$0	$0	$0	$9,756	$10,049	$16,560	$23,453	$28,549	$29,406	$30,288	$31,197	$32,132
1 BDR / 1 Bath															
Rent per Unit	Table C4	$2,021	$2,021	$2,082	$2,144	$2,208	$2,275	$2,343	$2,413	$2,486	$2,560	$2,637	$2,716	$2,798	$2,881
New 90% AMI Apartments	Table B1	21	0	0	0	0	9	0	4	5	3	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		21	0	0	0	0	9	9	13	18	21	21	21	21	21

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Table A5
Estimated Annual Sales and Gross Receipts Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumptions/ Sources	Buildout (uninflated)	Revenue Added to Tax Roll ($ with Inflation) 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Rental Income		$41,592	$0	$0	$0	$0	$20,062	$20,664	$30,744	$43,846	$52,688	$54,268	$55,896	$57,573	$59,301
2 BDR / 2 Bath															
Rent per Unit	Table C4	$2,262	$2,262	$2,330	$2,400	$2,472	$2,546	$2,622	$2,701	$2,782	$2,865	$2,951	$3,040	$3,131	$3,225
New 90% AMI Apartments	Table B1	16	0	0	0	0	7	0	3	4	2	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		16	0	0	0	0	7	7	10	14	16	16	16	16	16
Rental Income		$35,468	$0	$0	$0	$0	$17,465	$17,989	$26,469	$38,169	$44,930	$46,278	$47,666	$49,096	$50,569
3 BDR / 3 Bath															
Rent per Unit	Table C4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 90% AMI Apartments	Table B1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income		$99,597	$0	$0	$0	$0	$47,283	$48,702	$73,773	$105,468	$126,167	$129,952	$133,851	$137,866	$142,002
5. BMR - 120% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	Table C4	$2,374	$2,374	$2,445	$2,519	$2,594	$2,672	$2,752	$2,835	$2,920	$3,007	$3,098	$3,190	$3,286	$3,385
New 120% AMI Apartments	Table B1	57	0	0	0	0	24	0	11	14	8	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		56	0	0	0	0	24	24	34	48	56	56	56	56	56
Rental Income		$132,612	$0	$0	$0	$0	$62,844	$64,730	$97,230	$140,205	$167,988	$173,028	$178,219	$183,566	$189,072
1 BDR / 1 Bath															
Rent per Unit	Table C4	$2,713	$2,713	$2,794	$2,878	$2,965	$3,054	$3,145	$3,239	$3,337	$3,437	$3,540	$3,646	$3,755	$3,868
New 120% AMI Apartments	Table B1	91	0	0	0	0	37	0	18	23	13	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		89	0	0	0	0	36	36	54	76	89	89	89	89	89
Rental Income		$241,945	$0	$0	$0	$0	$110,720	$114,042	$174,607	$255,053	$306,489	$315,684	$325,154	$334,909	$344,956
2 BDR / 2 Bath															
Rent per Unit	Table C4	$3,040	$3,040	$3,131	$3,225	$3,322	$3,422	$3,524	$3,630	$3,739	$3,851	$3,967	$4,086	$4,208	$4,334
New 120% AMI Apartments	Table B1	74	0	0	0	0	30	0	14	19	11	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		73	0	0	0	0	29	29	43	62	73	73	73	73	73
Rental Income		$220,461	$0	$0	$0	$0	$100,593	$103,611	$156,522	$230,835	$279,273	$287,651	$296,281	$305,169	$314,324
3 BDR / 3 Bath															
Rent per Unit	Table C4	$3,352	$3,352	$3,453	$3,556	$3,663	$3,773	$3,886	$4,002	$4,123	$4,246	$4,374	$4,505	$4,640	$4,779
New 120% AMI Apartments	Table B1	6	0	0	0	0	3	0	1	1	1	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		6	0	0	0	0	3	3	4	5	6	6	6	6	6
Rental Income		$19,710	$0	$0	$0	$0	$11,092	$11,425	$15,690	$20,200	$24,968	$25,717	$26,488	$27,283	$28,101
Subtotal 120% AMI Apartment Rental Income		$614,728	$0	$0	$0	$0	$285,250	$293,807	$444,048	$646,293	$778,718	$802,080	$826,142	$850,927	$876,454
6. BMR - 150% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	Table C4	$2,979	$2,979	$3,068	$3,160	$3,255	$3,353	$3,453	$3,557	$3,664	$3,774	$3,887	$4,004	$4,124	$4,247
New 150% AMI Apartments	Table B1	23	0	0	0	0	9	0	5	6	3	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		23	0	0	0	0	9	9	14	20	23	23	23	23	23
Rental Income		$67,107	$0	$0	$0	$0	$29,572	$30,460	$48,803	$71,810	$85,059	$87,611	$90,239	$92,947	$95,735
1 BDR / 1 Bath															
Rent per Unit	Table C4	$3,405	$3,405	$3,507	$3,612	$3,721	$3,832	$3,947	$4,066	$4,188	$4,313	$4,443	$4,576	$4,713	$4,855
New 150% AMI Apartments	Table B1	36	0	0	0	0	15	0	7	9	5	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		35	0	0	0	0	15	15	22	30	35	35	35	35	35
Rental Income		$120,128	$0	$0	$0	$0	$56,336	$58,026	$87,658	$127,223	$152,175	$156,740	$161,443	$166,286	$171,274
2 BDR / 2 Bath															
Rent per Unit	Table C4	$3,818	$3,818	$3,933	$4,051	$4,172	$4,297	$4,426	$4,559	$4,696	$4,837	$4,982	$5,131	$5,285	$5,444
New 150% AMI Apartments	Table B1	30	0	0	0	0	12	0	6	8	4	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		29	0	0	0	0	12	12	18	25	29	29	29	29	29
Rental Income		$112,249	$0	$0	$0	$0	$50,535	$52,051	$80,419	$119,645	$142,194	$146,460	$150,854	$155,379	$160,041
3 BDR / 3 Bath															
Rent per Unit	Table C4	$4,217	$4,217	$4,344	$4,474	$4,608	$4,746	$4,889	$5,035	$5,186	$5,342	$5,502	$5,667	$5,837	$6,012
New 150% AMI Apartments	Table B1	1	0	0	0	0	1	0	0	0	0	0	0	0	0
Occupancy Rate	98.0%														
Cumulative MR Apartments (Occupied)		1	0	0	0	0	1	1	1	1	1	1	1	1	1
Rental Income		$4,133	$0	$0	$0	$0	$4,651	$4,791	$4,935	$5,083	$5,235	$5,392	$5,554	$5,721	$5,892
Income		$303,657	$0	$0	$0	$0	$141,094	$145,327	$221,814	$323,761	$384,664	$396,203	$408,090	$420,332	$432,942
Subtotal Residential Gross Receipts		$4,670,073	$0	$0	$0	$0	$2,149,165	$2,213,640	$3,368,962	$4,914,472	$5,915,909	$6,093,386	$6,276,188	$6,464,474	$6,658,408

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table A5
Estimated Annual Sales and Gross Receipts Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumptions/ Sources	Buildout (uninflated)	Revenue Added to Tax Roll ($ with Inflation) 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
On-site Parking Gross Receipts, Residential	Table A7	$3,057,600	$0	$0	$0	$0	$1,405,588	$1,447,755	$2,203,767	$3,216,371	$3,873,276	$3,989,474	$4,109,159	$4,232,433	$4,359,406
Total Landlords Gross Receipts - Residential		$7,727,673	$0	$0	$0	$0	$3,554,753	$3,661,395	$5,572,729	$8,130,843	$9,789,185	$10,082,861	$10,385,347	$10,696,907	$11,017,814
Landlords Gross Receipts-Commercial & Production															
Retail Rental Gross Receipts															
Avg. Rent per SF [1]	$30	$30	$30	$30.90	$31.83	$32.78	$33.77	$34.78	$35.82	$36.90	$38.00	$39.14	$40.32	$41.53	$42.77
Cumulative Retail SF (Occupied)	Table C2	224,038	0	0	0	0	88,979	88,979	140,066	174,787	215,038	224,038	224,038	224,038	224,038
Retail Rental Income		$6,721,137	$0	$0	$0	$0	$3,004,383	$3,094,514	$5,017,387	$6,448,986	$8,172,107	$8,769,559	$9,032,646	$9,303,625	$9,582,734
Office Rental Gross Receipts															
Avg. Rent per SF [1]	$70	$70	$70	$72.10	$74.26	$76.49	$78.79	$81.15	$83.58	$86.09	$88.67	$91.33	$94.07	$96.90	$99.80
Cumulative Office SF (Occupied)	Table C2	1,169,536	0	0	0	0	496,234	496,234	923,566	1,046,551	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Office Rental Income		$81,857,552	$0	$0	$0	$0	$39,096,133	$40,269,017	$77,195,048	$90,098,831	$103,707,365	$106,818,586	$110,023,143	$113,323,838	$116,723,553
On-site Parking Gross Receipts, Commercial	Table A7	$11,410,311	$0	$8,162,480	$8,647,841	$9,147,763	$8,257,095	$4,791,863	$13,970,317	$13,683,421	$13,773,997	$14,427,703	$15,101,021	$15,794,539	$16,508,861
Total Landlords Gross Receipts - Commercial		$99,998,999	$0	$8,162,480	$8,647,841	$9,147,763	$50,357,611	$48,155,394	$96,182,752	$110,231,238	$125,653,469	$130,015,849	$134,156,811	$138,422,002	$142,815,148
Production Rental Gross Receipts															
Avg. Rent per SF [1]	$30	$30	$30	$30.90	$31.83	$32.78	$33.77	$34.78	$35.82	$36.90	$38.00	$39.14	$40.32	$41.53	$42.77
Cumulative Production SF (Occupied)	0	182,250	0	0	0	0	0	0	0	0	0	182,250	182,250	182,250	182,250
Production Rental Income		$5,467,500	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,133,847	$7,347,863	$7,568,299	$7,795,348
Total Landlords Gross Receipts - Production		$5,467,500	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,133,847	$7,347,863	$7,568,299	$7,795,348
Total Landlords Gross Receipts - Prod. & Comm.		$105,466,499	$0	$8,162,480	$8,647,841	$9,147,763	$50,357,611	$48,155,394	$96,182,752	$110,231,238	$125,653,469	$137,149,696	$141,504,674	$145,990,300	$150,610,496
Gross Receipts Tax															
Retail Space Gross Receipts [2]															
Grocery Store	0.135%	$36,450	$0	$0	$0	$0	$13,675	$14,085	$29,015	$29,886	$46,174	$47,559	$48,986	$50,455	$51,969
Drug Store	0.135%	$29,160	$0	$0	$0	$0	$8,205	$8,451	$17,409	$26,897	$27,704	$38,047	$39,189	$40,364	$41,575
Larger Tenants	0.100%	$18,648	$0	$0	$0	$0	$11,993	$12,353	$15,905	$19,658	$23,623	$24,331	$25,061	$25,813	$26,588
Mid-Size Tenants	0.100%	$12,960	$0	$0	$0	$0	$4,862	$5,008	$10,317	$12,397	$16,417	$16,910	$17,417	$17,940	$18,478
Office Gross Receipts															
Medium Office [3]	0.510%	$3,618,978	$0	$0	$0	$0	$1,773,362	$1,826,563	$3,380,569	$3,966,436	$4,584,413	$4,721,946	$4,863,604	$5,009,512	$5,159,797
Larger Office [5]	0.560%	$2,703,252	$0	$0	$0	$0	$1,217,013	$1,253,524	$2,582,259	$2,992,193	$3,424,398	$3,527,130	$3,632,944	$3,741,932	$3,854,190
Production Gross Receipts [8]	0.370%	$105,450	$0	$0	$0	$0	$0	$0	$0	$0	$0	$137,588	$141,716	$145,967	$150,346
Residential Apartment Gross Receipts [4]	0.300%	$14,010	$0	$0	$0	$0	$6,447	$6,641	$10,107	$14,743	$17,748	$18,280	$18,829	$19,393	$19,975
Retail Rental Gross Receipts [4]	0.300%	$20,163	$0	$0	$0	$0	$9,013	$9,284	$15,052	$19,347	$24,516	$26,309	$27,098	$27,911	$28,748
Office Rental Gross Receipts [4]	0.300%	$245,603	$0	$0	$0	$0	$117,288	$120,807	$231,585	$270,296	$311,122	$320,456	$330,069	$339,972	$350,171
On-site Parking Gross Receipts, Residential & Commercial [4]	0.300%	$43,404	$0	$24,487	$25,944	$27,443	$28,988	$18,719	$48,522	$50,699	$52,942	$55,252	$57,631	$60,081	$62,605
Production Rental Gross Receipts [4]	0.300%	$16,403	$0	$0	$0	$0	$0	$0	$0	$0	$0	$21,402	$22,044	$22,705	$23,386
Total Gross Receipts Tax		$6,864,480	$0	$24,487	$25,944	$27,443	$3,190,848	$3,275,435	$6,340,741	$7,402,554	$8,529,057	$8,955,209	$9,224,587	$9,502,046	$9,787,829

[1] The assumptions are from EPS.
[2] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Retail, Wholesale, and Services Rate for $2.5 to $25 M.
[3] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professi, Scientific Rate for $2.5 to $25 M
[4] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Real Estate, Rental, Leasing Services Rate for $5 to $25 M, and over $25 M
[5] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professi, Scientific Rate for over $25 M
[6] KMA's ssumption: 4.76 employees per 1,000 SF (office), 1 employee per 1,000 SF (production)

[7] Smaller tenants and small tenants are excluded since their gross receipts do not exceed $1,000,000 per business. The sales per business of smaller tenants = $400 * 2,500SF = $1,000,000; the sales per business of small tenants = $400 * 1,500SF = $600,000.
[8] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Manufacturing, Transportation and Warehousing Rate for $2.5 M to $25 M

Table A5
Estimated Annual Sales and Gross Receipts Tax Revenue
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)													
Item	**2030-31**	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**2036-37**	**2037-38**	**2038-39**	**2039-40**	**2040-41**	**2041-42**	**2042-43**	**2043-44**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Business Gross Receipts - Tenants														
1. Retail Space Gross Receipts [7]														
20,000 SF Store														
Sales per SF	$734	$756	$779	$802	$826	$851	$877	$903	$930	$958	$987	$1,016	$1,047	$1,078
Cumulative - 20,000 SF Store	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Subtotal GR	$39,650,410	$40,839,923	$42,065,120	$43,327,074	$44,626,886	$45,965,693	$47,344,663	$48,765,003	$50,227,953	$51,734,792	$53,286,836	$54,885,441	$56,532,004	$58,227,964
10,000 SF Store														
Sales per SF	$881	$908	$935	$963	$992	$1,021	$1,052	$1,084	$1,116	$1,150	$1,184	$1,220	$1,256	$1,294
Cumulative - 10,000 SF Store	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Subtotal GR	$31,720,328	$32,671,938	$33,652,096	$34,661,659	$35,701,509	$36,772,554	$37,875,731	$39,012,003	$40,182,363	$41,387,834	$42,629,469	$43,908,353	$45,225,603	$46,582,371
7,400 SF Store														
Sales per SF	$587	$605	$623	$642	$661	$681	$701	$722	$744	$766	$789	$813	$838	$863
Cumulative - 7,400 SF Store	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Subtotal GR	$27,385,217	$28,206,773	$29,052,976	$29,924,566	$30,822,303	$31,746,972	$32,699,381	$33,680,362	$34,690,773	$35,731,496	$36,803,441	$37,907,544	$39,044,771	$40,216,114
4,000 SF Store														
Sales per SF	$587	$605	$623	$642	$661	$681	$701	$722	$744	$766	$789	$813	$838	$863
Cumulative - 4,000 SF Store	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Subtotal GR	$19,032,197	$19,603,163	$20,191,258	$20,796,995	$21,420,905	$22,063,532	$22,725,438	$23,407,202	$24,109,418	$24,832,700	$25,577,681	$26,345,012	$27,135,362	$27,949,423
Subtotal - Retail Gross Receipts	**$117,788,152**	**$121,321,797**	**$124,961,451**	**$128,710,294**	**$132,571,603**	**$136,548,751**	**$140,645,214**	**$144,864,570**	**$149,210,507**	**$153,686,822**	**$158,297,427**	**$163,046,350**	**$167,937,740**	**$172,975,872**
2. Office Gross Receipts														
Medium Office														
Office Employees per Business [6]														
Gross Receipts / Output per Employee	$313,532	$322,938	$332,626	$342,605	$352,883	$363,469	$374,374	$385,605	$397,173	$409,088	$421,361	$434,002	$447,022	$460,432
Cumulative - Medium Office	147	147	147	147	147	147	147	147	147	147	147	147	147	147
Subtotal Gross Receipts	**$1,042,076,729**	**$1,073,339,031**	**$1,105,539,202**	**$1,138,705,378**	**$1,172,866,539**	**$1,208,052,535**	**$1,244,294,111**	**$1,281,622,935**	**$1,320,071,623**	**$1,359,673,772**	**$1,400,463,985**	**$1,442,477,904**	**$1,485,752,241**	**$1,530,324,809**
Larger Office														
Office Employees per Business [6]														
Gross Receipts / Output per Employee	$313,532	$322,938	$332,626	$342,605	$352,883	$363,469	$374,374	$385,605	$397,173	$409,088	$421,361	$434,002	$447,022	$460,432
Cumulative - Larger Office	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Subtotal Gross Receipts	**$708,895,734**	**$730,162,606**	**$752,067,484**	**$774,629,509**	**$797,868,394**	**$821,804,446**	**$846,458,579**	**$871,852,337**	**$898,007,907**	**$924,948,144**	**$952,696,588**	**$981,277,486**	**$1,010,715,810**	**$1,041,037,285**
Subtotal - Office Gross Receipts	**$1,750,972,463**	**$1,803,501,637**	**$1,857,606,686**	**$1,913,334,887**	**$1,970,734,933**	**$2,029,856,981**	**$2,090,752,691**	**$2,153,475,271**	**$2,218,079,530**	**$2,284,621,915**	**$2,353,160,573**	**$2,423,755,390**	**$2,496,468,052**	**$2,571,362,093**
3. Production Gross Receipts														
Gross Receipts / Output per Employee	$293,707	$302,518	$311,593	$320,941	$330,570	$340,487	$350,701	$361,222	$372,059	$383,221	$394,717	$406,559	$418,756	$431,318
Total Employees [6]	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Subtotal Gross Receipts	**$41,853,211**	**$43,108,807**	**$44,402,071**	**$45,734,134**	**$47,106,158**	**$48,519,342**	**$49,974,923**	**$51,474,170**	**$53,018,395**	**$54,608,947**	**$56,247,216**	**$57,934,632**	**$59,672,671**	**$61,462,851**
Subtotal - Production Gross Receipts	**$41,853,211**	**$43,108,807**	**$44,402,071**	**$45,734,134**	**$47,106,158**	**$48,519,342**	**$49,974,923**	**$51,474,170**	**$53,018,395**	**$54,608,947**	**$56,247,216**	**$57,934,632**	**$59,672,671**	**$61,462,851**
Landlord's Gross Receipts - Residential														
1. Market Rate Apartment Gross Receipts														
Junior 1 BDR														
Rent per Unit	$4,479	$4,613	$4,752	$4,894	$5,041	$5,192	$5,348	$5,509	$5,674	$5,844	$6,019	$6,200	$6,386	$6,578
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	190	190	190	190	190	190	190	190	190	190	190	190	190	190
Rental Income	**$851,015**	**$876,546**	**$902,842**	**$929,927**	**$957,825**	**$986,560**	**$1,016,157**	**$1,046,641**	**$1,078,041**	**$1,110,382**	**$1,143,693**	**$1,178,004**	**$1,213,344**	**$1,249,745**
1 BDR / 1 Bath														
Rent per Unit	$6,533	$6,729	$6,931	$7,138	$7,353	$7,573	$7,800	$8,034	$8,275	$8,524	$8,779	$9,043	$9,314	$9,593
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	304	304	304	304	304	304	304	304	304	304	304	304	304	304
Rental Income	**$1,985,935**	**$2,045,513**	**$2,106,878**	**$2,170,085**	**$2,235,187**	**$2,302,243**	**$2,371,310**	**$2,442,449**	**$2,515,723**	**$2,591,195**	**$2,668,930**	**$2,748,998**	**$2,831,468**	**$2,916,412**
2 BDR / 2 Bath														
Rent per Unit	$8,297	$8,546	$8,802	$9,066	$9,338	$9,618	$9,907	$10,204	$10,510	$10,826	$11,150	$11,485	$11,829	$12,184
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	248	248	248	248	248	248	248	248	248	248	248	248	248	248
Rental Income	**$2,057,225**	**$2,118,942**	**$2,182,510**	**$2,247,985**	**$2,315,425**	**$2,384,887**	**$2,456,434**	**$2,530,127**	**$2,606,031**	**$2,684,212**	**$2,764,738**	**$2,847,680**	**$2,933,111**	**$3,021,104**
3 BDR / 3 Bath														
Rent per Unit	$10,353	$10,664	$10,984	$11,313	$11,653	$12,002	$12,362	$12,733	$13,115	$13,509	$13,914	$14,331	$14,761	$15,204
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														

Table A5
Estimated Annual Sales and Gross Receipts Tax Reve
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)													
Item	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44
Cumulative MR Apartments (Occupied	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Rental Income	$196,710	$202,611	$208,690	$214,950	$221,399	$228,041	$234,882	$241,929	$249,186	$256,662	$264,362	$272,293	$280,462	$288,875
Subtotal Market Rate Apartment Rental Income	$5,090,885	$5,243,612	$5,400,920	$5,562,948	$5,729,836	$5,901,731	$6,078,783	$6,261,146	$6,448,981	$6,642,450	$6,841,724	$7,046,976	$7,258,385	$7,476,136
2. BMR - 45% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$1,333	$1,373	$1,415	$1,457	$1,501	$1,546	$1,592	$1,640	$1,689	$1,740	$1,792	$1,846	$1,901	$1,958
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Rental Income	$9,147	$9,422	$9,704	$9,996	$10,295	$10,604	$10,922	$11,250	$11,588	$11,935	$12,293	$12,662	$13,042	$13,433
1 BDR / 1 Bath														
Rent per Unit	$1,524	$1,570	$1,617	$1,666	$1,716	$1,767	$1,820	$1,875	$1,931	$1,989	$2,049	$2,110	$2,173	$2,239
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Rental Income	$16,432	$16,925	$17,433	$17,956	$18,495	$19,050	$19,621	$20,210	$20,816	$21,441	$22,084	$22,746	$23,429	$24,131
2 BDR / 2 Bath														
Rent per Unit	$1,715	$1,767	$1,820	$1,874	$1,931	$1,988	$2,048	$2,110	$2,173	$2,238	$2,305	$2,374	$2,446	$2,519
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Rental Income	$15,128	$15,582	$16,050	$16,531	$17,027	$17,538	$18,064	$18,606	$19,164	$19,739	$20,331	$20,941	$21,570	$22,217
3 BDR / 3 Bath														
Rent per Unit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income	$40,708	$41,929	$43,187	$44,483	$45,817	$47,192	$48,608	$50,066	$51,568	$53,115	$54,708	$56,350	$58,040	$59,781
3. BMR - 55% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$1,561	$1,608	$1,656	$1,706	$1,757	$1,810	$1,864	$1,920	$1,977	$2,037	$2,098	$2,161	$2,226	$2,292
New 55% AMI Apartments														
Occupancy Rate														
Cumulative MR Apartments (Occupied	32	32	32	32	32	32	32	32	32	32	32	32	32	32
Rental Income	$50,484	$51,999	$53,559	$55,166	$56,821	$58,525	$60,281	$62,089	$63,952	$65,871	$67,847	$69,882	$71,979	$74,138
1 BDR / 1 Bath														
Rent per Unit	$1,783	$1,836	$1,891	$1,948	$2,007	$2,067	$2,129	$2,193	$2,258	$2,326	$2,396	$2,468	$2,542	$2,618
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Rental Income	$90,851	$93,577	$96,384	$99,276	$102,254	$105,322	$108,481	$111,736	$115,088	$118,541	$122,097	$125,760	$129,532	$133,418
2 BDR / 2 Bath														
Rent per Unit	$1,987	$2,047	$2,108	$2,171	$2,236	$2,303	$2,372	$2,444	$2,517	$2,592	$2,670	$2,750	$2,833	$2,918
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	41	41	41	41	41	41	41	41	41	41	41	41	41	41
Rental Income	$81,782	$84,235	$86,762	$89,365	$92,046	$94,808	$97,652	$100,581	$103,599	$106,707	$109,908	$113,205	$116,601	$120,099
3 BDR / 3 Bath														
Rent per Unit	$2,170	$2,236	$2,303	$2,372	$2,443	$2,516	$2,592	$2,669	$2,750	$2,832	$2,917	$3,004	$3,095	$3,187
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Rental Income	$8,508	$8,764	$9,026	$9,297	$9,576	$9,863	$10,159	$10,464	$10,778	$11,101	$11,434	$11,778	$12,131	$12,495
Income	$231,626	$238,575	$245,732	$253,104	$260,697	$268,518	$276,574	$284,871	$293,417	$302,220	$311,286	$320,625	$330,243	$340,151
4. BMR - 90% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$2,598	$2,676	$2,756	$2,839	$2,924	$3,012	$3,102	$3,195	$3,291	$3,390	$3,491	$3,596	$3,704	$3,815
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Rental Income	$33,096	$34,089	$35,112	$36,165	$37,250	$38,368	$39,519	$40,704	$41,926	$43,183	$44,479	$45,813	$47,188	$48,603
1 BDR / 1 Bath														
Rent per Unit	$2,968	$3,057	$3,149	$3,243	$3,340	$3,441	$3,544	$3,650	$3,760	$3,872	$3,989	$4,108	$4,232	$4,358
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	21	21	21	21	21	21	21	21	21	21	21	21	21	21

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Table A5
Estimated Annual Sales and Gross Receipts Tax Revei
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)													
Item	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44
Rental Income	$61,080	$62,912	$64,799	$66,743	$68,746	$70,808	$72,932	$75,120	$77,374	$79,695	$82,086	$84,548	$87,085	$89,697
2 BDR / 2 Bath														
Rent per Unit	$3,322	$3,421	$3,524	$3,630	$3,739	$3,851	$3,966	$4,085	$4,208	$4,334	$4,464	$4,598	$4,736	$4,878
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Rental Income	$52,086	$53,649	$55,258	$56,916	$58,623	$60,382	$62,194	$64,059	$65,981	$67,961	$69,999	$72,099	$74,262	$76,490
3 BDR / 3 Bath														
Rent per Unit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income	$146,262	$150,650	$155,170	$159,825	$164,619	$169,558	$174,645	$179,884	$185,281	$190,839	$196,564	$202,461	$208,535	$214,791
5. BMR - 120% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$3,486	$3,591	$3,699	$3,810	$3,924	$4,042	$4,163	$4,288	$4,416	$4,549	$4,685	$4,826	$4,971	$5,120
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Rental Income	$194,745	$200,587	$206,605	$212,803	$219,187	$225,762	$232,535	$239,511	$246,697	$254,098	$261,721	$269,572	$277,659	$285,989
1 BDR / 1 Bath														
Rent per Unit	$3,984	$4,104	$4,227	$4,354	$4,484	$4,619	$4,757	$4,900	$5,047	$5,198	$5,354	$5,515	$5,680	$5,851
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	89	89	89	89	89	89	89	89	89	89	89	89	89	89
Rental Income	$355,305	$365,964	$376,943	$388,251	$399,899	$411,896	$424,253	$436,980	$450,090	$463,592	$477,500	$491,825	$506,580	$521,777
2 BDR / 2 Bath														
Rent per Unit	$4,464	$4,598	$4,736	$4,878	$5,025	$5,175	$5,331	$5,491	$5,655	$5,825	$6,000	$6,180	$6,365	$6,556
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	73	73	73	73	73	73	73	73	73	73	73	73	73	73
Rental Income	$323,754	$333,467	$343,471	$353,775	$364,388	$375,320	$386,579	$398,177	$410,122	$422,426	$435,098	$448,151	$461,596	$475,444
3 BDR / 3 Bath														
Rent per Unit	$4,923	$5,070	$5,222	$5,379	$5,540	$5,707	$5,878	$6,054	$6,236	$6,423	$6,615	$6,814	$7,018	$7,229
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Rental Income	$28,944	$29,813	$30,707	$31,628	$32,577	$33,555	$34,561	$35,598	$36,666	$37,766	$38,899	$40,066	$41,268	$42,506
Subtotal 120% AMI Apartment Rental Income	$902,748	$929,831	$957,725	$986,457	$1,016,051	$1,046,532	$1,077,928	$1,110,266	$1,143,574	$1,177,882	$1,213,218	$1,249,615	$1,287,103	$1,325,716
6. BMR - 150% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$4,375	$4,506	$4,641	$4,780	$4,924	$5,072	$5,224	$5,380	$5,542	$5,708	$5,879	$6,056	$6,237	$6,424
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	23	23	23	23	23	23	23	23	23	23	23	23	23	23
Rental Income	$98,607	$101,565	$104,612	$107,751	$110,983	$114,313	$117,742	$121,274	$124,913	$128,660	$132,520	$136,495	$140,590	$144,808
1 BDR / 1 Bath														
Rent per Unit	$5,000	$5,150	$5,305	$5,464	$5,628	$5,797	$5,971	$6,150	$6,334	$6,524	$6,720	$6,922	$7,129	$7,343
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Rental Income	$176,413	$181,705	$187,156	$192,771	$198,554	$204,511	$210,646	$216,965	$223,474	$230,178	$237,084	$244,196	$251,522	$259,068
2 BDR / 2 Bath														
Rent per Unit	$5,607	$5,775	$5,948	$6,127	$6,311	$6,500	$6,695	$6,896	$7,103	$7,316	$7,535	$7,761	$7,994	$8,234
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	29	29	29	29	29	29	29	29	29	29	29	29	29	29
Rental Income	$164,842	$169,787	$174,881	$180,127	$185,531	$191,097	$196,830	$202,735	$208,817	$215,081	$221,534	$228,180	$235,025	$242,076
3 BDR / 3 Bath														
Rent per Unit	$6,193	$6,379	$6,570	$6,767	$6,970	$7,179	$7,395	$7,616	$7,845	$8,080	$8,323	$8,572	$8,829	$9,094
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Rental Income	$6,069	$6,251	$6,439	$6,632	$6,831	$7,036	$7,247	$7,464	$7,688	$7,919	$8,156	$8,401	$8,653	$8,912
Income	$445,930	$459,308	$473,088	$487,280	$501,899	$516,956	$532,464	$548,438	$564,891	$581,838	$599,293	$617,272	$635,790	$654,864
Subtotal Residential Gross Receipts	$6,858,160	$7,063,905	$7,275,822	$7,494,097	$7,718,919	$7,950,487	$8,189,002	$8,434,672	$8,687,712	$8,948,343	$9,216,794	$9,493,297	$9,778,096	$10,071,439

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Table A5
Estimated Annual Sales and Gross Receipts Tax Reve
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)													
Item	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44
On-site Parking Gross Receipts, Residential	$4,490,189	$4,624,894	$4,763,641	$4,906,550	$5,053,747	$5,205,359	$5,361,520	$5,522,366	$5,688,037	$5,858,678	$6,034,438	$6,215,471	$6,401,935	$6,593,993
Total Landlords Gross Receipts - Residential	$11,348,349	$11,688,799	$12,039,463	$12,400,647	$12,772,666	$13,155,846	$13,550,522	$13,957,037	$14,375,749	$14,807,021	$15,251,232	$15,708,769	$16,180,032	$16,665,433
Landlords Gross Receipts-Commercial & Production														
Retail Rental Gross Receipts														
Avg. Rent per SF [1]	$44.06	$45.38	$46.74	$48.14	$49.59	$51.07	$52.61	$54.18	$55.81	$57.48	$59.21	$60.98	$62.81	$64.70
Cumulative Retail SF (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Retail Rental Income	$9,870,216	$10,166,323	$10,471,312	$10,785,452	$11,109,015	$11,442,286	$11,785,554	$12,139,121	$12,503,295	$12,878,394	$13,264,745	$13,662,688	$14,072,568	$14,494,745
Office Rental Gross Receipts														
Avg. Rent per SF [1]	$102.80	$105.88	$109.06	$112.33	$115.70	$119.17	$122.75	$126.43	$130.22	$134.13	$138.15	$142.30	$146.56	$150.96
Cumulative Office SF (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Office Rental Income	$120,225,259	$123,832,017	$127,546,978	$131,373,387	$135,314,589	$139,374,026	$143,555,247	$147,861,905	$152,297,762	$156,866,695	$161,572,695	$166,419,876	$171,412,472	$176,554,847
On-site Parking Gross Receipts, Commercial	$17,244,614	$18,002,439	$18,782,999	$19,586,975	$20,415,071	$21,268,010	$22,146,537	$23,051,420	$23,983,449	$24,943,439	$25,932,229	$26,950,683	$27,999,690	$29,080,167
Total Landlords Gross Receipts - Commercial	$147,340,090	$152,000,779	$156,801,289	$161,745,814	$166,838,675	$172,084,322	$177,487,339	$183,052,445	$188,784,505	$194,688,527	$200,769,670	$207,033,246	$213,484,730	$220,129,759
Production Rental Gross Receipts														
Avg. Rent per SF [1]	$44.06	$45.38	$46.74	$48.14	$49.59	$51.07	$52.61	$54.18	$55.81	$57.48	$59.21	$60.98	$62.81	$64.70
Cumulative Production SF (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Production Rental Income	$8,029,208	$8,270,084	$8,518,187	$8,773,732	$9,036,944	$9,308,053	$9,587,294	$9,874,913	$10,171,161	$10,476,295	$10,790,584	$11,114,302	$11,447,731	$11,791,163
Total Landlords Gross Receipts - Production	$8,029,208	$8,270,084	$8,518,187	$8,773,732	$9,036,944	$9,308,053	$9,587,294	$9,874,913	$10,171,161	$10,476,295	$10,790,584	$11,114,302	$11,447,731	$11,791,163
Total Landlords Gross Receipts - Prod. & Comm.	$155,369,298	$160,270,863	$165,319,476	$170,519,547	$175,875,620	$181,392,375	$187,074,633	$192,927,359	$198,955,666	$205,164,823	$211,560,254	$218,147,548	$224,932,461	$231,920,922
Gross Receipts Tax														
Retail Space Gross Receipts [2]														
Grocery Store	$53,528	$55,134	$56,788	$58,492	$60,246	$62,054	$63,915	$65,833	$67,808	$69,842	$71,937	$74,095	$76,318	$78,608
Drug Store	$42,822	$44,107	$45,430	$46,793	$48,197	$49,643	$51,132	$52,666	$54,246	$55,874	$57,550	$59,276	$61,055	$62,886
Larger Tenants	$27,385	$28,207	$29,053	$29,925	$30,822	$31,747	$32,699	$33,680	$34,691	$35,731	$36,803	$37,908	$39,045	$40,216
Mid-Size Tenants	$19,032	$19,603	$20,191	$20,797	$21,421	$22,064	$22,725	$23,407	$24,109	$24,833	$25,578	$26,345	$27,135	$27,949
Office Gross Receipts														
Medium Office [3]	$5,314,591	$5,474,029	$5,638,250	$5,807,397	$5,981,619	$6,161,068	$6,345,900	$6,536,277	$6,732,365	$6,934,336	$7,142,366	$7,356,637	$7,577,336	$7,804,657
Larger Office [5]	$3,969,816	$4,088,911	$4,211,578	$4,337,925	$4,468,063	$4,602,105	$4,740,168	$4,882,373	$5,028,844	$5,179,710	$5,335,101	$5,495,154	$5,660,009	$5,829,809
Production Gross Receipts [8]	$154,857	$159,503	$164,288	$169,216	$174,293	$179,522	$184,907	$190,454	$196,168	$202,053	$208,115	$214,358	$220,789	$227,413
Residential Apartment Gross Receipts [4]	$20,574	$21,192	$21,827	$22,482	$23,157	$23,851	$24,567	$25,304	$26,063	$26,845	$27,650	$28,480	$29,334	$30,214
Retail Rental Gross Receipts [4]	$29,611	$30,499	$31,414	$32,356	$33,327	$34,327	$35,357	$36,417	$37,510	$38,635	$39,794	$40,988	$42,218	$43,484
Office Rental Gross Receipts [4]	$360,676	$371,496	$382,641	$394,120	$405,944	$418,122	$430,666	$443,586	$456,893	$470,600	$484,718	$499,260	$514,237	$529,665
On-site Parking Gross Receipts, Residential & Commercial [4]	$65,204	$67,882	$70,640	$73,481	$76,406	$79,420	$82,524	$85,721	$89,014	$92,406	$95,900	$99,498	$103,205	$107,022
Production Rental Gross Receipts [4]	$24,088	$24,810	$25,555	$26,321	$27,111	$27,924	$28,762	$29,625	$30,513	$31,429	$32,372	$33,343	$34,343	$35,373
Total Gross Receipts Tax	$10,082,185	$10,385,372	$10,697,655	$11,019,306	$11,350,607	$11,691,846	$12,043,323	$12,405,344	$12,778,226	$13,162,294	$13,557,885	$13,965,342	$14,385,024	$14,817,296

[1] The assumptions are from EPS.
[2] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Retail, Wholesale, and Services Rate for $2.5 to $25 M.
[3] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professl, Scientific Rate for $2.5 to $25 M
[4] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Real Estate, Rental, Leasing Services Rate for $5 to $25 M, and over $25 M
[5] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professl, Scientific Rate for over $25 M
[6] KMA's ssumption: 4.76 employees per 1,000 SF (office), 1 employee per 1,000 SF (production)

[7] Smaller tenants and small tenants are excluded since their gross receipts do not exceed $1,000,000 per business. The sales per business of smaller tenants = $400 * 2,500SF = $1,000,000; the sales per business of small tenants = $400 * 1,500SF = $600,000.
[8] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Manufacturing, Transportation and Warehousing Rate for $2.5 M to $25 M

Table A5
Estimated Annual Sales and Gross Receipts Tax Revenue
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)													
Item	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**	**2053-54**	**2054-55**	**2055-56**	**2056-57**	**2057-58**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Business Gross Receipts - Tenants														
1. Retail Space Gross Receipts [7]														
20,000 SF Store														
Sales per SF	$1,111	$1,144	$1,178	$1,214	$1,250	$1,288	$1,326	$1,366	$1,407	$1,449	$1,493	$1,537	$1,584	$1,631
Cumulative - 20,000 SF Store	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Subtotal GR	$59,974,803	$61,774,047	$63,627,269	$65,536,087	$67,502,169	$69,527,234	$71,613,051	$73,761,443	$75,974,286	$78,253,515	$80,601,120	$83,019,154	$85,509,729	$88,075,020
10,000 SF Store														
Sales per SF	$1,333	$1,373	$1,414	$1,456	$1,500	$1,545	$1,591	$1,639	$1,688	$1,739	$1,791	$1,845	$1,900	$1,957
Cumulative - 10,000 SF Store	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Subtotal GR	$47,979,843	$49,419,238	$50,901,815	$52,428,869	$54,001,735	$55,621,788	$57,290,441	$59,009,154	$60,779,429	$62,602,812	$64,480,896	$66,415,323	$68,407,783	$70,460,016
7,400 SF Store														
Sales per SF	$889	$915	$943	$971	$1,000	$1,030	$1,061	$1,093	$1,126	$1,159	$1,194	$1,230	$1,267	$1,305
Cumulative - 7,400 SF Store	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Subtotal GR	$41,422,597	$42,665,275	$43,945,234	$45,263,591	$46,621,498	$48,020,143	$49,460,748	$50,944,570	$52,472,907	$54,047,094	$55,668,507	$57,338,562	$59,058,719	$60,830,481
4,000 SF Store														
Sales per SF	$889	$915	$943	$971	$1,000	$1,030	$1,061	$1,093	$1,126	$1,159	$1,194	$1,230	$1,267	$1,305
Cumulative - 4,000 SF Store	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Subtotal GR	$28,787,906	$29,651,543	$30,541,089	$31,457,322	$32,401,041	$33,373,073	$34,374,265	$35,405,493	$36,467,657	$37,561,687	$38,688,538	$39,849,194	$41,044,670	$42,276,010
Subtotal - Retail Gross Receipts	**$178,165,149**	**$183,510,103**	**$189,015,406**	**$194,685,868**	**$200,526,444**	**$206,542,238**	**$212,738,505**	**$219,120,660**	**$225,694,280**	**$232,465,108**	**$239,439,061**	**$246,622,233**	**$254,020,900**	**$261,641,527**
2. Office Gross Receipts														
Medium Office														
Office Employees per Business [6]														
Gross Receipts / Output per Employee	$474,245	$488,473	$503,127	$518,221	$533,767	$549,780	$566,274	$583,262	$600,760	$618,782	$637,346	$656,466	$676,160	$696,445
Cumulative - Medium Office	147	147	147	147	147	147	147	147	147	147	147	147	147	147
Subtotal Gross Receipts	**$1,576,234,553**	**$1,623,521,589**	**$1,672,227,237**	**$1,722,394,054**	**$1,774,065,876**	**$1,827,287,852**	**$1,882,106,488**	**$1,938,569,682**	**$1,996,726,773**	**$2,056,628,576**	**$2,118,327,433**	**$2,181,877,256**	**$2,247,333,574**	**$2,314,753,581**
Larger Office														
Office Employees per Business [6]														
Gross Receipts / Output per Employee	$474,245	$488,473	$503,127	$518,221	$533,767	$549,780	$566,274	$583,262	$600,760	$618,782	$637,346	$656,466	$676,160	$696,445
Cumulative - Larger Office	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Subtotal Gross Receipts	**$1,072,268,403**	**$1,104,436,455**	**$1,137,569,549**	**$1,171,696,636**	**$1,206,847,535**	**$1,243,052,961**	**$1,280,344,549**	**$1,318,754,886**	**$1,358,317,532**	**$1,399,067,058**	**$1,441,039,070**	**$1,484,270,242**	**$1,528,798,350**	**$1,574,662,300**
Subtotal - Office Gross Receipts	**$2,648,502,956**	**$2,727,958,045**	**$2,809,796,786**	**$2,894,090,690**	**$2,980,913,410**	**$3,070,340,813**	**$3,162,451,037**	**$3,257,324,568**	**$3,355,044,305**	**$3,455,695,634**	**$3,559,366,503**	**$3,666,147,499**	**$3,776,131,924**	**$3,889,415,881**
3. Production Gross Receipts														
Gross Receipts / Output per Employee	$444,258	$457,586	$471,313	$485,452	$500,016	$515,017	$530,467	$546,381	$562,772	$579,656	$597,045	$614,957	$633,405	$652,408
Total Employees [6]	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Subtotal Gross Receipts	**$63,306,737**	**$65,205,939**	**$67,162,117**	**$69,176,980**	**$71,252,290**	**$73,389,859**	**$75,591,554**	**$77,859,301**	**$80,195,080**	**$82,600,932**	**$85,078,960**	**$87,631,329**	**$90,260,269**	**$92,968,077**
Subtotal - Production Gross Receipts	**$63,306,737**	**$65,205,939**	**$67,162,117**	**$69,176,980**	**$71,252,290**	**$73,389,859**	**$75,591,554**	**$77,859,301**	**$80,195,080**	**$82,600,932**	**$85,078,960**	**$87,631,329**	**$90,260,269**	**$92,968,077**
Landlord Gross Receipts - Residential														
1. Market Rate Apartment Gross Receipts														
Junior 1 BDR														
Rent per Unit	$6,775	$6,978	$7,188	$7,403	$7,625	$7,854	$8,090	$8,332	$8,582	$8,840	$9,105	$9,378	$9,659	$9,949
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	190	190	190	190	190	190	190	190	190	190	190	190	190	190
Rental Income	**$1,287,237**	**$1,325,854**	**$1,365,630**	**$1,406,599**	**$1,448,797**	**$1,492,260**	**$1,537,028**	**$1,583,139**	**$1,630,633**	**$1,679,552**	**$1,729,939**	**$1,781,837**	**$1,835,292**	**$1,890,351**
1 BDR / 1 Bath														
Rent per Unit	$9,881	$10,178	$10,483	$10,798	$11,121	$11,455	$11,799	$12,153	$12,517	$12,893	$13,280	$13,678	$14,088	$14,511
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	304	304	304	304	304	304	304	304	304	304	304	304	304	304
Rental Income	**$3,003,905**	**$3,094,022**	**$3,186,842**	**$3,282,448**	**$3,380,921**	**$3,482,349**	**$3,586,819**	**$3,694,424**	**$3,805,257**	**$3,919,414**	**$4,036,997**	**$4,158,107**	**$4,282,850**	**$4,411,335**
2 BDR / 2 Bath														
Rent per Unit	$12,550	$12,926	$13,314	$13,714	$14,125	$14,549	$14,985	$15,435	$15,898	$16,375	$16,866	$17,372	$17,893	$18,430
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	248	248	248	248	248	248	248	248	248	248	248	248	248	248
Rental Income	**$3,111,737**	**$3,205,089**	**$3,301,242**	**$3,400,279**	**$3,502,288**	**$3,607,356**	**$3,715,577**	**$3,827,044**	**$3,941,855**	**$4,060,111**	**$4,181,914**	**$4,307,372**	**$4,436,593**	**$4,569,691**
3 BDR / 3 Bath														
Rent per Unit	$15,660	$16,130	$16,614	$17,112	$17,626	$18,154	$18,699	$19,260	$19,838	$20,433	$21,046	$21,677	$22,328	$22,997
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														

Table A5
Estimated Annual Sales and Gross Receipts Tax Rever
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)													
Item	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58
Cumulative MR Apartments (Occupied	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Rental Income	$297,542	$306,468	$315,662	$325,132	$334,886	$344,932	$355,280	$365,939	$376,917	$388,224	$399,871	$411,867	$424,223	$436,950
Subtotal Market Rate Apartment Rental Income	$7,700,420	$7,931,433	$8,169,376	$8,414,457	$8,666,891	$8,926,898	$9,194,705	$9,470,546	$9,754,662	$10,047,302	$10,348,721	$10,659,183	$10,978,958	$11,308,327
2. BMR - 45% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$2,017	$2,077	$2,140	$2,204	$2,270	$2,338	$2,408	$2,481	$2,555	$2,632	$2,711	$2,792	$2,876	$2,962
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Rental Income	$13,836	$14,251	$14,679	$15,119	$15,573	$16,040	$16,521	$17,017	$17,527	$18,053	$18,595	$19,152	$19,727	$20,319
1 BDR / 1 Bath														
Rent per Unit	$2,306	$2,375	$2,446	$2,519	$2,595	$2,673	$2,753	$2,836	$2,921	$3,008	$3,099	$3,192	$3,287	$3,386
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Rental Income	$24,855	$25,601	$26,369	$27,160	$27,975	$28,814	$29,679	$30,569	$31,486	$32,431	$33,404	$34,406	$35,438	$36,501
2 BDR / 2 Bath														
Rent per Unit	$2,594	$2,672	$2,752	$2,835	$2,920	$3,008	$3,098	$3,191	$3,287	$3,385	$3,487	$3,591	$3,699	$3,810
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Rental Income	$22,883	$23,570	$24,277	$25,005	$25,755	$26,528	$27,324	$28,143	$28,988	$29,857	$30,753	$31,676	$32,626	$33,605
3 BDR / 3 Bath														
Rent per Unit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income	$61,575	$63,422	$65,325	$67,284	$69,303	$71,382	$73,523	$75,729	$78,001	$80,341	$82,751	$85,234	$87,791	$90,425
3. BMR - 55% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$2,361	$2,432	$2,505	$2,580	$2,658	$2,737	$2,819	$2,904	$2,991	$3,081	$3,173	$3,268	$3,367	$3,468
New 55% AMI Apartments														
Occupancy Rate														
Cumulative MR Apartments (Occupied	32	32	32	32	32	32	32	32	32	32	32	32	32	32
Rental Income	$76,362	$78,653	$81,013	$83,443	$85,946	$88,525	$91,180	$93,916	$96,733	$99,635	$102,624	$105,703	$108,874	$112,140
1 BDR / 1 Bath														
Rent per Unit	$2,697	$2,778	$2,861	$2,947	$3,035	$3,126	$3,220	$3,317	$3,416	$3,519	$3,624	$3,733	$3,845	$3,960
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Rental Income	$137,421	$141,544	$145,790	$150,164	$154,669	$159,309	$164,088	$169,011	$174,081	$179,303	$184,682	$190,223	$195,930	$201,807
2 BDR / 2 Bath														
Rent per Unit	$3,005	$3,096	$3,188	$3,284	$3,383	$3,484	$3,589	$3,696	$3,807	$3,921	$4,039	$4,160	$4,285	$4,414
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	41	41	41	41	41	41	41	41	41	41	41	41	41	41
Rental Income	$123,702	$127,414	$131,236	$135,173	$139,228	$143,405	$147,707	$152,138	$156,703	$161,404	$166,246	$171,233	$176,370	$181,661
3 BDR / 3 Bath														
Rent per Unit	$3,283	$3,382	$3,483	$3,587	$3,695	$3,806	$3,920	$4,038	$4,159	$4,284	$4,412	$4,545	$4,681	$4,821
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Rental Income	$12,870	$13,256	$13,653	$14,063	$14,485	$14,919	$15,367	$15,828	$16,303	$16,792	$17,296	$17,815	$18,349	$18,899
Income	$350,355	$360,866	$371,692	$382,843	$394,328	$406,158	$418,342	$430,893	$443,820	$457,134	$470,848	$484,974	$499,523	$514,508
4. BMR - 90% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$3,929	$4,047	$4,169	$4,294	$4,423	$4,555	$4,692	$4,833	$4,978	$5,127	$5,281	$5,439	$5,602	$5,771
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Rental Income	$50,061	$51,563	$53,110	$54,703	$56,344	$58,035	$59,776	$61,569	$63,416	$65,319	$67,278	$69,297	$71,375	$73,517
1 BDR / 1 Bath														
Rent per Unit	$4,489	$4,624	$4,763	$4,905	$5,053	$5,204	$5,360	$5,521	$5,687	$5,857	$6,033	$6,214	$6,401	$6,593
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	21	21	21	21	21	21	21	21	21	21	21	21	21	21

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table A5
Estimated Annual Sales and Gross Receipts Tax Reve
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)													
Item	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58
Rental Income	$92,388	$95,160	$98,015	$100,955	$103,984	$107,103	$110,316	$113,626	$117,035	$120,546	$124,162	$127,887	$131,724	$135,675
2 BDR / 2 Bath														
Rent per Unit	$5,025	$5,175	$5,331	$5,490	$5,655	$5,825	$6,000	$6,180	$6,365	$6,556	$6,753	$6,955	$7,164	$7,379
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Rental Income	$78,785	$81,149	$83,583	$86,091	$88,673	$91,333	$94,073	$96,896	$99,803	$102,797	$105,880	$109,057	$112,329	$115,698
3 BDR / 3 Bath														
Rent per Unit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income	$221,235	$227,872	$234,708	$241,749	$249,002	$256,472	$264,166	$272,091	$280,253	$288,661	$297,321	$306,240	$315,428	$324,890
5. BMR - 120% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$5,273	$5,432	$5,594	$5,762	$5,935	$6,113	$6,297	$6,486	$6,680	$6,881	$7,087	$7,300	$7,519	$7,744
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Rental Income	$294,569	$303,406	$312,508	$321,883	$331,540	$341,486	$351,731	$362,282	$373,151	$384,345	$395,876	$407,752	$419,985	$432,584
1 BDR / 1 Bath														
Rent per Unit	$6,026	$6,207	$6,393	$6,585	$6,783	$6,986	$7,196	$7,412	$7,634	$7,863	$8,099	$8,342	$8,592	$8,850
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	89	89	89	89	89	89	89	89	89	89	89	89	89	89
Rental Income	$537,431	$553,553	$570,160	$587,265	$604,883	$623,029	$641,720	$660,972	$680,801	$701,225	$722,262	$743,930	$766,247	$789,235
2 BDR / 2 Bath														
Rent per Unit	$6,753	$6,955	$7,164	$7,379	$7,600	$7,828	$8,063	$8,305	$8,554	$8,811	$9,075	$9,347	$9,628	$9,917
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	73	73	73	73	73	73	73	73	73	73	73	73	73	73
Rental Income	$489,707	$504,398	$519,530	$535,116	$551,170	$567,705	$584,736	$602,278	$620,346	$638,957	$658,125	$677,869	$698,205	$719,151
3 BDR / 3 Bath														
Rent per Unit	$7,446	$7,669	$7,899	$8,136	$8,380	$8,632	$8,891	$9,157	$9,432	$9,715	$10,006	$10,307	$10,616	$10,934
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Rental Income	$43,781	$45,095	$46,447	$47,841	$49,276	$50,754	$52,277	$53,845	$55,461	$57,124	$58,838	$60,603	$62,421	$64,294
Subtotal 120% AMI Apartment Rental Income	$1,365,488	$1,406,452	$1,448,646	$1,492,105	$1,536,868	$1,582,974	$1,630,464	$1,679,377	$1,729,759	$1,781,652	$1,835,101	$1,890,154	$1,946,859	$2,005,264
6. BMR - 150% AMI Gross Receipts														
Junior 1 BDR														
Rent per Unit	$6,617	$6,816	$7,020	$7,231	$7,448	$7,671	$7,901	$8,138	$8,382	$8,634	$8,893	$9,160	$9,435	$9,718
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	23	23	23	23	23	23	23	23	23	23	23	23	23	23
Rental Income	$149,152	$153,627	$158,236	$162,983	$167,872	$172,908	$178,095	$183,438	$188,941	$194,610	$200,448	$206,461	$212,655	$219,035
1 BDR / 1 Bath														
Rent per Unit	$7,563	$7,790	$8,024	$8,265	$8,513	$8,768	$9,031	$9,302	$9,581	$9,869	$10,165	$10,470	$10,784	$11,107
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Rental Income	$266,840	$274,845	$283,090	$291,583	$300,331	$309,341	$318,621	$328,179	$338,025	$348,166	$358,611	$369,369	$380,450	$391,863
2 BDR / 2 Bath														
Rent per Unit	$8,481	$8,735	$8,997	$9,267	$9,545	$9,832	$10,127	$10,430	$10,743	$11,066	$11,398	$11,740	$12,092	$12,454
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	29	29	29	29	29	29	29	29	29	29	29	29	29	29
Rental Income	$249,338	$256,818	$264,523	$272,458	$280,632	$289,051	$297,723	$306,654	$315,854	$325,329	$335,089	$345,142	$355,496	$366,161
3 BDR / 3 Bath														
Rent per Unit	$9,367	$9,648	$9,938	$10,236	$10,543	$10,859	$11,185	$11,520	$11,866	$12,222	$12,589	$12,966	$13,355	$13,756
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate														
Cumulative MR Apartments (Occupied	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Rental Income	$9,180	$9,455	$9,739	$10,031	$10,332	$10,642	$10,961	$11,290	$11,629	$11,978	$12,337	$12,707	$13,088	$13,481
Income	$674,510	$694,745	$715,587	$737,055	$759,167	$781,942	$805,400	$829,562	$854,449	$880,082	$906,485	$933,679	$961,690	$990,540
Subtotal Residential Gross Receipts	$10,373,582	$10,684,790	$11,005,334	$11,335,494	$11,675,558	$12,025,825	$12,386,600	$12,758,198	$13,140,944	$13,535,172	$13,941,227	$14,359,464	$14,790,248	$15,233,955

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table A5
Estimated Annual Sales and Gross Receipts Tax Revenue
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)													
Item	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58
On-site Parking Gross Receipts, Residential	$6,791,813	$6,995,568	$7,205,435	$7,421,598	$7,644,246	$7,873,573	$8,109,780	$8,353,074	$8,603,666	$8,861,776	$9,127,629	$9,401,458	$9,683,502	$9,974,007
Total Landlords Gross Receipts - Residential	$17,165,396	$17,680,357	$18,210,768	$18,757,091	$19,319,804	$19,899,398	$20,496,380	$21,111,271	$21,744,610	$22,396,948	$23,068,856	$23,760,922	$24,473,750	$25,207,962
Landlords Gross Receipts-Commercial & Production														
Retail Rental Gross Receipts														
Avg. Rent per SF [1]	$66.64	$68.64	$70.70	$72.82	$75.00	$77.25	$79.57	$81.96	$84.42	$86.95	$89.56	$92.24	$95.01	$97.86
Cumulative Retail SF (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Retail Rental Income	$14,929,588	$15,377,475	$15,838,800	$16,313,964	$16,803,383	$17,307,484	$17,826,709	$18,361,510	$18,912,355	$19,479,726	$20,064,117	$20,666,041	$21,286,022	$21,924,603
Office Rental Gross Receipts														
Avg. Rent per SF [1]	$155.49	$160.15	$164.96	$169.91	$175.01	$180.26	$185.66	$191.23	$196.97	$202.88	$208.97	$215.23	$221.69	$228.34
Cumulative Office SF (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Office Rental Income	$181,851,492	$187,307,037	$192,926,248	$198,714,035	$204,675,456	$210,815,720	$217,140,192	$223,654,397	$230,364,029	$237,274,950	$244,393,199	$251,724,995	$259,276,745	$267,055,047
On-site Parking Gross Receipts, Commercial	$30,193,059	$31,339,337	$32,520,004	$33,736,091	$34,988,660	$36,278,807	$37,607,657	$38,976,374	$40,386,152	$41,838,223	$43,333,856	$44,874,359	$46,461,076	$48,095,395
Total Landlords Gross Receipts - Commercial	$226,974,138	$234,023,849	$241,285,051	$248,764,090	$256,467,499	$264,402,011	$272,574,558	$280,992,281	$289,662,536	$298,592,899	$307,791,172	$317,265,394	$327,023,843	$337,075,045
Production Rental Gross Receipts														
Avg. Rent per SF [1]	$66.64	$68.64	$70.70	$72.82	$75.00	$77.25	$79.57	$81.96	$84.42	$86.95	$89.56	$92.24	$95.01	$97.86
Cumulative Production SF (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Production Rental Income	$12,144,898	$12,509,245	$12,884,522	$13,271,058	$13,669,189	$14,079,265	$14,501,643	$14,936,692	$15,384,793	$15,846,337	$16,321,727	$16,811,379	$17,315,720	$17,835,192
Total Landlords Gross Receipts - Production	$12,144,898	$12,509,245	$12,884,522	$13,271,058	$13,669,189	$14,079,265	$14,501,643	$14,936,692	$15,384,793	$15,846,337	$16,321,727	$16,811,379	$17,315,720	$17,835,192
Total Landlords Gross Receipts - Prod. & Comm.	$239,119,036	$246,533,094	$254,169,573	$262,035,147	$270,136,688	$278,481,276	$287,076,201	$295,928,973	$305,047,329	$314,439,236	$324,112,899	$334,076,773	$344,339,563	$354,910,236
Gross Receipts Tax														
Retail Space Gross Receipts [2]														
Grocery Store	$80,966	$83,395	$85,897	$88,474	$91,128	$93,862	$96,678	$99,578	$102,565	$105,642	$108,812	$112,076	$115,438	$118,901
Drug Store	$64,773	$66,716	$68,717	$70,779	$72,902	$75,089	$77,342	$79,662	$82,052	$84,514	$87,049	$89,661	$92,351	$95,121
Larger Tenants	$41,423	$42,665	$43,945	$45,264	$46,621	$48,020	$49,461	$50,945	$52,473	$54,047	$55,669	$57,339	$59,059	$60,830
Mid-Size Tenants	$28,788	$29,652	$30,541	$31,457	$32,401	$33,373	$34,374	$35,405	$36,468	$37,562	$38,689	$39,849	$41,045	$42,276
Office Gross Receipts														
Medium Office [3]	$8,038,796	$8,279,960	$8,528,359	$8,784,210	$9,047,736	$9,319,168	$9,598,743	$9,886,705	$10,183,307	$10,488,806	$10,803,470	$11,127,574	$11,461,401	$11,805,243
Larger Office [5]	$6,004,703	$6,184,844	$6,370,389	$6,561,501	$6,758,346	$6,961,097	$7,169,929	$7,385,027	$7,606,578	$7,834,776	$8,069,819	$8,311,913	$8,561,271	$8,818,109
Production Gross Receipts [8]	$234,235	$241,262	$248,500	$255,955	$263,633	$271,542	$279,689	$288,079	$296,722	$305,623	$314,792	$324,236	$333,963	$343,982
Residential Apartment Gross Receipts [4]	$31,121	$32,054	$33,016	$34,006	$35,027	$36,077	$37,160	$38,275	$39,423	$40,606	$41,824	$43,078	$44,371	$45,702
Retail Rental Gross Receipts [4]	$44,789	$46,132	$47,516	$48,942	$50,410	$51,922	$53,480	$55,085	$56,737	$58,439	$60,192	$61,998	$63,858	$65,774
Office Rental Gross Receipts [4]	$545,554	$561,921	$578,779	$596,142	$614,026	$632,447	$651,421	$670,963	$691,092	$711,825	$733,180	$755,175	$777,830	$801,165
On-site Parking Gross Receipts, Residential & Commercial [4]	$110,955	$115,005	$119,176	$123,473	$127,899	$132,457	$137,152	$141,988	$146,969	$152,100	$157,384	$162,827	$168,434	$174,208
Production Rental Gross Receipts [4]	$36,435	$37,528	$38,654	$39,813	$41,008	$42,238	$43,505	$44,810	$46,154	$47,539	$48,965	$50,434	$51,947	$53,506
Total Gross Receipts Tax	$15,262,537	$15,721,134	$16,193,490	$16,680,016	$17,181,138	$17,697,294	$18,228,934	$18,776,523	$19,340,540	$19,921,478	$20,519,844	$21,136,161	$21,770,967	$22,424,817

[1] The assumptions are from EPS.
[2] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Retail, Wholesale, and Services Rate for $2.5 to $25 M.
[3] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professl, Scientific Rate for $2.5 to $25 M
[4] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Real Estate, Rental, Leasing Services Rate for $5 to $25 M, and over $25 M
[5] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professl, Scientific Rate for over $25 M
[6] KMA's ssumption: 4.76 employees per 1,000 SF (office), 1 employee per 1,000 SF (production)
[7] Smaller tenants and small tenants are excluded since their gross receipts do not exceed $1,000,000 per business. The sales per business of smaller tenants = $400 * 2,500SF = $1,000,000; the sales per business of small tenants = $400 * 1,500SF = $600,000.
[8] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Manufacturing, Transportation and Warehousing Rate for $2.5 M to $25 M

Table A5
Estimated Annual Sales and Gross Receipts Tax Revei
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)														
Item	2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Business Gross Receipts - Tenants															
1. Retail Space Gross Receipts [7]															
20,000 SF Store															
Sales per SF	$1,680	$1,730	$1,782	$1,836	$1,891	$1,948	$2,006	$2,066	$2,128	$2,192	$2,258	$2,325	$2,395	$2,467	$2,541
Cumulative - 20,000 SF Store	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Subtotal GR	$90,717,271	$93,438,789	$96,241,953	$99,129,211	$102,103,088	$105,166,180	$108,321,166	$111,570,801	$114,917,925	$118,365,463	$121,916,426	$125,573,919	$129,341,137	$133,221,371	$137,218,012
10,000 SF Store															
Sales per SF	$2,016	$2,076	$2,139	$2,203	$2,269	$2,337	$2,407	$2,479	$2,554	$2,630	$2,709	$2,791	$2,874	$2,960	$3,049
Cumulative - 10,000 SF Store	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Subtotal GR	$72,573,817	$74,751,031	$76,993,562	$79,303,369	$81,682,470	$84,132,944	$86,656,933	$89,256,641	$91,934,340	$94,692,370	$97,533,141	$100,459,135	$103,472,909	$106,577,097	$109,774,410
7,400 SF Store															
Sales per SF	$1,344	$1,384	$1,426	$1,469	$1,513	$1,558	$1,605	$1,653	$1,702	$1,754	$1,806	$1,860	$1,916	$1,974	$2,033
Cumulative - 7,400 SF Store	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Subtotal GR	$62,655,395	$64,535,057	$66,471,109	$68,465,242	$70,519,199	$72,634,775	$74,813,818	$77,058,233	$79,369,980	$81,751,079	$84,203,612	$86,729,720	$89,331,612	$92,011,560	$94,771,907
4,000 SF Store															
Sales per SF	$1,344	$1,384	$1,426	$1,469	$1,513	$1,558	$1,605	$1,653	$1,702	$1,754	$1,806	$1,860	$1,916	$1,974	$2,033
Cumulative - 4,000 SF Store	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Subtotal GR	$43,544,290	$44,850,619	$46,196,137	$47,582,021	$49,009,482	$50,479,767	$51,994,160	$53,553,984	$55,160,604	$56,815,422	$58,519,885	$60,275,481	$62,083,746	$63,946,258	$65,864,646
Subtotal - Retail Gross Receipts	**$269,490,773**	**$277,575,496**	**$285,902,761**	**$294,479,844**	**$303,314,239**	**$312,413,666**	**$321,786,076**	**$331,439,659**	**$341,382,848**	**$351,624,334**	**$362,173,064**	**$373,038,256**	**$384,229,404**	**$395,756,286**	**$407,628,974**
2. Office Gross Receipts															
Medium Office															
Office Employees per Business [6]															
Gross Receipts / Output per Employee	$717,338	$738,859	$761,024	$783,855	$807,371	$831,592	$856,540	$882,236	$908,703	$935,964	$964,043	$992,964	$1,022,753	$1,053,436	$1,085,039
Cumulative - Medium Office	147	147	147	147	147	147	147	147	147	147	147	147	147	147	147
Subtotal Gross Receipts	**$2,384,196,189**	**$2,455,722,074**	**$2,529,393,736**	**$2,605,275,549**	**$2,683,433,815**	**$2,763,936,829**	**$2,846,854,934**	**$2,932,260,582**	**$3,020,228,400**	**$3,110,835,252**	**$3,204,160,309**	**$3,300,285,119**	**$3,399,293,672**	**$3,501,272,482**	**$3,606,310,657**
Larger Office															
Office Employees per Business [6]															
Gross Receipts / Output per Employee	$717,338	$738,859	$761,024	$783,855	$807,371	$831,592	$856,540	$882,236	$908,703	$935,964	$964,043	$992,964	$1,022,753	$1,053,436	$1,085,039
Cumulative - Larger Office	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Subtotal Gross Receipts	**$1,621,902,169**	**$1,670,559,234**	**$1,720,676,011**	**$1,772,296,292**	**$1,825,465,180**	**$1,880,229,136**	**$1,936,636,010**	**$1,994,735,090**	**$2,054,577,143**	**$2,116,214,457**	**$2,179,700,891**	**$2,245,091,917**	**$2,312,444,675**	**$2,381,818,015**	**$2,453,272,556**
Subtotal - Office Gross Receipts	**$4,006,098,358**	**$4,126,281,308**	**$4,250,069,748**	**$4,377,571,840**	**$4,508,898,995**	**$4,644,165,965**	**$4,783,490,944**	**$4,926,995,672**	**$5,074,805,543**	**$5,227,049,709**	**$5,383,861,200**	**$5,545,377,036**	**$5,711,738,347**	**$5,883,090,498**	**$6,059,583,213**
3. Production Gross Receipts															
Gross Receipts / Output per Employee	$671,980	$692,139	$712,903	$734,290	$756,319	$779,009	$802,379	$826,450	$851,244	$876,781	$903,085	$930,177	$958,082	$986,825	$1,016,430
Total Employees [6]	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Subtotal Gross Receipts	**$95,757,119**	**$98,629,833**	**$101,588,728**	**$104,636,390**	**$107,775,481**	**$111,008,746**	**$114,339,008**	**$117,769,179**	**$121,302,254**	**$124,941,322**	**$128,689,561**	**$132,550,248**	**$136,526,755**	**$140,622,558**	**$144,841,235**
Subtotal - Production Gross Receipts	**$95,757,119**	**$98,629,833**	**$101,588,728**	**$104,636,390**	**$107,775,481**	**$111,008,746**	**$114,339,008**	**$117,769,179**	**$121,302,254**	**$124,941,322**	**$128,689,561**	**$132,550,248**	**$136,526,755**	**$140,622,558**	**$144,841,235**
Landlords Gross Receipts - Residential															
1. Market Rate Apartment Gross Receipts															
Junior 1 BDR															
Rent per Unit	$10,248	$10,555	$10,872	$11,198	$11,534	$11,880	$12,236	$12,603	$12,981	$13,371	$13,772	$14,185	$14,611	$15,049	$15,501
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190
Rental Income	**$1,947,061**	**$2,005,473**	**$2,065,637**	**$2,127,607**	**$2,191,435**	**$2,257,178**	**$2,324,893**	**$2,394,640**	**$2,466,479**	**$2,540,474**	**$2,616,688**	**$2,695,188**	**$2,776,044**	**$2,859,325**	**$2,945,105**
1 BDR / 1 Bath															
Rent per Unit	$14,946	$15,395	$15,857	$16,332	$16,822	$17,327	$17,847	$18,382	$18,934	$19,502	$20,087	$20,689	$21,310	$21,949	$22,608
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304
Rental Income	**$4,543,675**	**$4,679,986**	**$4,820,385**	**$4,964,997**	**$5,113,947**	**$5,267,365**	**$5,425,386**	**$5,588,148**	**$5,755,792**	**$5,928,466**	**$6,106,320**	**$6,289,509**	**$6,478,195**	**$6,672,540**	**$6,872,717**
2 BDR / 2 Bath															
Rent per Unit	$18,983	$19,552	$20,139	$20,743	$21,365	$22,006	$22,666	$23,346	$24,047	$24,768	$25,511	$26,277	$27,065	$27,877	$28,713
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248
Rental Income	**$4,706,782**	**$4,847,985**	**$4,993,425**	**$5,143,227**	**$5,297,524**	**$5,456,450**	**$5,620,143**	**$5,788,748**	**$5,962,410**	**$6,141,282**	**$6,325,521**	**$6,515,287**	**$6,710,745**	**$6,912,067**	**$7,119,429**
3 BDR / 3 Bath															
Rent per Unit	$23,687	$24,398	$25,130	$25,884	$26,660	$27,460	$28,284	$29,132	$30,006	$30,907	$31,834	$32,789	$33,772	$34,786	$35,829
New Market Rate Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															

Table A5
Estimated Annual Sales and Gross Receipts Tax Rever
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)														
Item	2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
Cumulative MR Apartments (Occupied	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Rental Income	$450,058	$463,560	$477,467	$491,791	$506,545	$521,741	$537,393	$553,515	$570,121	$587,224	$604,841	$622,986	$641,676	$660,926	$680,754
Subtotal Market Rate Apartment Rental Income	$11,647,577	$11,997,004	$12,356,914	$12,727,622	$13,109,450	$13,502,734	$13,907,816	$14,325,050	$14,754,802	$15,197,446	$15,653,369	$16,122,970	$16,606,659	$17,104,859	$17,618,005
2. BMR - 45% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	$3,051	$3,142	$3,237	$3,334	$3,434	$3,537	$3,643	$3,752	$3,865	$3,981	$4,100	$4,223	$4,350	$4,480	$4,615
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Rental Income	$20,928	$21,556	$22,203	$22,869	$23,555	$24,262	$24,990	$25,739	$26,511	$27,307	$28,126	$28,970	$29,839	$30,734	$31,656
1 BDR / 1 Bath															
Rent per Unit	$3,488	$3,592	$3,700	$3,811	$3,925	$4,043	$4,164	$4,289	$4,418	$4,550	$4,687	$4,828	$4,972	$5,122	$5,275
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Rental Income	$37,596	$38,724	$39,886	$41,082	$42,315	$43,584	$44,892	$46,238	$47,626	$49,054	$50,526	$52,042	$53,603	$55,211	$56,867
2 BDR / 2 Bath															
Rent per Unit	$3,924	$4,042	$4,163	$4,288	$4,417	$4,549	$4,686	$4,826	$4,971	$5,120	$5,274	$5,432	$5,595	$5,763	$5,936
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Rental Income	$34,613	$35,651	$36,721	$37,822	$38,957	$40,126	$41,330	$42,569	$43,847	$45,162	$46,517	$47,912	$49,350	$50,830	$52,355
3 BDR / 3 Bath															
Rent per Unit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 45% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income	$93,137	$95,931	$98,809	$101,774	$104,827	$107,972	$111,211	$114,547	$117,984	$121,523	$125,169	$128,924	$132,792	$136,775	$140,879
3. BMR - 55% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	$3,572	$3,679	$3,789	$3,903	$4,020	$4,140	$4,265	$4,393	$4,524	$4,660	$4,800	$4,944	$5,092	$5,245	$5,402
New 55% AMI Apartments															
Occupancy Rate															
Cumulative MR Apartments (Occupied	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32
Rental Income	$115,505	$118,970	$122,539	$126,215	$130,002	$133,902	$137,919	$142,056	$146,318	$150,707	$155,229	$159,885	$164,682	$169,622	$174,711
1 BDR / 1 Bath															
Rent per Unit	$4,079	$4,201	$4,327	$4,457	$4,591	$4,729	$4,870	$5,017	$5,167	$5,322	$5,482	$5,646	$5,816	$5,990	$6,170
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Rental Income	$207,862	$214,097	$220,520	$227,136	$233,950	$240,969	$248,198	$255,644	$263,313	$271,212	$279,349	$287,729	$296,361	$305,252	$314,409
2 BDR / 2 Bath															
Rent per Unit	$4,546	$4,682	$4,823	$4,967	$5,116	$5,270	$5,428	$5,591	$5,759	$5,931	$6,109	$6,293	$6,481	$6,676	$6,876
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41
Rental Income	$187,111	$192,724	$198,506	$204,461	$210,595	$216,913	$223,420	$230,123	$237,027	$244,137	$251,462	$259,005	$266,776	$274,779	$283,022
3 BDR / 3 Bath															
Rent per Unit	$4,966	$5,115	$5,268	$5,426	$5,589	$5,757	$5,930	$6,107	$6,291	$6,479	$6,674	$6,874	$7,080	$7,293	$7,511
New 55% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Rental Income	$19,466	$20,050	$20,652	$21,272	$21,910	$22,567	$23,244	$23,941	$24,660	$25,399	$26,161	$26,946	$27,755	$28,587	$29,445
Income	$529,944	$545,842	$562,217	$579,084	$596,456	$614,350	$632,781	$651,764	$671,317	$691,456	$712,200	$733,566	$755,573	$778,240	$801,587
4. BMR - 90% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	$5,944	$6,122	$6,306	$6,495	$6,690	$6,890	$7,097	$7,310	$7,529	$7,755	$7,988	$8,227	$8,474	$8,728	$8,990
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Rental Income	$75,722	$77,994	$80,334	$82,744	$85,226	$87,783	$90,416	$93,129	$95,923	$98,800	$101,764	$104,817	$107,962	$111,201	$114,537
1 BDR / 1 Bath															
Rent per Unit	$6,790	$6,994	$7,204	$7,420	$7,643	$7,872	$8,108	$8,351	$8,602	$8,860	$9,126	$9,399	$9,681	$9,972	$10,271
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21

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Table A5
Estimated Annual Sales and Gross Receipts Tax Revenue
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)														
Item	2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
Rental Income	$139,746	$143,938	$148,256	$152,704	$157,285	$162,003	$166,863	$171,869	$177,025	$182,336	$187,806	$193,440	$199,244	$205,221	$211,378
2 BDR / 2 Bath															
Rent per Unit	$7,600	$7,828	$8,063	$8,305	$8,554	$8,811	$9,075	$9,347	$9,628	$9,916	$10,214	$10,520	$10,836	$11,161	$11,496
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Rental Income	$119,169	$122,745	$126,427	$130,220	$134,126	$138,150	$142,295	$146,563	$150,960	$155,489	$160,154	$164,958	$169,907	$175,004	$180,254
3 BDR / 3 Bath															
Rent per Unit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New 90% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income	$334,637	$344,676	$355,017	$365,667	$376,637	$387,936	$399,574	$411,562	$423,908	$436,626	$449,724	$463,216	$477,113	$491,426	$506,169
5. BMR - 120% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	$7,976	$8,216	$8,462	$8,716	$8,978	$9,247	$9,524	$9,810	$10,104	$10,407	$10,720	$11,041	$11,372	$11,714	$12,065
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Rental Income	$445,562	$458,929	$472,696	$486,877	$501,484	$516,528	$532,024	$547,985	$564,424	$581,357	$598,798	$616,762	$635,264	$654,322	$673,952
1 BDR / 1 Bath															
Rent per Unit	$9,115	$9,389	$9,671	$9,961	$10,259	$10,567	$10,884	$11,211	$11,547	$11,894	$12,250	$12,618	$12,996	$13,386	$13,788
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
Rental Income	$812,912	$837,299	$862,418	$888,291	$914,939	$942,388	$970,659	$999,779	$1,029,772	$1,060,666	$1,092,486	$1,125,260	$1,159,018	$1,193,789	$1,229,602
2 BDR / 2 Bath															
Rent per Unit	$10,214	$10,521	$10,836	$11,161	$11,496	$11,841	$12,196	$12,562	$12,939	$13,327	$13,727	$14,139	$14,563	$15,000	$15,450
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	73	73	73	73	73	73	73	73	73	73	73	73	73	73	73
Rental Income	$740,726	$762,948	$785,836	$809,411	$833,694	$858,704	$884,466	$911,000	$938,330	$966,479	$995,474	$1,025,338	$1,056,098	$1,087,781	$1,120,415
3 BDR / 3 Bath															
Rent per Unit	$11,262	$11,600	$11,948	$12,307	$12,676	$13,056	$13,448	$13,851	$14,267	$14,695	$15,136	$15,590	$16,057	$16,539	$17,035
New 120% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Rental Income	$66,223	$68,209	$70,256	$72,363	$74,534	$76,770	$79,073	$81,446	$83,889	$86,406	$88,998	$91,668	$94,418	$97,250	$100,168
Subtotal 120% AMI Apartment Rental Income	$2,065,422	$2,127,385	$2,191,207	$2,256,943	$2,324,651	$2,394,391	$2,466,222	$2,540,209	$2,616,415	$2,694,908	$2,775,755	$2,859,028	$2,944,798	$3,033,142	$3,124,137
6. BMR - 150% AMI Gross Receipts															
Junior 1 BDR															
Rent per Unit	$10,009	$10,309	$10,619	$10,937	$11,265	$11,603	$11,951	$12,310	$12,679	$13,060	$13,451	$13,855	$14,271	$14,699	$15,140
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23
Rental Income	$225,606	$232,374	$239,345	$246,526	$253,922	$261,539	$269,385	$277,467	$285,791	$294,365	$303,196	$312,291	$321,660	$331,310	$341,249
1 BDR / 1 Bath															
Rent per Unit	$11,440	$11,784	$12,137	$12,501	$12,876	$13,263	$13,661	$14,070	$14,492	$14,927	$15,375	$15,836	$16,311	$16,801	$17,305
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Rental Income	$403,619	$415,728	$428,200	$441,046	$454,277	$467,905	$481,943	$496,401	$511,293	$526,632	$542,431	$558,703	$575,465	$592,729	$610,510
2 BDR / 2 Bath															
Rent per Unit	$12,828	$13,213	$13,609	$14,018	$14,438	$14,871	$15,317	$15,777	$16,250	$16,738	$17,240	$17,757	$18,290	$18,838	$19,404
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29
Rental Income	$377,146	$388,460	$400,114	$412,118	$424,481	$437,216	$450,332	$463,842	$477,757	$492,090	$506,853	$522,058	$537,720	$553,852	$570,467
3 BDR / 3 Bath															
Rent per Unit	$14,169	$14,594	$15,032	$15,483	$15,947	$16,425	$16,918	$17,426	$17,948	$18,487	$19,042	$19,613	$20,201	$20,807	$21,431
New 150% AMI Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupancy Rate															
Cumulative MR Apartments (Occupied	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Rental Income	$13,885	$14,302	$14,731	$15,173	$15,628	$16,097	$16,580	$17,077	$17,590	$18,117	$18,661	$19,221	$19,797	$20,391	$21,003
Income	$1,020,257	$1,050,864	$1,082,390	$1,114,862	$1,148,308	$1,182,757	$1,218,240	$1,254,787	$1,292,430	$1,331,203	$1,371,140	$1,412,274	$1,454,642	$1,498,281	$1,543,230
Subtotal Residential Gross Receipts	$15,690,974	$16,161,703	$16,646,554	$17,145,951	$17,660,330	$18,190,139	$18,735,844	$19,297,919	$19,876,856	$20,473,162	$21,087,357	$21,719,978	$22,371,577	$23,042,724	$23,734,006

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Table A5
Estimated Annual Sales and Gross Receipts Tax Revenue
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)														
Item	2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
On-site Parking Gross Receipts, Residential	$10,273,227	$10,581,424	$10,898,866	$11,225,832	$11,562,607	$11,909,486	$12,266,770	$12,634,773	$13,013,817	$13,404,231	$13,806,358	$14,220,549	$14,647,165	$15,086,580	$15,539,178
Total Landlords Gross Receipts - Residential	$25,964,201	$26,743,127	$27,545,421	$28,371,783	$29,222,937	$30,099,625	$31,002,614	$31,932,692	$32,890,673	$33,877,393	$34,893,715	$35,940,526	$37,018,742	$38,129,305	$39,273,184
Landlords Gross Receipts-Commercial & Production															
Retail Rental Gross Receipts															
Avg. Rent per SF [1]	$100.80	$103.82	$106.94	$110.14	$113.45	$116.85	$120.36	$123.97	$127.69	$131.52	$135.46	$139.53	$143.71	$148.02	$152.46
Cumulative Retail SF (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Retail Rental Income	$22,582,341	$23,259,811	$23,957,606	$24,676,334	$25,416,624	$26,179,122	$26,964,496	$27,773,431	$28,606,634	$29,464,833	$30,348,778	$31,259,241	$32,197,019	$33,162,929	$34,157,817
Office Rental Gross Receipts															
Avg. Rent per SF [1]	$235.19	$242.25	$249.52	$257.00	$264.71	$272.65	$280.83	$289.26	$297.94	$306.87	$316.08	$325.56	$335.33	$345.39	$355.75
Cumulative Office SF (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Office Rental Income	$275,066,698	$283,318,699	$291,818,260	$300,572,808	$309,589,992	$318,877,692	$328,444,023	$338,297,344	$348,446,264	$358,899,652	$369,666,641	$380,756,641	$392,179,340	$403,944,720	$416,063,062
On-site Parking Gross Receipts, Commercial	$49,778,743	$51,512,592	$53,298,457	$55,137,897	$57,032,521	$58,983,983	$60,993,989	$63,064,295	$65,196,711	$67,393,099	$69,655,379	$71,985,527	$74,385,579	$76,857,633	$79,403,849
Total Landlords Gross Receipts - Commercial	$347,427,783	$358,091,103	$369,074,323	$380,387,039	$392,039,137	$404,040,798	$416,402,508	$429,135,070	$442,249,609	$455,757,584	$469,670,798	$484,001,408	$498,761,937	$513,965,282	$529,624,727
Production Rental Gross Receipts															
Avg. Rent per SF [1]	$100.80	$103.82	$106.94	$110.14	$113.45	$116.85	$120.36	$123.97	$127.69	$131.52	$135.46	$139.53	$143.71	$148.02	$152.46
Cumulative Production SF (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Production Rental Income	$18,370,247	$18,921,355	$19,488,995	$20,073,665	$20,675,875	$21,296,152	$21,935,036	$22,593,087	$23,270,880	$23,969,006	$24,688,076	$25,428,719	$26,191,580	$26,977,328	$27,786,647
Total Landlords Gross Receipts - Production	$18,370,247	$18,921,355	$19,488,995	$20,073,665	$20,675,875	$21,296,152	$21,935,036	$22,593,087	$23,270,880	$23,969,006	$24,688,076	$25,428,719	$26,191,580	$26,977,328	$27,786,647
Total Landlords Gross Receipts - Prod. & Comm.	$365,798,030	$377,012,458	$388,563,318	$400,460,704	$412,715,012	$425,336,949	$438,337,544	$451,728,157	$465,520,489	$479,726,590	$494,358,874	$509,430,127	$524,953,518	$540,942,610	$557,411,375
Gross Receipts Tax															
Retail Space Gross Receipts [2]															
Grocery Store	$122,468	$126,142	$129,927	$133,824	$137,839	$141,974	$146,234	$150,621	$155,139	$159,793	$164,587	$169,525	$174,611	$179,849	$185,244
Drug Store	$97,975	$100,914	$103,941	$107,060	$110,271	$113,579	$116,987	$120,496	$124,111	$127,835	$131,670	$135,620	$139,688	$143,879	$148,195
Larger Tenants	$62,655	$64,535	$66,471	$68,465	$70,519	$72,635	$74,814	$77,058	$79,370	$81,751	$84,204	$86,730	$89,332	$92,012	$94,772
Mid-Size Tenants	$43,544	$44,851	$46,196	$47,582	$49,009	$50,480	$51,994	$53,554	$55,161	$56,815	$58,520	$60,275	$62,084	$63,946	$65,865
Office Gross Receipts															
Medium Office [3]	$12,159,401	$12,524,183	$12,899,908	$13,286,905	$13,685,512	$14,096,078	$14,518,960	$14,954,529	$15,403,165	$15,865,260	$16,341,218	$16,831,454	$17,336,398	$17,856,490	$18,392,184
Larger Office [5]	$9,082,652	$9,355,132	$9,635,786	$9,924,859	$10,222,605	$10,529,283	$10,845,162	$11,170,517	$11,505,632	$11,850,801	$12,206,325	$12,572,515	$12,949,690	$13,338,181	$13,738,326
Production Gross Receipts [8]	$354,301	$364,930	$375,878	$387,155	$398,769	$410,732	$423,054	$435,746	$448,818	$462,283	$476,151	$490,436	$505,149	$520,303	$535,913
Residential Apartment Gross Receipts [4]	$47,073	$48,485	$49,940	$51,438	$52,981	$54,570	$56,208	$57,894	$59,631	$61,419	$63,262	$65,160	$67,115	$69,128	$71,202
Retail Rental Gross Receipts [4]	$67,747	$69,779	$71,873	$74,029	$76,250	$78,537	$80,893	$83,320	$85,820	$88,394	$91,046	$93,778	$96,591	$99,489	$102,473
Office Rental Gross Receipts [4]	$825,200	$849,956	$875,455	$901,718	$928,770	$956,633	$985,332	$1,014,892	$1,045,339	$1,076,699	$1,109,000	$1,142,270	$1,176,538	$1,211,834	$1,248,189
On-site Parking Gross Receipts, Residential & Commercial [4]	$180,156	$186,282	$192,592	$199,091	$205,785	$212,680	$219,782	$227,097	$234,632	$242,392	$250,385	$258,618	$267,098	$275,833	$284,829
Production Rental Gross Receipts [4]	$55,111	$56,764	$58,467	$60,221	$62,028	$63,888	$65,805	$67,779	$69,813	$71,907	$74,064	$76,286	$78,575	$80,932	$83,360
Total Gross Receipts Tax	$23,098,283	$23,791,953	$24,506,433	$25,242,348	$26,000,340	$26,781,071	$27,585,225	$28,413,503	$29,266,630	$30,145,350	$31,050,432	$31,982,667	$32,942,868	$33,931,876	$34,950,553

[1] The assumptions are from EPS.
[2] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Retail, Wholesale, and Services Rate for $2.5 to $25 M.
[3] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professi, Scientific Rate for $2.5 to $25 M
[4] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Real Estate, Rental, Leasing Services Rate for $5 to $25 M, and over $25 M
[5] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Financial, Insurance, Professi, Scientific Rate for over $25 M
[6] KMA's ssumption: 4.76 employees per 1,000 SF (office), 1 employee per 1,000 SF (production)
[7] Smaller tenants and small tenants are excluded since their gross receipts do not exceed $1,000,000 per business. The sales per business of smaller tenants = $400 * 2,500SF = $1,000,000; the sales per business of small tenants = $400 * 1,500SF = $600,000.
[8] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance. Manufacturing, Transportation and Warehousing Rate for $2.5 M to $25 M

Table A5.1
Estimated Sales and Gross Receipts Tax Revenues from Construction Activity
Estimated Annual Project Fiscal Impact
Mission Rock IFD Fiscal Impact Analysis

Item	Assumptions/ Sources	Revenue Added to Tax Roll ($ with Inflation)										
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Infrastructure Costs												
Aggregated Horizontal Infra Costs [1]		$29,203,466	$14,265,948	$63,330,998	$16,351,847	$31,016,966	$0	$25,946,187	$25,652,876	$0	$0	$0
Vertical Hard Costs [2]												
Aggregated Residential Costs		$0	$0	$0	$237,436,536	$0	$113,461,371	$146,316,980	$84,110,360	$0	$0	$0
Aggregated Retail Costs		$0	$0	$0	$35,106,867	$0	$20,156,842	$13,699,366	$15,881,095	$3,550,990	$0	$0
Aggregated Office Costs		$0	$0	$0	$202,298,997	$0	$174,209,616	$50,137,117	$50,137,117	$0	$0	$0
Aggregated Production Costs		$0	$0	$0	$0	$0	$0	$0	$0	$48,000,000	$0	$0
Aggregated Parking Costs		$0	$0	$0	$0	$0	$180,000,000	$0	$0	$0	$0	$0
Vertical Soft Costs [3]												
Aggregated Residential Costs		$0	$0	$0	$56,605,032	$0	$27,049,268	$34,882,068	$20,051,967	$0	$0	$0
Aggregated Retail Costs		$0	$0	$0	$11,211,987	$0	$6,437,437	$4,375,130	$5,071,903	$1,134,070	$0	$0
Aggregated Office Costs		$0	$0	$0	$80,140,655	$0	$69,013,060	$19,861,796	$19,861,796	$0	$0	$0
Aggregated Production Costs		$0	$0	$0	$0	$0	$0	$0	$0	$32,000,000	$0	$0
Aggregated Parking Costs		$0	$0	$0	$0	$0	$120,000,000	$0	$0	$0	$0	$0
Gross Receipts Tax												
Infrastructure [4]												
Gross Tax Receipts from Agg. Horizontal Costs		$117,166	$55,314	$270,739	$63,657	$125,326	$0	$102,508	$101,188	$0	$0	$0
Vertical Hard Construction [4]												
Gross Tax Receipts from Agg. Res. Costs		$0	$0	$0	$1,054,214	$0	$496,326	$644,176	$364,247	$0	$0	$0
Gross Tax Receipts from Agg. Retail Costs		$0	$0	$0	$143,731	$0	$78,877	$53,047	$61,774	$12,454	$0	$0
Gross Tax Receipts from Agg. Office Costs		$0	$0	$0	$896,095	$0	$769,693	$211,367	$211,367	$0	$0	$0
Gross Tax Receipts from Agg. Production Costs		$0	$0	$0	$0	$0	$0	$0	$0	$201,750	$0	$0
Gross Tax Receipts from Agg. Parking Costs		$0	$0	$0	$0	$0	$795,750	$0	$0	$0	$0	$0
Vertical Soft Costs [4]												
Gross Tax Receipts from Agg. Res. Costs		$0	$0	$0	$240,473	$0	$107,472	$142,719	$78,458	$0	$0	$0
Gross Tax Receipts from Agg. Retail Costs		$0	$0	$0	$43,098	$0	$24,000	$15,751	$18,538	$3,469	$0	$0
Gross Tax Receipts from Agg. Office Costs		$0	$0	$0	$346,383	$0	$296,309	$77,697	$77,697	$0	$0	$0
Gross Tax Receipts from Agg. Production Costs		$0	$0	$0	$0	$0	$0	$0	$0	$129,750	$0	$0
Gross Tax Receipts from Agg. Parking Costs		$0	$0	$0	$0	$0	$525,750	$0	$0	$0	$0	$0
Total Gross Receipts Tax		$117,166	$55,314	$270,739	$2,787,652	$125,326	$3,094,177	$1,247,266	$913,269	$347,423	$0	$0

[1] Horizontal costs aggregated per year, based on the horizontal infrastructure budget presented for Mission Rock - Seawall Lot 337 & Pier 48.
[2] Development Area by Land Use by Year presented in Table B3.3, multiplied by hard cost factors presented in Table B3.2
[3] Development Area by Land Use by Year presented in Table B3.3, multiplied by soft cost factors presented in Table B3.2
[4] San Francisco Business and Tax Regulations Code, Article 12-A-1: SEC. 953.5. GROSS RECEIPTS TAX APPLICABLE TO CONSTRUCTION; To calculate the gross reciepts on horizontal infrastructure development, costs for respective years were considered as 1 business activity. Similarly, gross receipts on vertical hard and soft development were calculated based on the assumption that costs for respective years and respective land uses make up 1 business activity.

Table A6
Business Registration Fee
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumptions	Source	Build-Out (Uninflated)	Assessed Value Added to Tax Roll (FY) ($ with Inflation) 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
Inflation Rate					*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
New Businesses [6]																				
	Avg. Sq. Ft. [8]																			
20,000 SF Store	20,000	Table B1	3	0	0	0	0	1	0	1	0	1	0	0	0	0	0	0	0	0
Cumulative - 20,000 SF Store				0	0	0	0	1	1	2	2	3	3	3	3	3	3	3	3	3
10,000 SF Store	10,000		4	0	0	0	0	1	0	1	1	0	1	0	0	0	0	0	0	0
Cumulative - 10,000 SF Store				0	0	0	0	1	1	2	3	3	4	4	4	4	4	4	4	4
7,400 SF Store	7,400		7	0	0	0	0	4	0	1	1	1	0	0	0	0	0	0	0	0
Cumulative -7,400 SF Store				0	0	0	0	4	4	5	6	7	7	7	7	7	7	7	7	7
4,000 SF Store	4,000		9	0	0	0	0	3	0	3	1	2	0	0	0	0	0	0	0	0
Cumulative - 4,000 SF Store				0	0	0	0	3	3	6	7	9	9	9	9	9	9	9	9	9
2,500 SF Store	2,500		12	0	0	0	0	6	0	2	3	1	0	0	0	0	0	0	0	0
Cumulative - 2,500 SF Store				0	0	0	0	6	6	8	11	12	12	12	12	12	12	12	12	12
1,500 SF Store	1,500		16	0	0	0	0	5	0	1	6	4	0	0	0	0	0	0	0	0
Cumulative - 1,500 SF Store				0	0	0	0	5	5	6	12	16	16	16	16	16	16	16	16	16
Medium Office	5,000		147	0	0	0	0	64	0	51	16	16	0	0	0	0	0	0	0	0
Cumulative - Medium Office				0	0	0	0	64	64	115	131	147	147	147	147	147	147	147	147	147
Larger Office	100,000		10	0	0	0	0	4	0	4	1	1	0	0	0	0	0	0	0	0
Cumulative - Larger Office				0	0	0	0	4	4	8	9	10	10	10	10	10	10	10	10	10
Production Factory	200,000		2	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0
Cumulative - Production Factory				0	0	0	0	0	0	0	0	1	2	2	2	2	2	2	2	2
Business Registration Fee																				
	Fee per Business & Occupancy Rate [7]																			
20,000 SF Store Fee per Business [1]	$400		$400	$400	$412	$424	$437	$450	$464	$478	$492	$507	$522	$538	$554	$570	$587	$605	$623	$642
20,000 SF Store Total Fees	90%		$1,080	$0	$0	$0	$0	$405	$417	$860	$886	$1,368	$1,409	$1,451	$1,495	$1,540	$1,586	$1,634	$1,683	$1,733
10,000 SF Store Fee per Business [1]	$400		$400	$400	$412	$424	$437	$450	$464	$478	$492	$507	$522	$538	$554	$570	$587	$605	$623	$642
10,000 SF Store Total Fees	90%		$1,440	$0	$0	$0	$0	$405	$417	$860	$1,328	$1,368	$1,879	$1,935	$1,993	$2,053	$2,115	$2,178	$2,243	$2,311
7,400 SF Store Fee per Business [2]	$200		$200	$200	$206	$212	$219	$225	$232	$239	$246	$253	$261	$269	$277	$285	$294	$303	$312	$321
7,400 SF Store Total Fees	90%		$1,260	$0	$0	$0	$0	$810	$835	$1,075	$1,328	$1,596	$1,644	$1,693	$1,744	$1,796	$1,850	$1,906	$1,963	$2,022
4,000 SF Store Fee per Business [2]	$200		$200	$200	$206	$212	$219	$225	$232	$239	$246	$253	$261	$269	$277	$285	$294	$303	$312	$321
4,000 SF Store Total Fees	90%		$1,620	$0	$0	$0	$0	$608	$626	$1,290	$1,550	$2,052	$2,114	$2,177	$2,242	$2,310	$2,379	$2,450	$2,524	$2,600
2,500 SF Store Fee per Business [3]	$600		$600	$600	$618	$637	$656	$675	$696	$716	$738	$760	$783	$806	$831	$855	$881	$908	$935	$963
2,500 SF Store Total Fees	90%		$6,480	$0	$0	$0	$0	$3,647	$3,756	$5,158	$7,305	$8,209	$8,455	$8,709	$8,970	$9,239	$9,516	$9,802	$10,096	$10,398
1,500 SF Store Fee per Business [1]	$400		$400	$400	$412	$424	$437	$450	$464	$478	$492	$507	$522	$538	$554	$570	$587	$605	$623	$642
1,500 SF Store Total Fees	90%		$5,760	$0	$0	$0	$0	$2,026	$2,087	$2,579	$5,313	$7,297	$7,515	$7,741	$7,973	$8,212	$8,459	$8,713	$8,974	$9,243
Medium Office Fee per Business [4]	$500		$500	$500	$515	$530	$546	$563	$580	$597	$615	$633	$652	$672	$692	$713	$734	$756	$779	$802
Medium Office Total Fees	95%		$69,825	$0	$0	$0	$0	$34,215	$35,242	$65,225	$76,529	$88,452	$91,106	$93,839	$96,654	$99,554	$102,540	$105,617	$108,785	$112,049
Larger Office Fee per Business [5]	$5,000		$5,000	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524	$6,720	$6,921	$7,129	$7,343	$7,563	$7,790	$8,024
Larger Office Total Fees	95%		$47,500	$0	$0	$0	$0	$21,385	$22,026	$45,374	$52,577	$60,172	$61,977	$63,836	$65,751	$67,724	$69,755	$71,848	$74,003	$76,224
Proction Factory [5]	$5,000		$5,000	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524	$6,720	$6,921	$7,129	$7,343	$7,563	$7,790	$8,024
Proction Factory Total Fees	90%		$9,000	$0	$0	$0	$0	$0	$0	$0	$0	$5,700	$11,743	$12,095	$12,458	$12,832	$13,217	$13,613	$14,022	$14,442
Total Business Registration Fee			$143,965	$0	$0	$0	$0	$63,501	$65,406	$122,420	$146,816	$176,214	$187,842	$193,477	$199,281	$205,260	$211,417	$217,760	$224,293	$231,022

[1] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $500-$750k; $2.5-$7.5 M.
[2] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $1-$2.5 M.
[3] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $750k-$1 M.
[4] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $2.5 - $7.5 M.
[5] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $15-$25 M.
[6] Table B1.
[7] Occupancy rates are provided by EPS.
[8] KMA's assumption.

Table A6
Business Registration Fee
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Assessed Value Added to Tax Roll (FY) ($ with Inflation)																		
Item	**2034-35**	**2035-36**	**2036-37**	**2037-38**	**2038-39**	**2039-40**	**2040-41**	**2041-42**	**2042-43**	**2043-44**	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
New Businesses [6]																			
20,000 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 20,000 SF Store	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
10,000 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 10,000 SF Store	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
7,400 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative -7,400 SF Store	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
4,000 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 4,000 SF Store	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
2,500 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 2,500 SF Store	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
1,500 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 1,500 SF Store	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Medium Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - Medium Office	147	147	147	147	147	147	147	147	147	147	147	147	147	147	147	147	147	147	147
Larger Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - Larger Office	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Production Factory	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - Production Factory	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Business Registration Fee																			
20,000 SF Store Fee per Business [1]	$661	$681	$701	$722	$744	$766	$789	$813	$838	$863	$889	$915	$943	$971	$1,000	$1,030	$1,061	$1,093	$1,126
20,000 SF Store Total Fees	$1,785	$1,839	$1,894	$1,951	$2,009	$2,069	$2,131	$2,195	$2,261	$2,329	$2,399	$2,471	$2,545	$2,621	$2,700	$2,781	$2,865	$2,950	$3,039
10,000 SF Store Fee per Business [1]	$661	$681	$701	$722	$744	$766	$789	$813	$838	$863	$889	$915	$943	$971	$1,000	$1,030	$1,061	$1,093	$1,126
10,000 SF Store Total Fees	$2,380	$2,452	$2,525	$2,601	$2,679	$2,759	$2,842	$2,927	$3,015	$3,105	$3,199	$3,295	$3,393	$3,495	$3,600	$3,708	$3,819	$3,934	$4,052
7,400 SF Store Fee per Business [2]	$331	$340	$351	$361	$372	$383	$395	$407	$419	$431	$444	$458	$471	$485	$500	$515	$530	$546	$563
7,400 SF Store Total Fees	$2,083	$2,145	$2,209	$2,276	$2,344	$2,414	$2,487	$2,561	$2,638	$2,717	$2,799	$2,883	$2,969	$3,058	$3,150	$3,245	$3,342	$3,442	$3,545
4,000 SF Store Fee per Business [2]	$331	$340	$351	$361	$372	$383	$395	$407	$419	$431	$444	$458	$471	$485	$500	$515	$530	$546	$563
4,000 SF Store Total Fees	$2,678	$2,758	$2,841	$2,926	$3,014	$3,104	$3,197	$3,293	$3,392	$3,494	$3,598	$3,706	$3,818	$3,932	$4,050	$4,172	$4,297	$4,426	$4,558
2,500 SF Store Fee per Business [3]	$992	$1,021	$1,052	$1,084	$1,116	$1,150	$1,184	$1,220	$1,256	$1,294	$1,333	$1,373	$1,414	$1,456	$1,500	$1,545	$1,591	$1,639	$1,688
2,500 SF Store Total Fees	$10,710	$11,032	$11,363	$11,704	$12,055	$12,416	$12,789	$13,173	$13,568	$13,975	$14,394	$14,826	$15,271	$15,729	$16,201	$16,687	$17,187	$17,703	$18,234
1,500 SF Store Fee per Business [1]	$661	$681	$701	$722	$744	$766	$789	$813	$838	$863	$889	$915	$943	$971	$1,000	$1,030	$1,061	$1,093	$1,126
1,500 SF Store Total Fees	$9,520	$9,806	$10,100	$10,403	$10,715	$11,037	$11,368	$11,709	$12,060	$12,422	$12,795	$13,178	$13,574	$13,981	$14,400	$14,832	$15,277	$15,736	$16,208
Medium Office Fee per Business [4]	$826	$851	$877	$903	$930	$958	$987	$1,016	$1,047	$1,078	$1,111	$1,144	$1,178	$1,214	$1,250	$1,288	$1,326	$1,366	$1,407
Medium Office Total Fees	$115,410	$118,872	$122,439	$126,112	$129,895	$133,792	$137,806	$141,940	$146,198	$150,584	$155,102	$159,755	$164,547	$169,484	$174,568	$179,805	$185,199	$190,755	$196,478
Larger Office Fee per Business [5]	$8,264	$8,512	$8,768	$9,031	$9,301	$9,581	$9,868	$10,164	$10,469	$10,783	$11,106	$11,440	$11,783	$12,136	$12,500	$12,875	$13,262	$13,660	$14,069
Larger Office Total Fees	$78,510	$80,866	$83,292	$85,790	$88,364	$91,015	$93,745	$96,558	$99,454	$102,438	$105,511	$108,677	$111,937	$115,295	$118,754	$122,316	$125,986	$129,766	$133,658
Proction Factory [5]	$8,264	$8,512	$8,768	$9,031	$9,301	$9,581	$9,868	$10,164	$10,469	$10,783	$11,106	$11,440	$11,783	$12,136	$12,500	$12,875	$13,262	$13,660	$14,069
Proction Factory Total Fees	$14,876	$15,322	$15,782	$16,255	$16,743	$17,245	$17,762	$18,295	$18,844	$19,409	$19,992	$20,591	$21,209	$21,845	$22,501	$23,176	$23,871	$24,587	$25,325
Total Business Registration Fee	$237,952	$245,091	$252,443	$260,017	$267,817	$275,852	$284,127	$292,651	$301,431	$310,474	$319,788	$329,382	$339,263	$349,441	$359,924	$370,722	$381,843	$393,299	$405,098

[1] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $500-$750k; $2.5-$7.5 M.
[2] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $1-$2.5 M.
[3] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $750k-$1 M.
[4] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $2.5 - $7.5 M.
[5] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $15-$25 M.
[6] Table B1.
[7] Occupancy rates are provided by EPS.
[8[KMA's assumption.

Table A6
Business Registration Fee
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Assessed Value Added to Tax Roll (FY) ($ with Inflation)																			
Item	**2053-54**	**2054-55**	**2055-56**	**2056-57**	**2057-58**	**2058-59**	**2059-60**	**2060-61**	**2061-62**	**2062-63**	**2063-64**	**2064-65**	**2065-66**	**2066-67**	**2067-68**	**2068-69**	**2069-70**	**2070-71**	**2071-72**	**2072-73**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
New Businesses [6]																				
20,000 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 20,000 SF Store	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**
10,000 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 10,000 SF Store	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
7,400 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative -7,400 SF Store	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**
4,000 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 4,000 SF Store	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**
2,500 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 2,500 SF Store	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
1,500 SF Store	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - 1,500 SF Store	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**
Medium Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - Medium Office	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**	**147**
Larger Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - Larger Office	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**
Production Factory	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative - Production Factory	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Business Registration Fee																				
20,000 SF Store Fee per Business [1]	$1,159	$1,194	$1,230	$1,267	$1,305	$1,344	$1,384	$1,426	$1,469	$1,513	$1,558	$1,605	$1,653	$1,702	$1,754	$1,806	$1,860	$1,916	$1,974	$2,033
20,000 SF Store Total Fees	**$3,130**	**$3,224**	**$3,321**	**$3,420**	**$3,523**	**$3,629**	**$3,738**	**$3,850**	**$3,965**	**$4,084**	**$4,207**	**$4,333**	**$4,463**	**$4,597**	**$4,735**	**$4,877**	**$5,023**	**$5,174**	**$5,329**	**$5,489**
10,000 SF Store Fee per Business [1]	$1,159	$1,194	$1,230	$1,267	$1,305	$1,344	$1,384	$1,426	$1,469	$1,513	$1,558	$1,605	$1,653	$1,702	$1,754	$1,806	$1,860	$1,916	$1,974	$2,033
10,000 SF Store Total Fees	**$4,174**	**$4,299**	**$4,428**	**$4,561**	**$4,697**	**$4,838**	**$4,983**	**$5,133**	**$5,287**	**$5,445**	**$5,609**	**$5,777**	**$5,950**	**$6,129**	**$6,313**	**$6,502**	**$6,697**	**$6,898**	**$7,105**	**$7,318**
7,400 SF Store Fee per Business [2]	$580	$597	$615	$633	$652	$672	$692	$713	$734	$756	$779	$802	$826	$851	$877	$903	$930	$958	$987	$1,016
7,400 SF Store Total Fees	**$3,652**	**$3,761**	**$3,874**	**$3,990**	**$4,110**	**$4,233**	**$4,360**	**$4,491**	**$4,626**	**$4,765**	**$4,908**	**$5,055**	**$5,207**	**$5,363**	**$5,524**	**$5,689**	**$5,860**	**$6,036**	**$6,217**	**$6,404**
4,000 SF Store Fee per Business [2]	$580	$597	$615	$633	$652	$672	$692	$713	$734	$756	$779	$802	$826	$851	$877	$903	$930	$958	$987	$1,016
4,000 SF Store Total Fees	**$4,695**	**$4,836**	**$4,981**	**$5,131**	**$5,285**	**$5,443**	**$5,606**	**$5,775**	**$5,948**	**$6,126**	**$6,310**	**$6,499**	**$6,694**	**$6,895**	**$7,102**	**$7,315**	**$7,534**	**$7,760**	**$7,993**	**$8,233**
2,500 SF Store Fee per Business [3]	$1,739	$1,791	$1,845	$1,900	$1,957	$2,016	$2,076	$2,139	$2,203	$2,269	$2,337	$2,407	$2,479	$2,554	$2,630	$2,709	$2,791	$2,874	$2,960	$3,049
2,500 SF Store Total Fees	**$18,781**	**$19,344**	**$19,925**	**$20,522**	**$21,138**	**$21,772**	**$22,425**	**$23,098**	**$23,791**	**$24,505**	**$25,240**	**$25,997**	**$26,777**	**$27,580**	**$28,408**	**$29,260**	**$30,138**	**$31,042**	**$31,973**	**$32,932**
1,500 SF Store Fee per Business [1]	$1,159	$1,194	$1,230	$1,267	$1,305	$1,344	$1,384	$1,426	$1,469	$1,513	$1,558	$1,605	$1,653	$1,702	$1,754	$1,806	$1,860	$1,916	$1,974	$2,033
1,500 SF Store Total Fees	**$16,694**	**$17,195**	**$17,711**	**$18,242**	**$18,789**	**$19,353**	**$19,934**	**$20,532**	**$21,148**	**$21,782**	**$22,435**	**$23,109**	**$23,802**	**$24,516**	**$25,251**	**$26,009**	**$26,789**	**$27,593**	**$28,421**	**$29,273**
Medium Office Fee per Business [4]	$1,449	$1,493	$1,537	$1,584	$1,631	$1,680	$1,730	$1,782	$1,836	$1,891	$1,948	$2,006	$2,066	$2,128	$2,192	$2,258	$2,325	$2,395	$2,467	$2,541
Medium Office Total Fees	**$202,372**	**$208,443**	**$214,697**	**$221,138**	**$227,772**	**$234,605**	**$241,643**	**$248,892**	**$256,359**	**$264,050**	**$271,971**	**$280,131**	**$288,534**	**$297,191**	**$306,106**	**$315,289**	**$324,748**	**$334,491**	**$344,525**	**$354,861**
Larger Office Fee per Business [5]	$14,491	$14,926	$15,374	$15,835	$16,310	$16,799	$17,303	$17,823	$18,357	$18,908	$19,475	$20,059	$20,661	$21,281	$21,920	$22,577	$23,254	$23,952	$24,671	$25,411
Larger Office Total Fees	**$137,668**	**$141,798**	**$146,052**	**$150,434**	**$154,947**	**$159,595**	**$164,383**	**$169,315**	**$174,394**	**$179,626**	**$185,015**	**$190,565**	**$196,282**	**$202,170**	**$208,236**	**$214,483**	**$220,917**	**$227,545**	**$234,371**	**$241,402**
Proction Factory [5]	$14,491	$14,926	$15,374	$15,835	$16,310	$16,799	$17,303	$17,823	$18,357	$18,908	$19,475	$20,059	$20,661	$21,281	$21,920	$22,577	$23,254	$23,952	$24,671	$25,411
Proction Factory Total Fees	**$26,085**	**$26,867**	**$27,673**	**$28,503**	**$29,358**	**$30,239**	**$31,146**	**$32,081**	**$33,043**	**$34,034**	**$35,055**	**$36,107**	**$37,190**	**$38,306**	**$39,455**	**$40,639**	**$41,858**	**$43,114**	**$44,407**	**$45,739**
Total Business Registration Fee	**$417,251**	**$429,768**	**$442,661**	**$455,941**	**$469,619**	**$483,708**	**$498,219**	**$513,166**	**$528,561**	**$544,417**	**$560,750**	**$577,572**	**$594,900**	**$612,747**	**$631,129**	**$650,063**	**$669,565**	**$689,652**	**$710,341**	**$731,652**

[1] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $500-$750k; $2.5-$7.5 M.
[2] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $1-$2.5 M.
[3] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $750k-$1 M.
[4] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $2.5 - $7.5 M.
[5] San Francisco Business and Tax Regulations Code, Article 12, Sec. 855: General Gross Receipts for the Immediately preceding tax year is $15-$25 M.
[6] Table B1.
[7] Occupancy rates are provided by EPS.
[8[KMA's assumption.

Table A7
Parking Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumptions/ Sources	Buildout (uninflated)	Revenue Added to Tax Roll ($ with Inflation)									
			2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Inflation Rate				*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Total Parking Revenue												
New Spaces On Site												
Parking Spaces On Site [1]		3,000	0	0	0	0	0	0	3,000	3,000	3,000	3,000
Revenue per Space from New Development[1]	$6,753 per space	$6,753	$6,753	$6,955.6	$7,164.3	$7,379.2	$7,600.6	$7,828.6	$8,063.4	$8,305.3	$8,554.5	$8,811.1
Annual On Site Revenue from New Spaces [2]		$20,259,000	$0	$0	$0	$0	$0	$0	$24,190,305	$24,916,015	$25,663,495	$26,433,400
Revenue From Existing Parking												
Remaining Parking Spaces [3]			2606	2326	2326	2326	2326	1821	0	0	0	0
Annual On Site Revenue from Existing Spaces [4]	$6,753 per space		$8,016,222	$16,178,702	$16,664,063	$17,163,985	$17,678,905	$14,255,840	$0	$0	$0	$0
Total Parking Revenue from Existing Spaces and New Development			**$8,016,222**	**$16,178,702**	**$16,664,063**	**$17,163,985**	**$17,678,905**	**$14,255,840**	**$24,190,305**	**$24,916,015**	**$25,663,495**	**$26,433,400**
Less: Current Revenue before development [6]			($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)
Less: Portion of Total Parking Revenue attributable to Residential [7]			$0	$0	$0	$0	($1,405,588)	($1,447,755)	($2,203,767)	($3,216,371)	($3,873,276)	($3,989,474)
(Net) Additional Parking Revenue from Development That Is Taxable			**$0**	**$8,162,480**	**$8,647,841**	**$9,147,763**	**$8,257,095**	**$4,791,863**	**$13,970,317**	**$13,683,421**	**$13,773,997**	**$14,427,703**
Net New Parking Tax in Excess of Current Tax Revenues												
San Francisco Parking Tax	25% of annual revenue		**$0**	**$2,040,620**	**$2,161,960**	**$2,286,941**	**$2,064,274**	**$1,197,966**	**$3,492,579**	**$3,420,855**	**$3,443,499**	**$3,606,926**
Parking Tax Allocation to General Fund/Special Program [5]	20% of tax proceeds	**$570,516**	**$0**	**$408,124**	**$432,392**	**$457,388**	**$412,855**	**$239,593**	**$698,516**	**$684,171**	**$688,700**	**$721,385**
Parking Tax Allocation to Municipal Trans. Fund [5]	80% of tax proceeds		$0	$1,632,496	$1,729,568	$1,829,553	$1,651,419	$958,373	$2,794,063	$2,736,684	$2,754,799	$2,885,541

[1] Parking for 3000 spaces will be provided in Parcel D1 and D2. Projections based on developer showing revenue per space at $6,753.
[2] Calculated on the basis on an annual revenue of $6,753 per spot ($2017), and inflating at 3% per year.
[3] FY 2017 current combined parking spaces in Pier 48 and SWL is 2606, excluding the 423 spaces for the Giants. As development begins, number of parking spaces reduces.
[4] Revenue projection based on the assumption that from Phase 1, revenue per space would be as per the developer's projection of $6,753, except for FY 2017-18.
[5] The percentages are based on the Pier 30-32 Fiscal Feasibility Analysis report by EPS.
[6] As per the developer proforma, current revenue generated from the site is $8,016,222. This is deducted from total revenue parking revenue generated to calculate the net parking revenue.
[7] As per the developer proforma, parking revenues from residential units upon buildout, in current dollars is $3,057,600. Prorata share of this revenue (based on residential absorption) is deducted while calculating the additional parking revenue from development that is taxable, as residential parking revenue is not subject to parking tax.

Table A7
Parking Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)																
Item	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Total Parking Revenue																	
New Spaces On Site																	
Parking Spaces On Site [1]	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Revenue per Space from New Development[1]	$9,075.5	$9,347.7	$9,628.2	$9,917.0	$10,214.5	$10,521.0	$10,836.6	$11,161.7	$11,496.5	$11,841.4	$12,196.7	$12,562.6	$12,939.4	$13,327.6	$13,727.5	$14,139.3	$14,563.5
Annual On Site Revenue from New Spaces [2]	$27,226,402	$28,043,194	$28,884,490	$29,751,025	$30,643,555	$31,562,862	$32,509,748	$33,485,040	$34,489,591	$35,524,279	$36,590,008	$37,687,708	$38,818,339	$39,982,889	$41,182,376	$42,417,847	$43,690,382
Revenue From Existing Parking																	
Remaining Parking Spaces [3]	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual On Site Revenue from Existing Spaces [4]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Parking Revenue from Existing Spaces and New Development	**$27,226,402**	**$28,043,194**	**$28,884,490**	**$29,751,025**	**$30,643,555**	**$31,562,862**	**$32,509,748**	**$33,485,040**	**$34,489,591**	**$35,524,279**	**$36,590,008**	**$37,687,708**	**$38,818,339**	**$39,982,889**	**$41,182,376**	**$42,417,847**	**$43,690,382**
Less: Current Revenue before development [6]	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)
Less: Portion of Total Parking Revenue attributable to Residential [7]	($4,109,159)	($4,232,433)	($4,359,406)	($4,490,189)	($4,624,994)	($4,763,641)	($4,906,550)	($5,053,747)	($5,205,359)	($5,361,520)	($5,522,366)	($5,688,037)	($5,858,678)	($6,034,438)	($6,215,471)	($6,401,935)	($6,593,993)
(Net) Additional Parking Revenue from Development That is Taxable	**$15,101,021**	**$15,794,539**	**$16,508,861**	**$17,244,614**	**$18,002,439**	**$18,782,999**	**$19,586,975**	**$20,415,071**	**$21,268,010**	**$22,146,537**	**$23,051,420**	**$23,983,449**	**$24,943,439**	**$25,932,229**	**$26,950,683**	**$27,999,690**	**$29,080,167**
Net New Parking Tax in Excess of Current Tax Revenues																	
San Francisco Parking Tax	**$3,775,255**	**$3,948,635**	**$4,127,215**	**$4,311,153**	**$4,500,610**	**$4,695,750**	**$4,896,744**	**$5,103,768**	**$5,317,003**	**$5,536,634**	**$5,762,855**	**$5,995,862**	**$6,235,860**	**$6,483,057**	**$6,737,671**	**$6,999,922**	**$7,270,042**
Parking Tax Allocation to General Fund/Special Program [5]	**$755,051**	**$789,727**	**$825,443**	**$862,231**	**$900,122**	**$939,150**	**$979,349**	**$1,020,754**	**$1,063,401**	**$1,107,327**	**$1,152,571**	**$1,199,172**	**$1,247,172**	**$1,296,611**	**$1,347,534**	**$1,399,984**	**$1,454,008**
Parking Tax Allocation to Municipal Trans. Fund [5]	$3,020,204	$3,158,908	$3,301,772	$3,448,923	$3,600,488	$3,756,600	$3,917,395	$4,083,014	$4,253,602	$4,429,307	$4,610,284	$4,796,690	$4,988,688	$5,186,446	$5,390,137	$5,599,938	$5,816,033

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[3] FY 2017 current combined parking spaces in Pier 48 and SWL is 2606, excluding the 423 spaces for the Giants. As development begins, number of parking spaces reduces.
[4] Revenue projection based on the assumption that from Phase 1, revenue per space would be as per the developer's projection of $6,753, except for FY 2017-18.
[5] The percentages are based on the Pier 30-32 Fiscal Feasibility Analysis report by EPS.
[6] As per the developer proforma, current revenue generated from the site is $8,016,222. This is deducted from total revenue parking revenue generated to calculate the net parking revenue.
[7] As per the developer proforma, parking revenues from residential units upon buildout, in current dollars is $3,057,600. Prorata share of this revenue (based on residential absorption) is deducted while calculating the additional parking revenue from development that is taxable, as residential parking revenue is not subject to parking tax.

Table A7
Parking Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with Inflation)																Revenue Added to Ta
Item	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**	**2053-54**	**2054-55**	**2055-56**	**2056-57**	**2057-58**	**2058-59**	**2059-60**	**2060-61**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Total Parking Revenue																	
New Spaces On Site																	
Parking Spaces On Site [1]	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Revenue per Space from New Development[1]	$15,000.4	$15,450.4	$15,913.9	$16,391.3	$16,883.0	$17,389.5	$17,911.2	$18,448.6	$19,002.0	$19,572.1	$20,159.2	$20,764.0	$21,386.9	$22,028.5	$22,689.4	$23,370.1	$24,071.2
Annual On Site Revenue from New Spaces [2]	$45,001,094	$46,351,127	$47,741,661	$49,173,910	$50,649,128	$52,168,602	$53,733,660	$55,345,669	$57,006,039	$58,716,221	$60,477,707	$62,292,038	$64,160,800	$66,085,624	$68,068,192	$70,110,238	$72,213,545
Revenue From Existing Parking																	
Remaining Parking Spaces [3]	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual On Site Revenue from Existing Spaces [4]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Parking Revenue from Existing Spaces and New Development	**$45,001,094**	**$46,351,127**	**$47,741,661**	**$49,173,910**	**$50,649,128**	**$52,168,602**	**$53,733,660**	**$55,345,669**	**$57,006,039**	**$58,716,221**	**$60,477,707**	**$62,292,038**	**$64,160,800**	**$66,085,624**	**$68,068,192**	**$70,110,238**	**$72,213,545**
Less: Current Revenue before development [6]	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)
Less: Portion of Total Parking Revenue attributable to Residential [7]	($6,791,813)	($6,995,568)	($7,205,435)	($7,421,598)	($7,644,246)	($7,873,573)	($8,109,780)	($8,353,074)	($8,603,666)	($8,861,776)	($9,127,629)	($9,401,458)	($9,683,502)	($9,974,007)	($10,273,227)	($10,581,424)	($10,898,866)
(Net) Additional Parking Revenue from Development That Is Taxable	**$30,193,059**	**$31,339,337**	**$32,520,004**	**$33,736,091**	**$34,988,660**	**$36,278,807**	**$37,607,657**	**$38,976,374**	**$40,386,152**	**$41,838,223**	**$43,333,856**	**$44,874,359**	**$46,461,076**	**$48,095,395**	**$49,778,743**	**$51,512,592**	**$53,298,457**
Net New Parking Tax in Excess of Current Tax Revenues																	
San Francisco Parking Tax	**$7,548,265**	**$7,834,834**	**$8,130,001**	**$8,434,023**	**$8,747,165**	**$9,069,702**	**$9,401,914**	**$9,744,093**	**$10,096,538**	**$10,459,556**	**$10,833,464**	**$11,218,590**	**$11,615,269**	**$12,023,849**	**$12,444,686**	**$12,878,148**	**$13,324,614**
Parking Tax Allocation to General Fund/Special Program [5]	**$1,509,653**	**$1,566,967**	**$1,626,000**	**$1,686,805**	**$1,749,433**	**$1,813,940**	**$1,880,383**	**$1,948,819**	**$2,019,308**	**$2,091,911**	**$2,166,693**	**$2,243,718**	**$2,323,054**	**$2,404,770**	**$2,488,937**	**$2,575,630**	**$2,664,923**
Parking Tax Allocation to Municipal Trans. Fund [5]	$6,038,612	$6,267,867	$6,504,001	$6,747,218	$6,997,732	$7,255,761	$7,521,531	$7,795,275	$8,077,230	$8,367,645	$8,666,771	$8,974,872	$9,292,215	$9,619,079	$9,955,749	$10,302,518	$10,659,691

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Table A7
Parking Tax Revenues
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	‹ Roll ($ with Inflation) 2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Total Parking Revenue												
New Spaces On Site												
Parking Spaces On Site [1]	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Revenue per Space from New Development[1]	$24,793.3	$25,537.1	$26,303.2	$27,092.3	$27,905.1	$28,742.2	$29,604.5	$30,492.7	$31,407.4	$32,349.7	$33,320.1	$34,319.7
Annual On Site Revenue from New Spaces [2]	$74,379,952	$76,611,350	$78,909,691	$81,276,981	$83,715,291	$86,226,750	$88,813,552	$91,477,959	$94,222,297	$97,048,966	$99,960,435	$102,959,248
Revenue From Existing Parking												
Remaining Parking Spaces [3]	0	0	0	0	0	0	0	0	0	0	0	0
Annual On Site Revenue from Existing Spaces [4]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Parking Revenue from Existing Spaces and New Development	**$74,379,952**	**$76,611,350**	**$78,909,691**	**$81,276,981**	**$83,715,291**	**$86,226,750**	**$88,813,552**	**$91,477,959**	**$94,222,297**	**$97,048,966**	**$99,960,435**	**$102,959,248**
Less: Current Revenue before development [6]	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)	($8,016,222)
Less: Portion of Total Parking Revenue attributable to Residential [7]	($11,225,832)	($11,562,607)	($11,909,486)	($12,266,770)	($12,634,773)	($13,013,817)	($13,404,231)	($13,806,358)	($14,220,549)	($14,647,165)	($15,086,580)	($15,539,178)
(Net) Additional Parking Revenue from Development That is Taxable	**$55,137,897**	**$57,032,521**	**$58,983,983**	**$60,993,989**	**$63,064,295**	**$65,196,711**	**$67,393,099**	**$69,655,379**	**$71,985,527**	**$74,385,579**	**$76,857,633**	**$79,403,849**
Net New Parking Tax in Excess of Current Tax Revenues												
San Francisco Parking Tax	**$13,784,474**	**$14,258,130**	**$14,745,996**	**$15,248,497**	**$15,766,074**	**$16,299,178**	**$16,848,275**	**$17,413,845**	**$17,996,382**	**$18,596,395**	**$19,214,408**	**$19,850,962**
Parking Tax Allocation to General Fund/Special Program [5]	**$2,756,895**	**$2,851,626**	**$2,949,199**	**$3,049,699**	**$3,153,215**	**$3,259,836**	**$3,369,655**	**$3,482,769**	**$3,599,276**	**$3,719,279**	**$3,842,882**	**$3,970,192**
Parking Tax Allocation to Municipal Trans. Fund [5]	$11,027,579	$11,406,504	$11,796,797	$12,198,798	$12,612,859	$13,039,342	$13,478,620	$13,931,076	$14,397,105	$14,877,116	$15,371,527	$15,880,770

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Table A8
Estimated Revenue, Utility Users Tax, Franchises, Licenses and Permits, and Fines and Forfeitures
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Estimating Procedure / Source	FY 2017-18 Budgeted [2]	Service Population	Revenue Multiplier (FY17-18)	Buildout (Uninflated)	Estimates with Inflation										
						2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Inflation Rate							*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Employees	Table C2				5,084	0	0	0	0	2,070	2,070	3,786	4,339	4,907	5,084	5,084
Persons Served	Table C2				5,541	0	0	0	0	2,260	2,260	3,703	4,735	5,453	5,541	5,541
Per Capita Revenue Factors																
Utility Users Tax [1], [3]																
Water Users Tax	Per Employee	$2,635,816	593,224	$4.44	$4.44	$4.44	$4.58	$4.71	$4.86	$5.00	$5.15	$5.31	$5.46	$5.63	$5.80	$5.97
Gas Electric Steam Users Tax	Per Employee	$43,029,693	593,224	$72.54	$72.54	$72.54	$74.71	$76.95	$79.26	$81.64	$84.09	$86.61	$89.21	$91.89	$94.64	$97.48
Telephone Users Tax	Persons Served	$49,834,491	1,170,840	$42.56	$42.56	$42.56	$43.84	$45.16	$46.51	$47.91	$49.34	$50.82	$52.35	$53.92	$55.54	$57.20
Access Line Tax [1]	Persons Served	$48,300,000	1,170,840	$41.25	$41.25	$41.25	$42.49	$43.76	$45.08	$46.43	$47.82	$49.26	$50.74	$52.26	$53.83	$55.44
Licenses, Permits and Franchise Fees [2]	Persons Served	$29,964,000	1,170,840	$25.59	$25.59	$25.59	$26.36	$27.15	$27.96	$28.80	$29.67	$30.56	$31.47	$32.42	$33.39	$34.39
Fines and Forfeitures [2]	Persons Served	$4,579,000	1,170,840	$3.91	$3.91	$3.91	$4.03	$4.15	$4.27	$4.40	$4.53	$4.67	$4.81	$4.95	$5.10	$5.26
Estimated Revenues from Development																
Utility Users Tax [1], [3]																
Water Users Tax					$22,589	$0	$0	$0	$0	$10,352	$10,662	$20,086	$23,711	$27,619	$29,474	$30,358
Gas Electric Steam Users Tax					$368,770	$0	$0	$0	$0	$168,993	$174,063	$327,909	$387,079	$450,883	$481,161	$495,595
Telephone Users Tax					$235,842	$0	$0	$0	$0	$108,265	$111,513	$188,196	$247,864	$294,012	$307,720	$316,952
Access Line Tax [1]					$228,580	$0	$0	$0	$0	$104,932	$108,080	$182,401	$240,232	$284,959	$298,245	$307,192
Licenses, Permits and Franchise Fees [2]					$141,805	$0	$0	$0	$0	$65,097	$67,050	$113,156	$149,033	$176,781	$185,023	$190,574
Fines and Forfeitures [2]					$21,670	$0	$0	$0	$0	$9,948	$10,246	$17,292	$22,775	$27,015	$28,275	$29,123
Total					**$1,019,255**	**$0**	**$0**	**$0**	**$0**	**$467,587**	**$481,614**	**$849,040**	**$1,070,693**	**$1,261,270**	**$1,329,897**	**$1,369,794**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.

[2] City and County of San Francisco, Proposed Budget, FY 2017-18.

[3] The City's proposed budget (FY2017-18) only offers the number of Utility Users Tax, the sum of Water Users Tax, Gas Electric Steam Users Tax and Telephone Users Tax. KMA assumes that the proportions of these three taxes stay same as the proportions in the City's budget in FY 2010-11.

Table A8
Estimated Revenue, Utility Users Tax, Franchis
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation														
Item	**2028-29**	**2029-30**	**2030-31**	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**2036-37**	**2037-38**	**2038-39**	**2039-40**	**2040-41**	**2041-42**	**2042-43**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Employees	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084
Persons Served	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541
Per Capita Revenue Factors															
Utility Users Tax [1], [3]															
Water Users Tax	$6.15	$6.33	$6.52	$6.72	$6.92	$7.13	$7.34	$7.56	$7.79	$8.02	$8.27	$8.51	$8.77	$9.03	$9.30
Gas Electric Steam Users Tax	$100.41	$103.42	$106.52	$109.72	$113.01	$116.40	$119.89	$123.49	$127.19	$131.01	$134.94	$138.99	$143.15	$147.45	$151.87
Telephone Users Tax	$58.92	$60.68	$62.51	$64.38	$66.31	$68.30	$70.35	$72.46	$74.63	$76.87	$79.18	$81.56	$84.00	$86.52	$89.12
Access Line Tax [1]	$57.10	$58.82	$60.58	$62.40	$64.27	$66.20	$68.18	$70.23	$72.34	$74.51	$76.74	$79.04	$81.42	$83.86	$86.37
Licenses, Permits and Franchise Fees [2]	$35.43	$36.49	$37.58	$38.71	$39.87	$41.07	$42.30	$43.57	$44.88	$46.22	$47.61	$49.04	$50.51	$52.02	$53.58
Fines and Forfeitures [2]	$5.41	$5.58	$5.74	$5.92	$6.09	$6.28	$6.46	$6.66	$6.86	$7.06	$7.28	$7.49	$7.72	$7.95	$8.19
Estimated Revenues from Development															
Utility Users Tax [1], [3]															
Water Users Tax	$31,269	$32,207	$33,173	$34,168	$35,193	$36,249	$37,337	$38,457	$39,610	$40,799	$42,023	$43,283	$44,582	$45,919	$47,297
Gas Electric Steam Users Tax	$510,463	$525,777	$541,551	$557,797	$574,531	$591,767	$609,520	$627,806	$646,640	$666,039	$686,020	$706,601	$727,799	$749,633	$772,122
Telephone Users Tax	$326,460	$336,254	$346,342	$356,732	$367,434	$378,457	$389,810	$401,505	$413,550	$425,956	$438,735	$451,897	$465,454	$479,418	$493,800
Access Line Tax [1]	$316,408	$325,900	$335,677	$345,747	$356,120	$366,803	$377,807	$389,142	$400,816	$412,840	$425,226	$437,982	$451,122	$464,656	$478,595
Licenses, Permits and Franchise Fees [2]	$196,291	$202,179	$208,245	$214,492	$220,927	$227,555	$234,381	$241,413	$248,655	$256,115	$263,798	$271,712	$279,864	$288,260	$296,907
Fines and Forfeitures [2]	$29,997	$30,896	$31,823	$32,778	$33,761	$34,774	$35,817	$36,892	$37,999	$39,139	$40,313	$41,522	$42,768	$44,051	$45,372
Total	**$1,410,887**	**$1,453,214**	**$1,496,810**	**$1,541,715**	**$1,587,966**	**$1,635,605**	**$1,684,673**	**$1,735,213**	**$1,787,270**	**$1,840,888**	**$1,896,115**	**$1,952,998**	**$2,011,588**	**$2,071,936**	**$2,134,094**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.

[2] City and County of San Francisco, Proposed Budget, FY 2017-18.

[3] The City's proposed budget (FY2017-18) only offers the number of Utility Users Tax, the sum of Water Users Tax, Gas Electric Steam Users Tax and Telephone Users Tax. KMA assumes that the proportions of these three taxes stay same as the proportions in the City's budget in FY 2010-11.

Table A8
Estimated Revenue, Utility Users Tax, Franchis
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation														
Item	**2043-44**	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**	**2053-54**	**2054-55**	**2055-56**	**2056-57**	**2057-58**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Employees	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084
Persons Served	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541
Per Capita Revenue Factors															
Utility Users Tax [1], [3]															
Water Users Tax	$9.58	$9.87	$10.17	$10.47	$10.78	$11.11	$11.44	$11.78	$12.14	$12.50	$12.88	$13.26	$13.66	$14.07	$14.49
Gas Electric Steam Users Tax	$156.43	$161.12	$165.96	$170.93	$176.06	$181.34	$186.78	$192.39	$198.16	$204.10	$210.23	$216.53	$223.03	$229.72	$236.61
Telephone Users Tax	$91.79	$94.54	$97.38	$100.30	$103.31	$106.41	$109.60	$112.89	$116.28	$119.77	$123.36	$127.06	$130.87	$134.80	$138.84
Access Line Tax [1]	$88.96	$91.63	$94.38	$97.21	$100.13	$103.13	$106.23	$109.42	$112.70	$116.08	$119.56	$123.15	$126.84	$130.65	$134.57
Licenses, Permits and Franchise Fees [2]	$55.19	$56.85	$58.55	$60.31	$62.12	$63.98	$65.90	$67.88	$69.91	$72.01	$74.17	$76.40	$78.69	$81.05	$83.48
Fines and Forfeitures [2]	$8.43	$8.69	$8.95	$9.22	$9.49	$9.78	$10.07	$10.37	$10.68	$11.00	$11.33	$11.67	$12.03	$12.39	$12.76
Estimated Revenues from Development															
Utility Users Tax [1], [3]															
Water Users Tax	$48,716	$50,177	$51,683	$53,233	$54,830	$56,475	$58,169	$59,914	$61,712	$63,563	$65,470	$67,434	$69,457	$71,541	$73,687
Gas Electric Steam Users Tax	$795,285	$819,144	$843,718	$869,030	$895,101	$921,954	$949,612	$978,101	$1,007,444	$1,037,667	$1,068,797	$1,100,861	$1,133,887	$1,167,903	$1,202,940
Telephone Users Tax	$508,614	$523,873	$539,589	$555,776	$572,450	$589,623	$607,312	$625,531	$644,297	$663,626	$683,535	$704,041	$725,162	$746,917	$769,325
Access Line Tax [1]	$492,953	$507,742	$522,974	$538,663	$554,823	$571,468	$588,612	$606,270	$624,458	$643,192	$662,488	$682,362	$702,833	$723,918	$745,636
Licenses, Permits and Franchise Fees [2]	$305,815	$314,989	$324,439	$334,172	$344,197	$354,523	$365,159	$376,113	$387,397	$399,019	$410,989	$423,319	$436,019	$449,099	$462,572
Fines and Forfeitures [2]	$46,734	$48,136	$49,580	$51,067	$52,599	$54,177	$55,802	$57,476	$59,201	$60,977	$62,806	$64,690	$66,631	$68,630	$70,689
Total	**$2,198,116**	**$2,264,060**	**$2,331,982**	**$2,401,941**	**$2,473,999**	**$2,548,219**	**$2,624,666**	**$2,703,406**	**$2,784,508**	**$2,868,043**	**$2,954,085**	**$3,042,707**	**$3,133,988**	**$3,228,008**	**$3,324,848**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.

[2] City and County of San Francisco, Proposed Budget, FY 2017-18.

[3] The City's proposed budget (FY2017-18) only offers the number of Utility Users Tax, the sum of Water Users Tax, Gas Electric Steam Users Tax and Telephone Users Tax. KMA assumes that the proportions of these three taxes stay same as the proportions in the City's budget in FY 2010-11.

Table A8
Estimated Revenue, Utility Users Tax, Franchis
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Estimates with Inflation														
Item	**2058-59**	**2059-60**	**2060-61**	**2061-62**	**2062-63**	**2063-64**	**2064-65**	**2065-66**	**2066-67**	**2067-68**	**2068-69**	**2069-70**	**2070-71**	**2071-72**	**2072-73**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Employees	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084	5,084
Persons Served	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541	5,541
Per Capita Revenue Factors															
Utility Users Tax [1], [3]															
Water Users Tax	$14.93	$15.38	$15.84	$16.31	$16.80	$17.31	$17.83	$18.36	$18.91	$19.48	$20.06	$20.66	$21.28	$21.92	$22.58
Gas Electric Steam Users Tax	$243.71	$251.02	$258.55	$266.31	$274.30	$282.53	$291.00	$299.73	$308.73	$317.99	$327.53	$337.35	$347.47	$357.90	$368.64
Telephone Users Tax	$143.01	$147.30	$151.72	$156.27	$160.96	$165.78	$170.76	$175.88	$181.16	$186.59	$192.19	$197.96	$203.89	$210.01	$216.31
Access Line Tax [1]	$138.60	$142.76	$147.04	$151.46	$156.00	$160.68	$165.50	$170.47	$175.58	$180.85	$186.27	$191.86	$197.62	$203.54	$209.65
Licenses, Permits and Franchise Fees [2]	$85.99	$88.57	$91.22	$93.96	$96.78	$99.68	$102.67	$105.75	$108.92	$112.19	$115.56	$119.02	$122.60	$126.27	$130.06
Fines and Forfeitures [2]	$13.14	$13.53	$13.94	$14.36	$14.79	$15.23	$15.69	$16.16	$16.65	$17.14	$17.66	$18.19	$18.73	$19.30	$19.88
Estimated Revenues from Development															
Utility Users Tax [1], [3]															
Water Users Tax	$75,898	$78,175	$80,520	$82,935	$85,423	$87,986	$90,626	$93,344	$96,145	$99,029	$102,000	$105,060	$108,212	$111,458	$114,802
Gas Electric Steam Users Tax	$1,239,028	$1,276,199	$1,314,485	$1,353,920	$1,394,537	$1,436,374	$1,479,465	$1,523,849	$1,569,564	$1,616,651	$1,665,151	$1,715,105	$1,766,558	$1,819,555	$1,874,142
Telephone Users Tax	$792,404	$816,176	$840,662	$865,882	$891,858	$918,614	$946,172	$974,557	$1,003,794	$1,033,908	$1,064,925	$1,096,873	$1,129,779	$1,163,672	$1,198,583
Access Line Tax [1]	$768,005	$791,045	$814,776	$839,220	$864,396	$890,328	$917,038	$944,549	$972,886	$1,002,072	$1,032,134	$1,063,098	$1,094,991	$1,127,841	$1,161,676
Licenses, Permits and Franchise Fees [2]	$476,449	$490,743	$505,465	$520,629	$536,248	$552,335	$568,905	$585,972	$603,552	$621,658	$640,308	$659,517	$679,303	$699,682	$720,672
Fines and Forfeitures [2]	$72,809	$74,994	$77,243	$79,561	$81,948	$84,406	$86,938	$89,546	$92,233	$95,000	$97,850	$100,785	$103,809	$106,923	$110,131
Total	**$3,424,594**	**$3,527,332**	**$3,633,152**	**$3,742,146**	**$3,854,411**	**$3,970,043**	**$4,089,144**	**$4,211,818**	**$4,338,173**	**$4,468,318**	**$4,602,368**	**$4,740,439**	**$4,882,652**	**$5,029,132**	**$5,180,005**

[1] Per San Francisco Business and Tax Regulations Code Article 10: Utility Users Tax, non-residential users pay telephone, water, gas, electric, and steam users utility taxes; residential and non-residential users pay cellular telephone and access line taxes. It has been assumed for purposes of these estimates that most residential users use cellular rather than land-line telephone service.
[2] City and County of San Francisco, Proposed Budget, FY 2017-18.
[3] The City's proposed budget (FY2017-18) only offers the number of Utility Users Tax, the sum of Water Users Tax, Gas Electric Steam Users Tax and Telephone Users Tax. KMA assumes that the proportions of these three taxes stay same as the proportions in the City's budget in FY 2010-11.

Table A9
Expenditure Summary
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

General Fund Expenditure	Estimating Procedure/ Source /Assumptions	FY 2017-18 Budgeted [1]	Population or Persons Served	FY 2017-18 Avg. Cost	Percent Variable [2]	Net FY 2017-18 Avg. Cost	Buildout (Uninflated)	Estimates with Inflation							
								2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Inflation Rate									*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Per Capita Factors															
General Administration and Finance	Persons Served	$235,052,655	1,170,840	$200.74	25%	$50.18	$50.18	$50.18	$51.69	$53.24	$54.84	$56.48	$58.18	$59.92	$61.72
Other Public Protection	Persons Served	$403,659,227	1,170,840	$349.20	25%	$87.30	$87.30	$87.30	$89.92	$92.62	$95.40	$98.26	$101.21	$104.24	$107.37
Community Health	Per Capita	$719,080,630	874,228	$822.47	25%	$205.62	$205.62	$205.62	$211.79	$218.14	$224.69	$231.43	$238.37	$245.52	$252.89
Human Welfare and Neigh. Dev.	Per Capita	$447,696,064	874,228	$512.10	25%	$128.03	$128.03	$128.03	$131.87	$135.82	$139.90	$144.09	$148.42	$152.87	$157.46
Culture and Recreation	Per Capita	$199,921,421	874,228	$228.68	25%	$57.17	$57.17	$57.17	$58.89	$60.65	$62.47	$64.35	$66.28	$68.26	$70.31
Public Protection - Police															
Police Officers per 1,000 (Residents + Employees) [4]	2.01														
Residents + Employees	Table C2						8,083	0	0	0	0	3,295	3,295	5,596	6,904
Officers Required							16.25	0.00	0.00	0.00	0.00	6.62	6.62	11.25	13.88
Average cost per Officer [4]	$189,000						$189,000	$189,000	$194,670	$200,510	$206,525	$212,721	$219,103	$225,676	$232,446
Total Police Cost							**$3,070,651**	**$0**	**$0**	**$0**	**$0**	**$1,408,842**	**$1,451,107**	**$2,538,393**	**$3,225,665**
Public Protection - Fire															
Sworn Firefighters per 1,000 (Residents + Employees) [4]	0.96														
Residents + Employees	Table C2						8,083	0	0	0	0	3,295	3,295	5,596	6,904
Sworn Firefighters Required							7.76	0.00	0.00	0.00	0.00	3.16	3.16	5.37	6.63
Average Cost per Sworn Firefighter [4]	$178,329						$178,329	$178,329	$183,679	$189,189	$194,865	$200,711	$206,732	$212,934	$219,322
Total Fire Cost							**$1,383,776**	**$0**	**$0**	**$0**	**$0**	**$634,889**	**$653,935**	**$1,143,916**	**$1,453,632**
Persons Served	Table C2						*5,541*	*0*	*0*	*0*	*0*	*2,260*	*2,260*	*3,703*	*4,735*
Project Residents	Table C2						*2,999*	*0*	*0*	*0*	*0*	*1,225*	*1,225*	*1,810*	*2,565*
Total Expenditures															
General Administration and Finance							$278,073	$0	$0	$0	$0	$127,652	$131,482	$221,895	$292,248
Public Protection - Police							$3,070,651	$0	$0	$0	$0	$1,408,842	$1,451,107	$2,538,393	$3,225,665
Public Protection - Fire							$1,383,776	$0	$0	$0	$0	$634,889	$653,935	$1,143,916	$1,453,632
Other Public Protection							$483,732	$0	$0	$0	$0	$222,062	$228,724	$386,005	$508,390
Community Health							$616,651	$0	$0	$0	$0	$283,496	$292,001	$444,390	$648,650
Human Welfare and Neigh. Dev.							$383,950	$0	$0	$0	$0	$176,516	$181,811	$276,694	$403,875
Culture and Recreation							$171,455	$0	$0	$0	$0	$78,824	$81,189	$123,560	$180,353
Total Expenditures							**$6,388,288**	**$0**	**$0**	**$0**	**$0**	**$2,932,280**	**$3,020,249**	**$5,134,855**	**$6,712,812**

[1] City and County of San Francisco, Proposed Budget, FY 2017-18 and FY 2018-19.
[2] Per report Economic Impacts of SM Project by EPS, May 2015 (Table B-1).
[3] Based on the FY 2016-17 data. The number has been escalated at an annual rate of 3%.
[4] See Table A10

Table A9
Expenditure Summary
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

General Fund Expenditure	Estimates with Inflation																
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Per Capita Factors																	
General Administration and Finance	$63.57	$65.48	$67.44	$69.47	$71.55	$73.70	$75.91	$78.19	$80.53	$82.95	$85.44	$88.00	$90.64	$93.36	$96.16	$99.04	$102.02
Other Public Protection	$110.59	$113.91	$117.32	$120.84	$124.47	$128.20	$132.05	$136.01	$140.09	$144.29	$148.62	$153.08	$157.67	$162.40	$167.28	$172.29	$177.46
Community Health	$260.47	$268.29	$276.33	$284.62	$293.16	$301.96	$311.02	$320.35	$329.96	$339.86	$350.05	$360.55	$371.37	$382.51	$393.99	$405.81	$417.98
Human Welfare and Neigh. Dev.	$162.18	$167.05	$172.06	$177.22	$182.53	$188.01	$193.65	$199.46	$205.44	$211.61	$217.96	$224.49	$231.23	$238.17	$245.31	$252.67	$260.25
Culture and Recreation	$72.42	$74.59	$76.83	$79.14	$81.51	$83.96	$86.48	$89.07	$91.74	$94.49	$97.33	$100.25	$103.26	$106.35	$109.55	$112.83	$116.22
Public Protection - Police																	
Police Officers per 1,000 (Residents + Employees) [4]																	
Residents + Employees	7,906	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Officers Required	15.89	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25
Average cost per Officer [4]	$239,420	$246,602	$254,000	$261,620	$269,469	$277,553	$285,879	$294,456	$303,290	$312,388	$321,760	$331,413	$341,355	$351,596	$362,144	$373,008	$384,198
Total Police Cost	**$3,804,630**	**$4,006,503**	**$4,126,698**	**$4,250,499**	**$4,378,014**	**$4,509,354**	**$4,644,635**	**$4,783,974**	**$4,927,493**	**$5,075,318**	**$5,227,578**	**$5,384,405**	**$5,545,937**	**$5,712,315**	**$5,883,685**	**$6,060,195**	**$6,242,001**
Public Protection - Fire																	
Sworn Firefighters per 1,000 (Residents + Employees) [4]																	
Residents + Employees	7,906	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Sworn Firefighters Required	7.59	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76
Average Cost per Sworn Firefighter [4]	$225,902	$232,679	$239,659	$246,849	$254,255	$261,882	$269,739	$277,831	$286,166	$294,751	$303,593	$312,701	$322,082	$331,744	$341,697	$351,948	$362,506
Total Fire Cost	**$1,714,541**	**$1,805,514**	**$1,859,679**	**$1,915,470**	**$1,972,934**	**$2,032,122**	**$2,093,085**	**$2,155,878**	**$2,220,554**	**$2,287,171**	**$2,355,786**	**$2,426,460**	**$2,499,253**	**$2,574,231**	**$2,651,458**	**$2,731,002**	**$2,812,932**
Persons Served	*5,453*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*
Project Residents	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*
Total Expenditures																	
General Administration and Finance	$346,660	$362,822	$373,707	$384,918	$396,466	$408,360	$420,610	$433,229	$446,226	$459,612	$473,401	$487,603	$502,231	$517,298	$532,817	$548,801	$565,265
Public Protection - Police	$3,804,630	$4,006,503	$4,126,698	$4,250,499	$4,378,014	$4,509,354	$4,644,635	$4,783,974	$4,927,493	$5,075,318	$5,227,578	$5,384,405	$5,545,937	$5,712,315	$5,883,685	$6,060,195	$6,242,001
Public Protection - Fire	$1,714,541	$1,805,514	$1,859,679	$1,915,470	$1,972,934	$2,032,122	$2,093,085	$2,155,878	$2,220,554	$2,287,171	$2,355,786	$2,426,460	$2,499,253	$2,574,231	$2,651,458	$2,731,002	$2,812,932
Other Public Protection	$603,045	$631,160	$650,095	$669,598	$689,686	$710,376	$731,687	$753,638	$776,247	$799,535	$823,521	$848,226	$873,673	$899,883	$926,880	$954,686	$983,327
Community Health	$781,155	$804,589	$828,727	$853,589	$879,196	$905,572	$932,739	$960,722	$989,543	$1,019,229	$1,049,806	$1,081,301	$1,113,740	$1,147,152	$1,181,566	$1,217,013	$1,253,524
Human Welfare and Neigh. Dev.	$486,377	$500,968	$515,997	$531,477	$547,421	$563,844	$580,759	$598,182	$616,128	$634,611	$653,650	$673,259	$693,457	$714,261	$735,689	$757,759	$780,492
Culture and Recreation	$217,195	$223,710	$230,422	$237,334	$244,454	$251,788	$259,342	$267,122	$275,136	$283,390	$291,891	$300,648	$309,667	$318,957	$328,526	$338,382	$348,533
Total Expenditures	**$7,953,602**	**$8,335,266**	**$8,585,324**	**$8,842,884**	**$9,108,171**	**$9,381,416**	**$9,662,858**	**$9,952,744**	**$10,251,326**	**$10,558,866**	**$10,875,632**	**$11,201,901**	**$11,537,958**	**$11,884,097**	**$12,240,620**	**$12,607,838**	**$12,986,074**

[1] City and County of San Francisco, Proposed Budget, FY 2017-18 and FY 2018-19.
[2] Per report Economic Impacts of 5M Project by EPS, May 2015 (Table B-1).
[3] Based on the FY 2016-17 data. The number has been escalated at an annual rate of 3%.
[4] See Table A10

Table A9
Expenditure Summary
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

General Fund Expenditure	Estimates with inflation																
	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Per Capita Factors																	
General Administration and Finance	$105.08	$108.23	$111.47	$114.82	$118.26	$121.81	$125.47	$129.23	$133.11	$137.10	$141.21	$145.45	$149.81	$154.31	$158.94	$163.70	$168.62
Other Public Protection	$182.79	$188.27	$193.92	$199.74	$205.73	$211.90	$218.26	$224.81	$231.55	$238.50	$245.65	$253.02	$260.61	$268.43	$276.48	$284.78	$293.32
Community Health	$430.52	$443.44	$456.74	$470.44	$484.55	$499.09	$514.06	$529.49	$545.37	$561.73	$578.58	$595.94	$613.82	$632.23	$651.20	$670.74	$690.86
Human Welfare and Neigh. Dev.	$268.06	$276.10	$284.38	$292.91	$301.70	$310.75	$320.08	$329.68	$339.57	$349.76	$360.25	$371.06	$382.19	$393.65	$405.46	$417.63	$430.15
Culture and Recreation	$119.70	$123.29	$126.99	$130.80	$134.73	$138.77	$142.93	$147.22	$151.64	$156.19	$160.87	$165.70	$170.67	$175.79	$181.06	$186.49	$192.09
Public Protection - Police																	
Police Officers per 1,000 (Residents + Employees) [4]																	
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Officers Required	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25
Average cost per Officer [4]	$395,724	$407,596	$419,824	$432,418	$445,391	$458,753	$472,515	$486,691	$501,291	$516,330	$531,820	$547,775	$564,208	$581,134	$598,568	$616,525	$635,021
Total Police Cost	**$6,429,261**	**$6,622,139**	**$6,820,803**	**$7,025,427**	**$7,236,190**	**$7,453,276**	**$7,676,874**	**$7,907,180**	**$8,144,396**	**$8,388,727**	**$8,640,389**	**$8,899,601**	**$9,166,589**	**$9,441,587**	**$9,724,834**	**$10,016,579**	**$10,317,077**
Public Protection - Fire																	
Sworn Firefighters per 1,000 (Residents + Employees) [4]																	
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Sworn Firefighters Required	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76
Average Cost per Sworn Firefighter [4]	$373,381	$384,583	$396,120	$408,004	$420,244	$432,851	$445,837	$459,212	$472,988	$487,178	$501,793	$516,847	$532,352	$548,323	$564,773	$581,716	$599,167
Total Fire Cost	**$2,897,320**	**$2,984,239**	**$3,073,766**	**$3,165,979**	**$3,260,959**	**$3,358,787**	**$3,459,551**	**$3,563,338**	**$3,670,238**	**$3,780,345**	**$3,893,755**	**$4,010,568**	**$4,130,885**	**$4,254,812**	**$4,382,456**	**$4,513,930**	**$4,649,347**
Persons Served	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*
Project Residents	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*
Total Expenditures																	
General Administration and Finance	$582,223	$599,690	$617,680	$636,211	$655,297	$674,956	$695,205	$716,061	$737,543	$759,669	$782,459	$805,933	$830,111	$855,014	$880,665	$907,085	$934,297
Public Protection - Police	$6,429,261	$6,622,139	$6,820,803	$7,025,427	$7,236,190	$7,453,276	$7,676,874	$7,907,180	$8,144,396	$8,388,727	$8,640,389	$8,899,601	$9,166,589	$9,441,587	$9,724,834	$10,016,579	$10,317,077
Public Protection - Fire	$2,897,320	$2,984,239	$3,073,766	$3,165,979	$3,260,959	$3,358,787	$3,459,551	$3,563,338	$3,670,238	$3,780,345	$3,893,755	$4,010,568	$4,130,885	$4,254,812	$4,382,456	$4,513,930	$4,649,347
Other Public Protection	$1,012,826	$1,043,211	$1,074,508	$1,106,743	$1,139,945	$1,174,143	$1,209,368	$1,245,649	$1,283,018	$1,321,509	$1,361,154	$1,401,989	$1,444,048	$1,487,370	$1,531,991	$1,577,951	$1,625,289
Community Health	$1,291,129	$1,329,863	$1,369,759	$1,410,852	$1,453,178	$1,496,773	$1,541,676	$1,587,926	$1,635,564	$1,684,631	$1,735,170	$1,787,225	$1,840,842	$1,896,067	$1,952,949	$2,011,538	$2,071,884
Human Welfare and Neigh. Dev.	$803,907	$828,024	$852,865	$878,451	$904,804	$931,948	$959,907	$988,704	$1,018,365	$1,048,916	$1,080,383	$1,112,795	$1,146,179	$1,180,564	$1,215,981	$1,252,460	$1,290,034
Culture and Recreation	$358,989	$369,759	$380,852	$392,277	$404,046	$416,167	$428,652	$441,512	$454,757	$468,400	$482,452	$496,925	$511,833	$527,188	$543,004	$559,294	$576,073
Total Expenditures	**$13,375,656**	**$13,776,925**	**$14,190,233**	**$14,615,940**	**$15,054,418**	**$15,506,051**	**$15,971,232**	**$16,450,369**	**$16,943,881**	**$17,452,197**	**$17,975,763**	**$18,515,036**	**$19,070,487**	**$19,642,601**	**$20,231,879**	**$20,838,836**	**$21,464,001**

[1] City and County of San Francisco, Proposed Budget, FY 2017-18 and FY 2018-19.
[2] Per report Economic Impacts of SM Project by EPS, May 2015 (Table B-1).
[3] Based on the FY 2016-17 data. The number has been escalated at an annual rate of 3%.
[4] See Table A10

Table A9
Expenditure Summary
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

General Fund Expenditure	Estimates with Inflation													
	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Per Capita Factors														
General Administration and Finance	$173.67	$178.88	$184.25	$189.78	$195.47	$201.34	$207.38	$213.60	$220.00	$226.60	$233.40	$240.41	$247.62	$255.05
Other Public Protection	$302.12	$311.18	$320.52	$330.13	$340.04	$350.24	$360.75	$371.57	$382.72	$394.20	$406.02	$418.20	$430.75	$443.67
Community Health	$711.58	$732.93	$754.92	$777.57	$800.89	$824.92	$849.67	$875.16	$901.41	$928.46	$956.31	$985.00	$1,014.55	$1,044.98
Human Welfare and Neigh. Dev.	$443.06	$456.35	$470.04	$484.14	$498.67	$513.63	$529.04	$544.91	$561.25	$578.09	$595.43	$613.30	$631.70	$650.65
Culture and Recreation	$197.85	$203.79	$209.90	$216.20	$222.68	$229.36	$236.24	$243.33	$250.63	$258.15	$265.90	$273.87	$282.09	$290.55
Public Protection - Police														
Police Officers per 1,000 (Residents + Employees) [4]														
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Officers Required	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25
Average cost per Officer [4]	$654,072	$673,694	$693,904	$714,722	$736,163	$758,248	$780,996	$804,425	$828,558	$853,415	$879,017	$905,388	$932,550	$960,526
Total Police Cost	**$10,626,589**	**$10,945,387**	**$11,273,748**	**$11,611,961**	**$11,960,319**	**$12,319,129**	**$12,688,703**	**$13,069,364**	**$13,461,445**	**$13,865,288**	**$14,281,247**	**$14,709,684**	**$15,150,975**	**$15,605,504**
Public Protection - Fire														
Sworn Firefighters per 1,000 (Residents + Employees) [4]														
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Sworn Firefighters Required	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76
Average Cost per Sworn Firefighter [4]	$617,142	$635,657	$654,726	$674,368	$694,599	$715,437	$736,900	$759,007	$781,778	$805,231	$829,388	$854,269	$879,898	$906,294
Total Fire Cost	**$4,788,828**	**$4,932,493**	**$5,080,467**	**$5,232,881**	**$5,389,868**	**$5,551,564**	**$5,718,111**	**$5,889,654**	**$6,066,344**	**$6,248,334**	**$6,435,784**	**$6,628,858**	**$6,827,723**	**$7,032,555**
Persons Served	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*	*5,541*
Project Residents	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*	*2,999*
Total Expenditures														
General Administration and Finance	$962,326	$991,196	$1,020,932	$1,051,560	$1,083,106	$1,115,600	$1,149,068	$1,183,540	$1,219,046	$1,255,617	$1,293,286	$1,332,084	$1,372,047	$1,413,208
Public Protection - Police	$10,626,589	$10,945,387	$11,273,748	$11,611,961	$11,960,319	$12,319,129	$12,688,703	$13,069,364	$13,461,445	$13,865,288	$14,281,247	$14,709,684	$15,150,975	$15,605,504
Public Protection - Fire	$4,788,828	$4,932,493	$5,080,467	$5,232,881	$5,389,868	$5,551,564	$5,718,111	$5,889,654	$6,066,344	$6,248,334	$6,435,784	$6,628,858	$6,827,723	$7,032,555
Other Public Protection	$1,674,048	$1,724,269	$1,775,997	$1,829,277	$1,884,156	$1,940,680	$1,998,901	$2,058,868	$2,120,634	$2,184,253	$2,249,780	$2,317,274	$2,386,792	$2,458,396
Community Health	$2,134,040	$2,198,061	$2,264,003	$2,331,923	$2,401,881	$2,473,937	$2,548,156	$2,624,600	$2,703,338	$2,784,438	$2,867,972	$2,954,011	$3,042,631	$3,133,910
Human Welfare and Neigh. Dev.	$1,328,735	$1,368,597	$1,409,655	$1,451,945	$1,495,503	$1,540,368	$1,586,579	$1,634,177	$1,683,202	$1,733,698	$1,785,709	$1,839,280	$1,894,459	$1,951,293
Culture and Recreation	$593,355	$611,156	$629,490	$648,375	$667,826	$687,861	$708,497	$729,752	$751,644	$774,194	$797,419	$821,342	$845,982	$871,362
Total Expenditures	**$22,107,921**	**$22,771,159**	**$23,454,293**	**$24,157,922**	**$24,882,660**	**$25,629,140**	**$26,398,014**	**$27,189,954**	**$28,005,653**	**$28,845,822**	**$29,711,197**	**$30,602,533**	**$31,520,609**	**$32,466,227**

[1] City and County of San Francisco, Proposed Budget, FY 2017-18 and FY 2018-19.
[2] Per report Economic Impacts of SM Project by EPS, May 2015 (Table B-1).
[3] Based on the FY 2016-17 data. The number has been escalated at an annual rate of 3%.
[4] See Table A10

Table A10
Annual Recurring Police and Fire Department Expenditures
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Item	Assumption/ Source	Buildout (Uninflated)	Revenue Added to Tax Roll ($ with inflation)											
			2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Inflation Rate				*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Police Department Expenidtures														
Police Officers per 1,000 (Residents + Employees) [1]	2.01													
Residents + Employees	Table C2	8,083	0	0	0	0	3,295	3,295	5,596	6,904	7,906	8,083	8,083	8,083
Police Officers Required		16.25	0.00	0.00	0.00	0.00	6.62	6.62	11.25	13.88	15.89	16.25	16.25	16.25
Average cost per Officer [2]	$189,000	$189,000	$189,000	$194,670	$200,510	$206,525	$212,721	$219,103	$225,676	$232,446	$239,420	$246,602	$254,000	$261,620
Total Police Cost		**$3,070,651**	**$0**	**$0**	**$0**	**$0**	**$1,408,842**	**$1,451,107**	**$2,538,393**	**$3,225,665**	**$3,804,630**	**$4,006,503**	**$4,126,698**	**$4,250,499**
Fire Department Expenditures														
Sworn Firefighters per 1,000 (Residents + Employees) [3]	0.96													
Residents + Employees	Table C2	8,083	0	0	0	0	3,295	3,295	5,596	6,904	7,906	8,083	8,083	8,083
Sworn Firefighters Required		7.76	0.00	0.00	0.00	0.00	3.16	3.16	5.37	6.63	7.59	7.76	7.76	7.76
Average Cost per Sworn Firefighter [2]	$178,329	$178,329	$178,329	$183,679	$189,189	$194,865	$200,711	$206,732	$212,934	$219,322	$225,902	$232,679	$239,659	$246,849
Total Fire Cost		**$1,383,776**	**$0**	**$0**	**$0**	**$0**	**$634,889**	**$653,935**	**$1,143,916**	**$1,453,632**	**$1,714,541**	**$1,805,514**	**$1,859,679**	**$1,915,470**

[1] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), service ratio is 2.01 officers per 1000 residents. The EIR calculates the total required officers based on total residents (including induced residents), while this analysis calculates it based on the sum of on-site residents and employees.

[2] Based on Pier 70 Fiscal and Economic Analysis Update, August 31, 2017

[3] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), the ratio of fire personnel to (Residents + Employee) is 0.96.

Table A10
Annual Recurring Police and Fire Department Expenditures
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)													
Item	**2029-30**	**2030-31**	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**2036-37**	**2037-38**	**2038-39**	**2039-40**	**2040-41**	**2041-42**	**2042-43**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Police Department Expenidturos														
Police Officers per 1,000 (Residents + Employees) [1]														
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Police Officers Required	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25
Average cost per Officer [2]	$269,469	$277,553	$285,879	$294,456	$303,290	$312,388	$321,760	$331,413	$341,355	$351,596	$362,144	$373,008	$384,198	$395,724
Total Police Cost	**$4,378,014**	**$4,509,354**	**$4,644,635**	**$4,783,974**	**$4,927,493**	**$5,075,318**	**$5,227,578**	**$5,384,405**	**$5,545,937**	**$5,712,315**	**$5,883,685**	**$6,060,195**	**$6,242,001**	**$6,429,261**
Fire Department Expenditures														
Sworn Firefighters per 1,000 (Residents + Employees) [3]														
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Sworn Firefighters Required	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76
Average Cost per Sworn Firefighter [2]	$254,255	$261,882	$269,739	$277,831	$286,166	$294,751	$303,593	$312,701	$322,082	$331,744	$341,697	$351,948	$362,506	$373,381
Total Fire Cost	**$1,972,934**	**$2,032,122**	**$2,093,085**	**$2,155,878**	**$2,220,554**	**$2,287,171**	**$2,355,786**	**$2,426,460**	**$2,499,253**	**$2,574,231**	**$2,651,458**	**$2,731,002**	**$2,812,932**	**$2,897,320**

[1] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), service ratio is 2.01 officers per 1000 residents. The EIR calculates the total required officers based on total residents (including induced residents), while this analysis calculates it based on the sum of on-site residents and employees.

[2] Based on Pier 70 Fiscal and Economic Analysis Update, August 31, 2017

[3] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), the ratio of fire personnel to (Residents + Employee) is 0.96.

Table A10
Annual Recurring Police and Fire Department Expenditures
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)													
Item	**2043-44**	**2044-45**	**2045-46**	**2046-47**	**2047-48**	**2048-49**	**2049-50**	**2050-51**	**2051-52**	**2052-53**	**2053-54**	**2054-55**	**2055-56**	**2056-57**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Police Department Expenditures														
Police Officers per 1,000 (Residents + Employees) [1]														
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Police Officers Required	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25
Average cost per Officer [2]	$407,596	$419,824	$432,418	$445,391	$458,753	$472,515	$486,691	$501,291	$516,330	$531,820	$547,775	$564,208	$581,134	$598,568
Total Police Cost	**$6,622,139**	**$6,820,803**	**$7,025,427**	**$7,236,190**	**$7,453,276**	**$7,676,874**	**$7,907,180**	**$8,144,396**	**$8,388,727**	**$8,640,389**	**$8,899,601**	**$9,166,589**	**$9,441,587**	**$9,724,834**
Fire Department Expenditures														
Sworn Firefighters per 1,000 (Residents + Employees) [3]														
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Sworn Firefighters Required	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76
Average Cost per Sworn Firefighter [2]	$384,583	$396,120	$408,004	$420,244	$432,851	$445,837	$459,212	$472,988	$487,178	$501,793	$516,847	$532,352	$548,323	$564,773
Total Fire Cost	**$2,984,239**	**$3,073,766**	**$3,165,979**	**$3,260,959**	**$3,358,787**	**$3,459,551**	**$3,563,338**	**$3,670,238**	**$3,780,345**	**$3,893,755**	**$4,010,568**	**$4,130,885**	**$4,254,812**	**$4,382,456**

[1] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), service ratio is 2.01 officers per 1000 residents. The EIR calculates the total required officers based on total residents (including induced residents), while this analysis calculates it based on the sum of on-site residents and employees.

[2] Based on Pier 70 Fiscal and Economic Analysis Update, August 31, 2017

[3] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), the ratio of fire personnel to (Residents + Employee) is 0.96.

Table A10
Annual Recurring Police and Fire Department Expenditures
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)												
Item	**2057-58**	**2058-59**	**2059-60**	**2060-61**	**2061-62**	**2062-63**	**2063-64**	**2064-65**	**2065-66**	**2066-67**	**2067-68**	**2068-69**	**2069-70**
Inflation Rate	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*	*1.03*
Police Department Expenidtures													
Police Officers per 1,000 (Residents + Employees) [1]													
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Police Officers Required	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25
Average cost per Officer [2]	$616,525	$635,021	$654,072	$673,694	$693,904	$714,722	$736,163	$758,248	$780,996	$804,425	$828,558	$853,415	$879,017
Total Police Cost	**$10,016,579**	**$10,317,077**	**$10,626,589**	**$10,945,387**	**$11,273,748**	**$11,611,961**	**$11,960,319**	**$12,319,129**	**$12,688,703**	**$13,069,364**	**$13,461,445**	**$13,865,288**	**$14,281,247**
Fire Department Expenditures													
Sworn Firefighters per 1,000 (Residents + Employees) [3]													
Residents + Employees	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Sworn Firefighters Required	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76	7.76
Average Cost per Sworn Firefighter [2]	$581,716	$599,167	$617,142	$635,657	$654,726	$674,368	$694,599	$715,437	$736,900	$759,007	$781,778	$805,231	$829,388
Total Fire Cost	**$4,513,930**	**$4,649,347**	**$4,788,828**	**$4,932,493**	**$5,080,467**	**$5,232,881**	**$5,389,868**	**$5,551,564**	**$5,718,111**	**$5,889,654**	**$6,066,344**	**$6,248,334**	**$6,435,784**

[1] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), service ratio is 2.01 officers per 1000 residents. The EIR calculates the total required officers based on total residents (including induced residents), while this analysis calculates it based on the sum of on-site residents and employees.

[2] Based on Pier 70 Fiscal and Economic Analysis Update, August 31, 2017

[3] As Per Seawall Lot 337 and Pier 48 EIR (Aug 26, 2017), the ratio of fire personnel to (Residents + Employee) is 0.96.

Table A10
Annual Recurring Police and Fire Department Expenditures
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Revenue Added to Tax Roll ($ with inflation)		
Item	**2070-71**	**2071-72**	**2071-73**
Inflation Rate	*1.03*	*1.03*	*1.03*
Police Department Expenidtures			
Police Officers per 1,000 (Residents + Employees) [1]			
Residents + Employees	8,083	8,083	8,083
Police Officers Required	16.25	16.25	16.25
Average cost per Officer [2]	$905,388	$932,550	$960,526
Total Police Cost	**$14,709,684**	**$15,150,975**	**$15,605,504**
Fire Department Expenditures			
Sworn Firefighters per 1,000 (Residents + Employees) [3]			
Residents + Employees	8,083	8,083	8,083
Sworn Firefighters Required	7.76	7.76	7.76
Average Cost per Sworn Firefighter [2]	$854,269	$879,898	$906,294
Total Fire Cost	**$6,628,858**	**$6,827,723**	**$7,032,555**

Table B1
Vertical Construction Completion Schedule
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

			Fiscal Year of Sale												
			2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Assumed		Assessed Value Added to Tax Roll (FY)												
Development [2]	Scope (SF)	Total	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Residential															
Market Rate Residential															
Junior 1 BDR	450	200	0	0	0	0	0	82	0	38	51	29	0	0	0
1 BDR / 1 Bath	700	320	0	0	0	0	0	130	0	63	81	46	0	0	0
2 BDR / 2 Bath	1,000	261	0	0	0	0	0	107	0	51	65	38	0	0	0
3 BDR / 3 Bath	1,355	20	0	0	0	0	0	8	0	4	5	3	0	0	0
Subtotal		801	0	0	0	0	0	327	0	156	202	116	0	0	0
45% AMI Units															
Junior 1 BDR	450	7	0	0	0	0	0	3	0	1	2	1	0	0	0
1 BDR / 1 Bath	700	11	0	0	0	0	0	4	0	2	3	2	0	0	0
2 BDR / 2 Bath	1,000	9	0	0	0	0	0	4	0	2	2	1	0	0	0
3 BDR / 3 Bath	1,355	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal		27	0	0	0	0	0	11	0	5	7	4	0	0	0
55% AMI units															
Junior 1 BDR	450	33	0	0	0	0	0	13	0	7	8	5	0	0	0
1 BDR / 1 Bath	700	52	0	0	0	0	0	21	0	10	13	8	0	0	0
2 BDR / 2 Bath	1,000	42	0	0	0	0	0	17	0	8	11	6	0	0	0
3 BDR / 3 Bath	1,355	4	0	0	0	0	0	1	0	1	1	1	0	0	0
Subtotal		131	0	0	0	0	0	52	0	26	33	20	0	0	0
90% AMI Units															
Junior 1 BDR	450	13	0	0	0	0	0	5	0	3	3	2	0	0	0
1 BDR / 1 Bath	700	21	0	0	0	0	0	9	0	4	5	3	0	0	0
2 BDR / 2 Bath	1,000	16	0	0	0	0	0	7	0	3	4	2	0	0	0
3 BDR / 3 Bath	1,355	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal		50	0	0	0	0	0	21	0	10	12	7	0	0	0
120% AMI Units															
Junior 1 BDR	450	57	0	0	0	0	0	24	0	11	14	8	0	0	0
1 BDR / 1 Bath	700	91	0	0	0	0	0	37	0	18	23	13	0	0	0
2 BDR / 2 Bath	1,000	74	0	0	0	0	0	30	0	14	19	11	0	0	0
3 BDR / 3 Bath	1,355	6	0	0	0	0	0	3	0	1	1	1	0	0	0
Subtotal		228	0	0	0	0	0	94	0	44	57	33	0	0	0
150% AMI Units															
Junior 1 BDR	450	23	0	0	0	0	0	9	0	5	6	3	0	0	0
1 BDR / 1 Bath	700	36	0	0	0	0	0	15	0	7	9	5	0	0	0
2 BDR / 2 Bath	1,000	30	0	0	0	0	0	12	0	6	8	4	0	0	0
3 BDR / 3 Bath	1,355	1	0	0	0	0	0	1	0	0	0	0	0	0	0
Subtotal		90	0	0	0	0	0	37	0	18	23	12	0	0	0
Residential Units Total		1,327	0	0	0	0	0	542	0	259	334	192	0	0	0
Commercial															
Retail GSF		248,931					0	98,865	0	56,764	38,579	44,723	10,000		
Office GSF		1,231,091					0	522,352	0	449,823	129,458	129,458			
Production GSF		202,500											202,500		
Parking Spaces GSF		983,876								983,876					
Assumed Businesses [1]															
20,000 SF Store	20,000	3						1		1		1			
10,000 SF Store	10,000	4						1		1	1	0	1		
7,400 SF Store	7,400	7						4		1	1	1			
4,000 SF Store	4,000	9						3		3	1	2			
2,500 SF Store	2,500	12						6		2	3	1			
1,500 Sf Store	1,500	16						5		1	6	4			
Medium Office	5,000	147						64		51	16	16			
Larger Office	50,000	10						4		4	1	1			
Production Factory	200,000	2										1	1		

[1] KMA's assumptions.
[2] There are no absorption schedules after FY2025-26 in the current underwirting provided by Seawall Lot 337 Associates, LLC

Table B2
Program Schedule
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Leasehold Interest Sale	Year of Vertical Completion [1]	Fiscal Year of Vertical Completion	Retail GSF [1]	Office GSF [1]	Residential GSF [1]	Parking GSF [1]	Production GSF [1]	Total GSF
Sub-Project Area I-1 (Block A)	10/31/2019	5/31/2022	2021-22	34,080	0	379,820	0	0	**413,900**
Sub-Project Area I-2 (Block B)	10/31/2019	8/31/2021	2021-22	32,096	242,654	0	0	0	**274,750**
Sub-Project Area I-3 (Block C)	1/31/2021	8/31/2023	2023-24	30,278	324,548	0	0	0	**354,826**
Sub-Project Area I-4 (Block D1 & D2)	1/31/2021	8/31/2023	2023-24	10,431	0	240,494	983,876	0	**1,234,801**
Sub-Project Area I-13 (Mission Square)	1/31/2021	8/31/2023	2023-24	0	0	0	0	0	**0**
Sub-Project Area I-5 (Block E)	4/30/2022	2/29/2024	2023-24	16,055	125,275	0	0	0	**141,330**
Sub-Project Area I-6 (BlockF)	4/30/2022	11/30/2024	2024-25	16,055	0	307,720	0	0	**323,775**
Sub-Project Area I-7 (Block G)	10/31/2019	5/31/2022	2021-22	23,366	279,698	0	0	0	**303,064**
Sub-Project Area I-8 (Block H)	7/31/2023	5/31/2025	2024-25	22,524	129,458	0	0	0	**151,982**
Sub-Project Area I-9 (Block I)	7/31/2023	11/30/2025	2025-26	22,199	0	178,116	0	0	**200,315**
Sub-Project Area I-10 (Block J)	7/31/2023	5/31/2025	2025-26	22,524	129,458	0	0	0	**151,982**
Sub-Project Area I-11 (Block K)	10/31/2019	2/28/2022	2021-22	9,323	0	121,146	0	0	**130,469**
Sub-Project Area I-12 (Pier 48)	7/31/2023	8/30/2026	2026-27	10,000	0	0	0	202,500	**212,500**
Total SF [2]				**248,931**	**1,231,091**	**1,227,296**	**983,876**	**202,500**	**3,893,694**

[1] Provided by the Seawall Lot 337 Associates, LLC.

Table B3.1
Assessed Values and Land Costs by Parcel
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Year of Vertical Completion	Residential GSF			Commercial GSF [1]					Total GSF		Estimated FY 2017-18 Assessed Value (AV) (Land Costs before Leasehold Interest Sale) [2]				Land & Horizontal Costs at Leasehold Interest Sale ($ in FY2017-18) [3]				
	Unit	SF	SF %	Retail	Office	Prodct.	Total	%	SF	%	Residential	Commercial	Total	AV/SF	Residential	%	Commercial	%	Total
	a	*b*	*c*	*d*	*e*	*f*	*g*	*h*	*i*	*j*	*k = 16,014,000 * c*	*l = 16,014,000 * h*	*m = k+l*		*n=42,152*a*		*o = 49*d+69*e+49*f*		*p=n+o*
															$42,152/unit		*Retail: $49/SF*		
																	Office: $69/SF		
																	Production: $49/SF		
Subproject Area 1 (Parcel A)	411	379,820	13.1%	34,080	0	0	34,080	1.2%	413,900	14.2%	$2,090,315	$187,557	$2,277,873	$5.50	$17,324,290	31.0%	$1,673,201	1.6%	$18,997,491
Subproject Area 2 (Parcel B)	0	0	0.0%	32,096	242,654	0	274,750	9.4%	274,750	9.4%	$0	$1,512,069	$1,512,069	$5.50	$0	0.0%	$18,315,671	17.1%	$18,315,671
Subproject Area 3 (Parcel C)	0	0	0.0%	30,278	324,548	0	354,826	12.2%	354,826	12.2%	$0	$1,952,763	$1,952,763	$5.50	$0	0.0%	$23,876,003	22.3%	$23,876,003
Subproject Area 4 (Parcel D1 & D2)	259	240,494	8.3%	10,431	0	0	10,431	0.4%	250,925	8.6%	$1,323,544	$57,406	$1,380,950	$5.50	$10,917,253	19.5%	$512,123	0.5%	$11,429,376
Subproject Area 13 (Mission Square) [1]	0	0	0.0%	0	0	0	0	0.0%	0	0.0%	$0	$0	$0	NA	$0	0.0%	$0	0.0%	$0
Subproject Area 5 (Parcel E)	0	0	0.0%	16,055	125,275	0	141,330	4.9%	141,330	4.9%	$0	$777,801	$777,801	$5.50	$0	0.0%	$9,430,538	8.8%	$9,430,538
Subproject Area 6 (Parcel F)	334	307,720	10.6%	16,055	0	0	16,055	0.6%	323,775	11.1%	$1,693,518	$88,358	$1,781,875	$5.50	$14,078,620	25.2%	$788,241	0.7%	$14,866,861
Subproject Area 7 (Parcel G)	0	0	0.0%	23,366	279,698	0	303,064	10.4%	303,064	10.4%	$0	$1,667,894	$1,667,894	$5.50	$0	0.0%	$20,442,600	19.1%	$20,442,600
Subproject Area 8 (Parcel H)	0	0	0.0%	22,524	129,458	0	151,982	5.2%	151,982	5.2%	$0	$836,423	$836,423	$5.50	$0	0.0%	$10,036,713	9.4%	$10,036,713
Subproject Area 9 (Parcel I)	192	178,116	6.1%	22,199	0	0	22,199	0.8%	200,315	6.9%	$980,250	$122,171	$1,102,421	$5.50	$8,093,099	14.5%	$1,089,888	1.0%	$9,182,987
Subproject Area 10 (Parcel J)	0	0	0.0%	22,524	129,458	0	151,982	5.2%	151,982	5.2%	$0	$836,423	$836,423	$5.50	$0	0.0%	$10,036,713	9.4%	$10,036,713
Subproject Area 11 (Parcel K)	131	121,146	4.2%	9,323	0	0	9,323	0.3%	130,469	4.5%	$666,719	$51,309	$718,028	$5.50	$5,521,854	9.9%	$457,725	0.4%	$5,979,579
Subproject Area 12 (Pier 48)	0	0	0.0%	10,000	0	202,500	212,500	7.3%	212,500	7.3%	$0	$1,169,480	$1,169,480	$5.50	$0	0.0%	$10,432,959	9.7%	$10,432,959
Total	**1,327**	**1,227,296**	**42.2%**	**248,931**	**1,231,091**	**202,500**	**1,682,522**	**57.8%**	**2,909,818**	**100.0%**	**$6,754,346**	**$9,259,654**	**$16,014,000**		**$55,935,116**	**100.0%**	**$107,092,374**	**100.0%**	**$163,027,490**

[1] The materials provided by Seawall Lot 337 Associates, LLC indicate the land costs of parking is $0.
[2] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000.
[3] Land costs per SF or unit are in Table B3.2.

Table B3.2
Per Net SF Vertical Development Costs ($2017)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

		Development Cost ($ in FY2017-18)				Development Cost per Unit/SF ($ in FY2017-18) [1]				
						Land Cost at Leasehold	Vertical Development Cost			
Land Use Component	Total Units / SF	Hard Costs	Soft Costs	Land Value	Total	Interest Sale	Hard Costs	Soft Costs	Subtotal	Total
Commercial										
Retail	248,931	$88,395,161	$28,230,527	$12,221,585	**$128,847,274**	$49	$355	$113	$469	**$518**
Office	1,231,091	$476,782,848	$188,877,306	$84,928,793	**$750,588,947**	$69	$387	$153	$541	**$610**
Production	202,500	$48,000,000	$32,000,000	$9,941,996	**$89,941,996**	$49	$237	$158	$395	**$444**
Parking	983,876	$180,000,000	$120,000,000	$0	**$300,000,000**	$0	$183	$122	$305	**$305**
Subtotal - Commercial	**2,666,398**	**$793,178,009**	**$369,107,833**	**$107,092,374**	**$1,269,378,217**					
Residential										
Market Rate										
Junior 1 BDR	200	$87,614,958	$20,887,466	$8,430,311	**$116,932,735**	$42,152	$438,075	$104,437	$542,512	**$584,664**
1 BDR / 1 Bath	320	$140,183,933	$33,419,945	$13,488,498	**$187,092,376**	$42,152	$438,075	$104,437	$542,512	**$584,664**
2 BDR / 2 Bath	261	$114,337,520	$27,258,143	$11,001,556	**$152,597,219**	$42,152	$438,075	$104,437	$542,512	**$584,664**
3 BDR / 3 Bath	20	$8,761,496	$2,088,747	$843,031	**$11,693,273**	$42,152	$438,075	$104,437	$542,512	**$584,664**
BMR - 45% AMI										
Junior 1 BDR	7	$3,066,524	$731,061	$295,061	**$4,092,646**	$42,152	$438,075	$104,437	$542,512	**$584,664**
1 BDR / 1 Bath	11	$4,818,823	$1,148,811	$463,667	**$6,431,300**	$42,152	$438,075	$104,437	$542,512	**$584,664**
2 BDR / 2 Bath	9	$3,942,673	$939,936	$379,364	**$5,261,973**	$42,152	$438,075	$104,437	$542,512	**$584,664**
3 BDR / 3 Bath	0	$0	$0	$0	**$0**	$0	$0	$0	$0	**$0**
BMR - 55% AMI										
Junior 1 BDR	33	$14,456,468	$3,446,432	$1,391,001	**$19,293,901**	$42,152	$438,075	$104,437	$542,512	**$584,664**
1 BDR / 1 Bath	52	$22,779,889	$5,430,741	$2,191,881	**$30,402,511**	$42,152	$438,075	$104,437	$542,512	**$584,664**
2 BDR / 2 Bath	42	$18,399,141	$4,386,368	$1,770,365	**$24,555,874**	$42,152	$438,075	$104,437	$542,512	**$584,664**
3 BDR / 3 Bath	4	$1,752,299	$417,749	$168,606	**$2,338,655**	$42,152	$438,075	$104,437	$542,512	**$584,664**
BMR - 90% AMI										
Junior 1 BDR	13	$5,694,972	$1,357,685	$547,970	**$7,600,628**	$42,152	$438,075	$104,437	$542,512	**$584,664**
1 BDR / 1 Bath	21	$9,199,571	$2,193,184	$885,183	**$12,277,937**	$42,152	$438,075	$104,437	$542,512	**$584,664**
2 BDR / 2 Bath	16	$7,009,197	$1,670,997	$674,425	**$9,354,619**	$42,152	$438,075	$104,437	$542,512	**$584,664**
3 BDR / 3 Bath	0	$0	$0	$0	**$0**	$0	$0	$0	$0	**$0**
BMR - 120% AMI										
Junior 1 BDR	57	$24,970,263	$5,952,928	$2,402,639	**$33,325,829**	$42,152	$438,075	$104,437	$542,512	**$584,664**
1 BDR / 1 Bath	91	$39,864,806	$9,503,797	$3,835,792	**$53,204,394**	$42,152	$438,075	$104,437	$542,512	**$584,664**
2 BDR / 2 Bath	74	$32,417,534	$7,728,362	$3,119,215	**$43,265,112**	$42,152	$438,075	$104,437	$542,512	**$584,664**
3 BDR / 3 Bath	6	$2,628,449	$626,624	$252,909	**$3,507,982**	$42,152	$438,075	$104,437	$542,512	**$584,664**
BMR - 150% AMI										
Junior 1 BDR	23	$10,075,720	$2,402,059	$969,486	**$13,447,265**	$42,152	$438,075	$104,437	$542,512	**$584,664**
1 BDR / 1 Bath	36	$15,770,692	$3,759,744	$1,517,456	**$21,047,892**	$42,152	$438,075	$104,437	$542,512	**$584,664**
2 BDR / 2 Bath	30	$13,142,244	$3,133,120	$1,264,547	**$17,539,910**	$42,152	$438,075	$104,437	$542,512	**$584,664**
3 BDR / 3 Bath	1	$438,075	$104,437	$42,152	**$584,664**	$42,152	$438,075	$104,437	$542,512	**$584,664**
Subtotal- Residential	**1,327**	**$581,325,246**	**$138,588,335**	**$55,935,116**	**$775,848,697**					
Commercial & Residential Total [1]		**$1,374,503,255**	**$507,696,168**	**$163,027,490**	**$2,045,226,913**					

Source: Seawall Lot 337 Associates, LLC

[1] KMA calculations.
[2] KMA assumes that the unit values of land costs for production space is same as retail.

Table B3.3
Hard Costs by Development Phase
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

FY of Hard Costs Occurred [2]	FY of Vertical Completion	Residential SF		Commercial SF						Total SF		Hard Costs after Leasehold Interest Sale ($ in FY2017-18) [1]				
		Unit	SF	Retail	Office	Prodct.	Parking	Total	%	SF	%	Residential	%	Commercial	%	Total
		a	*b*	*d*	*e*	*f*	*k*	*g*	*h*	*i*	*j*	*n=438,057*a*				*p=n+o*
												$438,075/unit		*Retail: $355/SF*		
														Office: $387/SF		
														Production: $237/SF		
														Parking: $183/SF		
2019-20	2020-21	0	0	0	0	0	0	0	0.0%	0	0.0%	$0	0.0%	$0	0.0%	**$0**
2020-21	2021-22	542	500,966	98,865	522,352	0	0	621,217	16.0%	1,122,183	28.8%	$237,436,536	40.8%	$237,405,864	29.9%	**$474,842,400**
2021-22	2022-23	0	0	0	0	0	0	0	0.0%	0	0.0%	$0	0.0%	$0	0.0%	**$0**
2022-23	2023-24	259	240,494	56,764	449,823	0	983,876	1,490,463	38.3%	1,730,957	44.5%	$113,461,371	19.5%	$374,366,459	47.2%	**$487,827,829**
2023-24	2024-25	334	307,720	38,579	129,458	0	0	168,037	4.3%	475,757	12.2%	$146,316,980	25.2%	$63,836,483	8.0%	**$210,153,463**
2024-25	2025-26	192	178,116	44,723	129,458	0	0	174,181	4.5%	352,297	9.0%	$84,110,360	14.5%	$66,018,212	8.3%	**$150,128,572**
2025-26	2026-27	0	0	10,000	0	202,500	0	212,500	5.5%	212,500	5.5%	$0	0.0%	$51,550,990	6.5%	**$51,550,990**
Total		**1,327**	**1,227,296**	**248,931**	**1,231,091**	**202,500**	**983,876**	**2,666,398**	**68.5%**	**3,893,694**	**100.0%**	**$581,325,246**	**100.0%**	**$793,178,009**	**100.0%**	**$1,374,503,255**

[1] Hard costs per SF or unit are in Table B3.2
[2] KMA assumes that the construction materials are purchased one year before the vertical completion year.

Table B4
Aggregate AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD
San Francisco, CA

Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
FY 2017-18 Base AV = $16,014			*1%*	*64.59%*		*100%*
2017-18	$0	$16,014	$0	$0	$0	$0
2018-19	$320	$16,334	$3	$2	$0	$0
2019-20	$647	$16,661	$6	$4	$0	$0
2020-21	$980	$16,994	$10	$6	$0	$0
2021-22	$62,252	$78,266	$623	$402	$361	$361
2022-23	$63,817	$79,831	$638	$412	$368	$368
2023-24	$812,101	$828,115	$8,121	$5,245	$5,103	$5,103
2024-25	$854,526	$870,540	$8,545	$5,519	$5,306	$5,306
2025-26	$1,740,783	$1,756,797	$17,408	$11,244	$11,035	$11,035
2026-27	$2,118,523	$2,134,537	$21,185	$13,684	$13,470	$13,470
2027-28	$2,408,379	$2,424,393	$24,084	$15,556	$15,479	$15,479
2028-29	$2,567,362	$2,583,376	$25,674	$16,583	$16,583	$16,583
2029-30	$2,619,029	$2,635,043	$26,190	$16,916	$16,916	$16,916
2030-31	$2,671,730	$2,687,744	$26,717	$17,257	$17,257	$17,257
2031-32	$2,725,485	$2,741,499	$27,255	$17,604	$17,604	$17,604
2032-33	$2,780,315	$2,796,329	$27,803	$17,958	$17,958	$17,958
2033-34	$2,836,242	$2,852,256	$28,362	$18,319	$18,319	$18,319
2034-35	$2,893,287	$2,909,301	$28,933	$18,688	$18,688	$18,688
2035-36	$2,951,473	$2,967,487	$29,515	$19,064	$19,064	$19,064
2036-37	$3,010,822	$3,026,836	$30,108	$19,447	$19,447	$19,447
2037-38	$3,071,359	$3,087,373	$30,714	$19,838	$19,838	$19,838
2038-39	$3,133,107	$3,149,121	$31,331	$20,237	$20,237	$20,237
2039-40	$3,196,089	$3,212,103	$31,961	$20,644	$20,644	$20,644
2040-41	$3,260,331	$3,276,345	$32,603	$21,058	$21,058	$21,058
2041-42	$3,325,858	$3,341,872	$33,259	$21,482	$21,482	$21,482
2042-43	$3,392,695	$3,408,709	$33,927	$21,913	$21,913	$21,913
2043-44	$3,460,870	$3,476,884	$34,609	$22,354	$22,354	$22,354
2044-45	$3,530,407	$3,546,421	$35,304	$22,803	$22,803	$22,803
2045-46	$3,601,336	$3,617,350	$36,013	$23,261	$23,261	$23,261
2046-47	$3,673,683	$3,689,697	$36,737	$23,728	$23,728	$23,728
2047-48	$3,747,477	$3,763,491	$37,475	$24,205	$24,205	$24,205
2048-49	$3,822,747	$3,838,761	$38,227	$24,691	$24,691	$24,691
2049-50	$3,899,522	$3,915,536	$38,995	$25,187	$25,187	$25,187
2050-51	$3,977,832	$3,993,846	$39,778	$25,693	$25,693	$25,693
2051-52	$4,057,709	$4,073,723	$40,577	$26,209	$26,209	$26,209
2052-53	$4,139,184	$4,155,198	$41,392	$26,735	$26,735	$26,735
2053-54	$4,222,288	$4,238,302	$42,223	$27,272	$27,272	$27,272
2054-55	$4,307,054	$4,323,068	$43,071	$27,819	$27,819	$27,819
2055-56	$4,393,515	$4,409,529	$43,935	$28,378	$28,378	$28,378
2056-57	$4,481,706	$4,497,720	$44,817	$28,947	$28,947	$28,947
2057-58	$4,571,660	$4,587,674	$45,717	$29,528	$29,528	$29,528
2058-59	$4,663,414	$4,679,428	$46,634	$30,121	$30,121	$30,121
2059-60	$4,757,002	$4,773,016	$47,570	$30,725	$30,725	$30,725
2060-61	$4,852,463	$4,868,477	$48,525	$31,342	$31,342	$31,342
2061-62	$4,949,832	$4,965,846	$49,498	$31,971	$31,971	$31,971
2062-63	$5,049,149	$5,065,163	$50,491	$32,612	$32,612	$32,612
2063-64	$5,150,452	$5,166,466	$51,505	$33,267	$33,267	$33,267
2064-65	$5,253,782	$5,269,796	$52,538	$33,934	$33,934	$33,934
2065-66	$5,359,177	$5,375,191	$53,592	$34,615	$34,615	$34,615
2066-67	$3,879,214	$3,889,771	$38,792	$25,056	$25,056	$25,056
2067-68	$3,957,010	$3,967,566	$39,570	$25,558	$25,558	$25,558
2068-69	$3,219,766	$3,227,651	$32,198	$20,796	$20,796	$20,796
2069-70	$2,700,224	$2,706,327	$27,002	$17,441	$17,441	$17,441
2070-71	$1,181,368	$1,185,313	$11,814	$7,630	$7,630	$7,630
2071-72	$934,886	$937,994	$9,349	$6,038	$6,038	$6,038
2072-73	$294,825	$295,995	$2,948	$1,904	$1,904	$1,904
Nominal TOTAL [2]			**$1,686,000**	**$1,089,000**	**$1,088,000**	**$1,088,000**
2017 (3% discount) [2]			**$692,000**	**$447,000**	**$446,000**	**$446,000**

[1] Base year AV is AV in FY 2017/18, which is $16,014,000.
[2] Figures rounded.

Table B4.1
Sub-Project Area I-1 (Block A), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV =	*$2,278*		*1%*	*64.59%*		*100%*
	2017-18	$0	$2,278	$0	$0	$0	$0
	2018-19	$46	$2,323	$0	$0	$0	$0
	2019-20	$92	$2,370	$1	$1	$0	$0
	2020-21	$139	$2,417	$1	$1	$0	$0
1	2021-22	$17,877	$20,154	$179	$115	$115	$115
2	2022-23	$18,280	$20,558	$183	$118	$118	$118
3	2023-24	$287,619	$289,897	$2,876	$1,858	$1,858	$1,858
4	2024-25	$293,417	$295,695	$2,934	$1,895	$1,895	$1,895
5	2025-26	$299,331	$301,609	$2,993	$1,933	$1,933	$1,933
6	2026-27	$305,363	$307,641	$3,054	$1,972	$1,972	$1,972
7	2027-28	$311,516	$313,794	$3,115	$2,012	$2,012	$2,012
8	2028-29	$317,792	$320,070	$3,178	$2,053	$2,053	$2,053
9	2029-30	$324,193	$326,471	$3,242	$2,094	$2,094	$2,094
10	2030-31	$330,722	$333,000	$3,307	$2,136	$2,136	$2,136
11	2031-32	$337,382	$339,660	$3,374	$2,179	$2,179	$2,179
12	2032-33	$344,176	$346,454	$3,442	$2,223	$2,223	$2,223
13	2033-34	$351,105	$353,383	$3,511	$2,268	$2,268	$2,268
14	2034-35	$358,172	$360,450	$3,582	$2,313	$2,313	$2,313
15	2035-36	$365,381	$367,659	$3,654	$2,360	$2,360	$2,360
16	2036-37	$372,735	$375,012	$3,727	$2,407	$2,407	$2,407
17	2037-38	$380,235	$382,513	$3,802	$2,456	$2,456	$2,456
18	2038-39	$387,885	$390,163	$3,879	$2,505	$2,505	$2,505
19	2039-40	$395,688	$397,966	$3,957	$2,556	$2,556	$2,556
20	2040-41	$403,648	$405,926	$4,036	$2,607	$2,607	$2,607
21	2041-42	$411,766	$414,044	$4,118	$2,660	$2,660	$2,660
22	2042-43	$420,047	$422,325	$4,200	$2,713	$2,713	$2,713
23	2043-44	$428,494	$430,771	$4,285	$2,768	$2,768	$2,768
24	2044-45	$437,109	$439,387	$4,371	$2,823	$2,823	$2,823
25	2045-46	$445,897	$448,175	$4,459	$2,880	$2,880	$2,880
26	2046-47	$454,860	$457,138	$4,549	$2,938	$2,938	$2,938
27	2047-48	$464,003	$466,281	$4,640	$2,997	$2,997	$2,997
28	2048-49	$473,329	$475,606	$4,733	$3,057	$3,057	$3,057
29	2049-50	$482,841	$485,119	$4,828	$3,119	$3,119	$3,119
30	2050-51	$492,543	$494,821	$4,925	$3,181	$3,181	$3,181
31	2051-52	$502,440	$504,717	$5,024	$3,245	$3,245	$3,245
32	2052-53	$512,534	$514,812	$5,125	$3,310	$3,310	$3,310
33	2053-54	$522,830	$525,108	$5,228	$3,377	$3,377	$3,377
34	2054-55	$533,332	$535,610	$5,333	$3,445	$3,445	$3,445
35	2055-56	$544,044	$546,322	$5,440	$3,514	$3,514	$3,514
36	2056-57	$554,971	$557,249	$5,550	$3,585	$3,585	$3,585
37	2057-58	$566,116	$568,394	$5,661	$3,657	$3,657	$3,657
38	2058-59	$577,484	$579,762	$5,775	$3,730	$3,730	$3,730
39	2059-60	$589,079	$591,357	$5,891	$3,805	$3,805	$3,805
40	2060-61	$600,906	$603,184	$6,009	$3,881	$3,881	$3,881
41	2061-62	$612,970	$615,248	$6,130	$3,959	$3,959	$3,959
42	2062-63	$625,275	$627,553	$6,253	$4,039	$4,039	$4,039
43	2063-64	$637,826	$640,104	$6,378	$4,120	$4,120	$4,120
44	2064-65	$650,628	$652,906	$6,506	$4,202	$4,202	$4,202
45	2065-67	$663,686	$665,964	$6,637	$4,287	$4,287	$4,287
	Nominal TOTAL [2]			**$194,000**	**$125,000**	**$125,000**	**$125,000**
	2017 (3% discount) [2]			**$86,000**	**$55,000**	**$55,000**	**$55,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.2
Sub-Project Area I-2 (Block B), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $1,512			*1%*	*64.59%*		*100%*
	2017-18	$0	$1,512	$0	$0	$0	$0
	2018-19	$30	$1,542	$0	$0	$0	$0
	2019-20	$61	$1,573	$1	$0	$0	$0
	2020-21	$93	$1,605	$1	$1	$0	$0
1	2021-22	$17,919	$19,431	$179	$116	$116	$116
2	2022-23	$18,308	$19,820	$183	$118	$118	$118
3	2023-24	$183,301	$184,813	$1,833	$1,184	$1,184	$1,184
4	2024-25	$186,997	$188,509	$1,870	$1,208	$1,208	$1,208
5	2025-26	$190,767	$192,279	$1,908	$1,232	$1,232	$1,232
6	2026-27	$194,613	$196,125	$1,946	$1,257	$1,257	$1,257
7	2027-28	$198,535	$200,047	$1,985	$1,282	$1,282	$1,282
8	2028-29	$202,536	$204,048	$2,025	$1,308	$1,308	$1,308
9	2029-30	$206,617	$208,129	$2,066	$1,335	$1,335	$1,335
10	2030-31	$210,780	$212,292	$2,108	$1,361	$1,361	$1,361
11	2031-32	$215,026	$216,538	$2,150	$1,389	$1,389	$1,389
12	2032-33	$219,356	$220,868	$2,194	$1,417	$1,417	$1,417
13	2033-34	$223,774	$225,286	$2,238	$1,445	$1,445	$1,445
14	2034-35	$228,279	$229,791	$2,283	$1,474	$1,474	$1,474
15	2035-36	$232,875	$234,387	$2,329	$1,504	$1,504	$1,504
16	2036-37	$237,563	$239,075	$2,376	$1,534	$1,534	$1,534
17	2037-38	$242,344	$243,857	$2,423	$1,565	$1,565	$1,565
18	2038-39	$247,222	$248,734	$2,472	$1,597	$1,597	$1,597
19	2039-40	$252,196	$253,708	$2,522	$1,629	$1,629	$1,629
20	2040-41	$257,270	$258,783	$2,573	$1,662	$1,662	$1,662
21	2041-42	$262,446	$263,958	$2,624	$1,695	$1,695	$1,695
22	2042-43	$267,725	$269,237	$2,677	$1,729	$1,729	$1,729
23	2043-44	$273,110	$274,622	$2,731	$1,764	$1,764	$1,764
24	2044-45	$278,602	$280,115	$2,786	$1,799	$1,799	$1,799
25	2045-46	$284,205	$285,717	$2,842	$1,836	$1,836	$1,836
26	2046-47	$289,919	$291,431	$2,899	$1,873	$1,873	$1,873
27	2047-48	$295,748	$297,260	$2,957	$1,910	$1,910	$1,910
28	2048-49	$301,693	$303,205	$3,017	$1,949	$1,949	$1,949
29	2049-50	$307,757	$309,269	$3,078	$1,988	$1,988	$1,988
30	2050-51	$313,942	$315,454	$3,139	$2,028	$2,028	$2,028
31	2051-52	$320,251	$321,764	$3,203	$2,069	$2,069	$2,069
32	2052-53	$326,687	$328,199	$3,267	$2,110	$2,110	$2,110
33	2053-54	$333,251	$334,763	$3,333	$2,152	$2,152	$2,152
34	2054-55	$339,946	$341,458	$3,399	$2,196	$2,196	$2,196
35	2055-56	$346,775	$348,287	$3,468	$2,240	$2,240	$2,240
36	2056-57	$353,741	$355,253	$3,537	$2,285	$2,285	$2,285
37	2057-58	$360,846	$362,358	$3,608	$2,331	$2,331	$2,331
38	2058-59	$368,093	$369,605	$3,681	$2,378	$2,378	$2,378
39	2059-60	$375,485	$376,997	$3,755	$2,425	$2,425	$2,425
40	2060-61	$383,025	$384,537	$3,830	$2,474	$2,474	$2,474
41	2061-62	$390,716	$392,228	$3,907	$2,524	$2,524	$2,524
42	2062-63	$398,560	$400,073	$3,986	$2,574	$2,574	$2,574
43	2063-64	$406,562	$408,074	$4,066	$2,626	$2,626	$2,626
44	2064-65	$414,723	$416,235	$4,147	$2,679	$2,679	$2,679
45	2065-66	$423,048	$424,560	$4,230	$2,732	$2,732	$2,732
	Nominal TOTAL [2]			**$124,000**	**$80,000**	**$80,000**	**$80,000**
	2017 (3% discount) [2]			**$55,000**	**$35,000**	**$35,000**	**$35,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.3
Sub-Project Area I-3 (Block C), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $1,953			*1%*	*64.59%*		*100%*
	2017-18	$0	$1,953	$0	$0	$0	$0
	2018-19	$39	$1,992	$0	$0	$0	$0
	2019-20	$79	$2,032	$1	$1	$0	$0
	2020-21	$120	$2,072	$1	$1	$0	$0
	2021-22	$161	$2,114	$2	$1	$0	$0
	2022-23	$203	$2,156	$2	$1	$0	$0
1	2023-24	$24,920	$26,873	$249	$161	$161	$161
2	2024-25	$25,457	$27,410	$255	$164	$164	$164
3	2025-26	$252,483	$254,435	$2,525	$1,631	$1,631	$1,631
4	2026-27	$257,571	$259,524	$2,576	$1,664	$1,664	$1,664
5	2027-28	$262,762	$264,715	$2,628	$1,697	$1,697	$1,697
6	2028-29	$268,056	$270,009	$2,681	$1,731	$1,731	$1,731
7	2029-30	$273,456	$275,409	$2,735	$1,766	$1,766	$1,766
8	2030-31	$278,964	$280,917	$2,790	$1,802	$1,802	$1,802
9	2031-32	$284,583	$286,536	$2,846	$1,838	$1,838	$1,838
10	2032-33	$290,313	$292,266	$2,903	$1,875	$1,875	$1,875
11	2033-34	$296,159	$298,112	$2,962	$1,913	$1,913	$1,913
12	2034-35	$302,121	$304,074	$3,021	$1,951	$1,951	$1,951
13	2035-36	$308,203	$310,155	$3,082	$1,991	$1,991	$1,991
14	2036-37	$314,406	$316,358	$3,144	$2,031	$2,031	$2,031
15	2037-38	$320,733	$322,686	$3,207	$2,072	$2,072	$2,072
16	2038-39	$327,187	$329,139	$3,272	$2,113	$2,113	$2,113
17	2039-40	$333,769	$335,722	$3,338	$2,156	$2,156	$2,156
18	2040-41	$340,484	$342,436	$3,405	$2,199	$2,199	$2,199
19	2041-42	$347,332	$349,285	$3,473	$2,243	$2,243	$2,243
20	2042-43	$354,318	$356,271	$3,543	$2,289	$2,289	$2,289
21	2043-44	$361,444	$363,396	$3,614	$2,335	$2,335	$2,335
22	2044-45	$368,712	$370,664	$3,687	$2,382	$2,382	$2,382
23	2045-46	$376,125	$378,078	$3,761	$2,429	$2,429	$2,429
24	2046-47	$383,686	$385,639	$3,837	$2,478	$2,478	$2,478
25	2047-48	$391,399	$393,352	$3,914	$2,528	$2,528	$2,528
26	2048-49	$399,266	$401,219	$3,993	$2,579	$2,579	$2,579
27	2049-50	$407,291	$409,243	$4,073	$2,631	$2,631	$2,631
28	2050-51	$415,475	$417,428	$4,155	$2,684	$2,684	$2,684
29	2051-52	$423,824	$425,777	$4,238	$2,737	$2,737	$2,737
30	2052-53	$432,340	$434,292	$4,323	$2,792	$2,792	$2,792
31	2053-54	$441,025	$442,978	$4,410	$2,849	$2,849	$2,849
32	2054-55	$449,885	$451,838	$4,499	$2,906	$2,906	$2,906
33	2055-56	$458,922	$460,874	$4,589	$2,964	$2,964	$2,964
34	2056-57	$468,139	$470,092	$4,681	$3,024	$3,024	$3,024
35	2057-58	$477,541	$479,494	$4,775	$3,084	$3,084	$3,084
36	2058-59	$487,131	$489,084	$4,871	$3,146	$3,146	$3,146
37	2059-60	$496,913	$498,865	$4,969	$3,210	$3,210	$3,210
38	2060-61	$506,890	$508,843	$5,069	$3,274	$3,274	$3,274
39	2061-62	$517,067	$519,019	$5,171	$3,340	$3,340	$3,340
40	2062-63	$527,447	$529,400	$5,274	$3,407	$3,407	$3,407
41	2063-64	$538,035	$539,988	$5,380	$3,475	$3,475	$3,475
42	2064-65	$548,835	$550,788	$5,488	$3,545	$3,545	$3,545
43	2065-66	$559,851	$561,803	$5,599	$3,616	$3,616	$3,616
44	2066-67	$571,087	$573,039	$5,711	$3,689	$3,689	$3,689
45	2067-68	$582,547	$584,500	$5,825	$3,763	$3,763	$3,763
	Nominal TOTAL [2]			**$171,000**	**$110,000**	**$110,000**	**$110,000**
	2017 (3% discount) [2]			**$71,000**	**$46,000**	**$46,000**	**$46,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.4
Sub-Project Area I-4 (Blocks D1 and D2), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $1,381			*1%*	*64.59%*		*100%*
	2017-18	$0	$1,381	$0	$0	$0	$0
	2018-19	$28	$1,409	$0	$0	$0	$0
	2019-20	$56	$1,437	$1	$0	$0	$0
	2020-21	$85	$1,465	$1	$1	$0	$0
	2021-22	$114	$1,495	$1	$1	$0	$0
	2022-23	$144	$1,525	$1	$1	$0	$0
	2023-24	$11,483	$12,864	$115	$74	$0	$0
	2024-25	$11,740	$13,121	$117	$76	$0	$0
1	2025-26	$543,831	$545,212	$5,438	$3,513	$3,513	$3,513
2	2026-27	$554,735	$556,116	$5,547	$3,583	$3,583	$3,583
3	2027-28	$565,857	$567,238	$5,659	$3,655	$3,655	$3,655
4	2028-29	$577,202	$578,583	$5,772	$3,728	$3,728	$3,728
5	2029-30	$588,774	$590,155	$5,888	$3,803	$3,803	$3,803
6	2030-31	$600,577	$601,958	$6,006	$3,879	$3,879	$3,879
7	2031-32	$612,616	$613,997	$6,126	$3,957	$3,957	$3,957
8	2032-33	$624,896	$626,277	$6,249	$4,036	$4,036	$4,036
9	2033-34	$637,421	$638,802	$6,374	$4,117	$4,117	$4,117
10	2034-35	$650,197	$651,578	$6,502	$4,200	$4,200	$4,200
11	2035-36	$663,229	$664,610	$6,632	$4,284	$4,284	$4,284
12	2036-37	$676,521	$677,902	$6,765	$4,370	$4,370	$4,370
13	2037-38	$690,079	$691,460	$6,901	$4,457	$4,457	$4,457
14	2038-39	$703,908	$705,289	$7,039	$4,547	$4,547	$4,547
15	2039-40	$718,014	$719,395	$7,180	$4,638	$4,638	$4,638
16	2040-41	$732,402	$733,783	$7,324	$4,731	$4,731	$4,731
17	2041-42	$747,078	$748,459	$7,471	$4,825	$4,825	$4,825
18	2042-43	$762,047	$763,428	$7,620	$4,922	$4,922	$4,922
19	2043-44	$777,316	$778,696	$7,773	$5,021	$5,021	$5,021
20	2044-45	$792,889	$794,270	$7,929	$5,121	$5,121	$5,121
21	2045-46	$808,775	$810,156	$8,088	$5,224	$5,224	$5,224
22	2046-47	$824,978	$826,359	$8,250	$5,329	$5,329	$5,329
23	2047-48	$841,505	$842,886	$8,415	$5,435	$5,435	$5,435
24	2048-49	$858,363	$859,744	$8,584	$5,544	$5,544	$5,544
25	2049-50	$875,558	$876,939	$8,756	$5,655	$5,655	$5,655
26	2050-51	$893,097	$894,477	$8,931	$5,769	$5,769	$5,769
27	2051-52	$910,986	$912,367	$9,110	$5,884	$5,884	$5,884
28	2052-53	$929,233	$930,614	$9,292	$6,002	$6,002	$6,002
29	2053-54	$947,846	$949,227	$9,478	$6,122	$6,122	$6,122
30	2054-55	$966,830	$968,211	$9,668	$6,245	$6,245	$6,245
31	2055-56	$986,194	$987,575	$9,862	$6,370	$6,370	$6,370
32	2056-57	$1,005,946	$1,007,327	$10,059	$6,497	$6,497	$6,497
33	2057-58	$1,026,092	$1,027,473	$10,261	$6,628	$6,628	$6,628
34	2058-59	$1,046,642	$1,048,023	$10,466	$6,760	$6,760	$6,760
35	2059-60	$1,067,602	$1,068,983	$10,676	$6,896	$6,896	$6,896
36	2060-61	$1,088,982	$1,090,363	$10,890	$7,034	$7,034	$7,034
37	2061-62	$1,110,789	$1,112,170	$11,108	$7,175	$7,175	$7,175
38	2062-63	$1,133,033	$1,134,414	$11,330	$7,318	$7,318	$7,318
39	2063-64	$1,155,721	$1,157,102	$11,557	$7,465	$7,465	$7,465
40	2064-65	$1,178,863	$1,180,244	$11,789	$7,614	$7,614	$7,614
41	2065-66	$1,202,468	$1,203,849	$12,025	$7,767	$7,767	$7,767
42	2066-67	$1,226,545	$1,227,926	$12,265	$7,922	$7,922	$7,922
43	2067-68	$1,251,103	$1,252,484	$12,511	$8,081	$8,081	$8,081
44	2068-69	$1,276,153	$1,277,534	$12,762	$8,243	$8,243	$8,243
45	2069-70	$1,301,704	$1,303,085	$13,017	$8,408	$8,408	$8,408
	Nominal TOTAL [2]			**$392,000**	**$253,000**	**$253,000**	**$253,000**
	2017 (3% discount) [2]			**$157,000**	**$102,000**	**$102,000**	**$102,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.5
Sub-Project Area I-5 (Block E), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $778			*1%*	*64.59%*		*100%*
	2017-18	$0	$778	$0	$0	$0	$0
	2018-19	$16	$793	$0	$0	$0	$0
	2019-20	$31	$809	$0	$0	$0	$0
	2020-21	$48	$825	$0	$0	$0	$0
	2021-22	$64	$842	$1	$0	$0	$0
	2022-23	$81	$859	$1	$1	$0	$0
	2023-24	$9,836	$10,614	$98	$64	$0	$0
	2024-25	$10,049	$10,826	$100	$65	$0	$0
1	2025-26	$100,128	$100,906	$1,001	$647	$647	$647
2	2026-27	$102,146	$102,924	$1,021	$660	$660	$660
3	2027-28	$104,205	$104,983	$1,042	$673	$673	$673
4	2028-29	$106,305	$107,082	$1,063	$687	$687	$687
5	2029-30	$108,446	$109,224	$1,084	$700	$700	$700
6	2030-31	$110,631	$111,409	$1,106	$715	$715	$715
7	2031-32	$112,859	$113,637	$1,129	$729	$729	$729
8	2032-33	$115,132	$115,909	$1,151	$744	$744	$744
9	2033-34	$117,450	$118,228	$1,174	$759	$759	$759
10	2034-35	$119,814	$120,592	$1,198	$774	$774	$774
11	2035-36	$122,226	$123,004	$1,222	$789	$789	$789
12	2036-37	$124,686	$125,464	$1,247	$805	$805	$805
13	2037-38	$127,196	$127,973	$1,272	$822	$822	$822
14	2038-39	$129,755	$130,533	$1,298	$838	$838	$838
15	2039-40	$132,366	$133,144	$1,324	$855	$855	$855
16	2040-41	$135,029	$135,806	$1,350	$872	$872	$872
17	2041-42	$137,745	$138,523	$1,377	$890	$890	$890
18	2042-43	$140,515	$141,293	$1,405	$908	$908	$908
19	2043-44	$143,341	$144,119	$1,433	$926	$926	$926
20	2044-45	$146,223	$147,001	$1,462	$944	$944	$944
21	2045-46	$149,163	$149,941	$1,492	$963	$963	$963
22	2046-47	$152,162	$152,940	$1,522	$983	$983	$983
23	2047-48	$155,221	$155,999	$1,552	$1,003	$1,003	$1,003
24	2048-49	$158,341	$159,119	$1,583	$1,023	$1,023	$1,023
25	2049-50	$161,523	$162,301	$1,615	$1,043	$1,043	$1,043
26	2050-51	$164,769	$165,547	$1,648	$1,064	$1,064	$1,064
27	2051-52	$168,080	$168,858	$1,681	$1,086	$1,086	$1,086
28	2052-53	$171,458	$172,235	$1,715	$1,107	$1,107	$1,107
29	2053-54	$174,902	$175,680	$1,749	$1,130	$1,130	$1,130
30	2054-55	$178,416	$179,194	$1,784	$1,152	$1,152	$1,152
31	2055-56	$182,000	$182,778	$1,820	$1,176	$1,176	$1,176
32	2056-57	$185,655	$186,433	$1,857	$1,199	$1,199	$1,199
33	2057-58	$189,384	$190,162	$1,894	$1,223	$1,223	$1,223
34	2058-59	$193,187	$193,965	$1,932	$1,248	$1,248	$1,248
35	2059-60	$197,066	$197,844	$1,971	$1,273	$1,273	$1,273
36	2060-61	$201,023	$201,801	$2,010	$1,298	$1,298	$1,298
37	2061-62	$205,059	$205,837	$2,051	$1,324	$1,324	$1,324
38	2062-63	$209,176	$209,954	$2,092	$1,351	$1,351	$1,351
39	2063-64	$213,375	$214,153	$2,134	$1,378	$1,378	$1,378
40	2064-65	$217,658	$218,436	$2,177	$1,406	$1,406	$1,406
41	2065-66	$222,027	$222,805	$2,220	$1,434	$1,434	$1,434
42	2066-67	$226,483	$227,261	$2,265	$1,463	$1,463	$1,463
43	2067-68	$231,028	$231,806	$2,310	$1,492	$1,492	$1,492
44	2068-69	$235,664	$236,442	$2,357	$1,522	$1,522	$1,522
45	2069-70	$240,393	$241,171	$2,404	$1,553	$1,553	$1,553
	Nominal TOTAL [2]			**$72,000**	**$47,000**	**$47,000**	**$47,000**
	2017 (3% discount) [2]			**$29,000**	**$19,000**	**$19,000**	**$19,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.6
Sub-Project Area I-6 (Block F), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $1,782			*1%*	*64.59%*		*100%*
	2017-18	$0	$1,782	$0	$0	$0	$0
	2018-19	$36	$1,818	$0	$0	$0	$0
	2019-20	$72	$1,854	$1	$0	$0	$0
	2020-21	$109	$1,891	$1	$1	$0	$0
	2021-22	$147	$1,929	$1	$1	$0	$0
	2022-23	$185	$1,967	$2	$1	$0	$0
	2023-24	$225	$2,007	$2	$1	$0	$0
1	2024-25	$15,453	$17,235	$155	$100	$100	$100
2	2025-26	$15,798	$17,579	$158	$102	$102	$102
3	2026-27	$248,252	$250,034	$2,483	$1,603	$1,603	$1,603
4	2027-28	$253,253	$255,035	$2,533	$1,636	$1,636	$1,636
5	2028-29	$258,353	$260,135	$2,584	$1,669	$1,669	$1,669
6	2029-30	$263,556	$265,338	$2,636	$1,702	$1,702	$1,702
7	2030-31	$268,863	$270,645	$2,689	$1,737	$1,737	$1,737
8	2031-32	$274,276	$276,058	$2,743	$1,772	$1,772	$1,772
9	2032-33	$279,797	$281,579	$2,798	$1,807	$1,807	$1,807
10	2033-34	$285,429	$287,210	$2,854	$1,844	$1,844	$1,844
11	2034-35	$291,173	$292,955	$2,912	$1,881	$1,881	$1,881
12	2035-36	$297,032	$298,814	$2,970	$1,919	$1,919	$1,919
13	2036-37	$303,008	$304,790	$3,030	$1,957	$1,957	$1,957
14	2037-38	$309,104	$310,886	$3,091	$1,997	$1,997	$1,997
15	2038-39	$315,322	$317,104	$3,153	$2,037	$2,037	$2,037
16	2039-40	$321,664	$323,446	$3,217	$2,078	$2,078	$2,078
17	2040-41	$328,133	$329,915	$3,281	$2,119	$2,119	$2,119
18	2041-42	$334,731	$336,513	$3,347	$2,162	$2,162	$2,162
19	2042-43	$341,461	$343,243	$3,415	$2,205	$2,205	$2,205
20	2043-44	$348,326	$350,108	$3,483	$2,250	$2,250	$2,250
21	2044-45	$355,328	$357,110	$3,553	$2,295	$2,295	$2,295
22	2045-46	$362,470	$364,252	$3,625	$2,341	$2,341	$2,341
23	2046-47	$369,755	$371,537	$3,698	$2,388	$2,388	$2,388
24	2047-48	$377,186	$378,968	$3,772	$2,436	$2,436	$2,436
25	2048-49	$384,766	$386,547	$3,848	$2,485	$2,485	$2,485
26	2049-50	$392,497	$394,278	$3,925	$2,535	$2,535	$2,535
27	2050-51	$400,382	$402,164	$4,004	$2,586	$2,586	$2,586
28	2051-52	$408,425	$410,207	$4,084	$2,638	$2,638	$2,638
29	2052-53	$416,629	$418,411	$4,166	$2,691	$2,691	$2,691
30	2053-54	$424,998	$426,780	$4,250	$2,745	$2,745	$2,745
31	2054-55	$433,533	$435,315	$4,335	$2,800	$2,800	$2,800
32	2055-56	$442,240	$444,021	$4,422	$2,856	$2,856	$2,856
33	2056-57	$451,120	$452,902	$4,511	$2,914	$2,914	$2,914
34	2057-58	$460,178	$461,960	$4,602	$2,972	$2,972	$2,972
35	2058-59	$469,417	$471,199	$4,694	$3,032	$3,032	$3,032
36	2059-60	$478,841	$480,623	$4,788	$3,093	$3,093	$3,093
37	2060-61	$488,454	$490,236	$4,885	$3,155	$3,155	$3,155
38	2061-62	$498,258	$500,040	$4,983	$3,218	$3,218	$3,218
39	2062-63	$508,259	$510,041	$5,083	$3,283	$3,283	$3,283
40	2063-64	$518,460	$520,242	$5,185	$3,349	$3,349	$3,349
41	2064-65	$528,865	$530,647	$5,289	$3,416	$3,416	$3,416
42	2065-66	$539,478	$541,260	$5,395	$3,484	$3,484	$3,484
43	2066-67	$550,303	$552,085	$5,503	$3,554	$3,554	$3,554
44	2067-68	$561,345	$563,127	$5,613	$3,626	$3,626	$3,626
45	2068-69	$572,607	$574,389	$5,726	$3,698	$3,698	$3,698
	Nominal TOTAL [2]			**$167,000**	**$108,000**	**$108,000**	**$108,000**
	2017 (3% discount) [2]			**$68,000**	**$44,000**	**$44,000**	**$44,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.7
Sub-Project Area I-7 (Block G), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV =	*$1,668*		*1%*	*64.59%*		*100%*
	2017-18	$0	$1,668	$0	$0	$0	$0
	2018-19	$33	$1,701	$0	$0	$0	$0
	2019-20	$67	$1,735	$1	$0	$0	$0
	2020-21	$102	$1,770	$1	$1	$0	$0
1	2021-22	$20,020	$21,688	$200	$129	$129	$129
2	2022-23	$20,453	$22,121	$205	$132	$132	$132
3	2023-24	$203,433	$205,101	$2,034	$1,314	$1,314	$1,314
4	2024-25	$207,535	$209,203	$2,075	$1,340	$1,340	$1,340
5	2025-26	$211,719	$213,387	$2,117	$1,367	$1,367	$1,367
6	2026-27	$215,987	$217,655	$2,160	$1,395	$1,395	$1,395
7	2027-28	$220,340	$222,008	$2,203	$1,423	$1,423	$1,423
8	2028-29	$224,780	$226,448	$2,248	$1,452	$1,452	$1,452
9	2029-30	$229,309	$230,977	$2,293	$1,481	$1,481	$1,481
10	2030-31	$233,929	$235,596	$2,339	$1,511	$1,511	$1,511
11	2031-32	$238,641	$240,308	$2,386	$1,541	$1,541	$1,541
12	2032-33	$243,447	$245,115	$2,434	$1,572	$1,572	$1,572
13	2033-34	$248,349	$250,017	$2,483	$1,604	$1,604	$1,604
14	2034-35	$253,349	$255,017	$2,533	$1,636	$1,636	$1,636
15	2035-36	$258,450	$260,118	$2,584	$1,669	$1,669	$1,669
16	2036-37	$263,652	$265,320	$2,637	$1,703	$1,703	$1,703
17	2037-38	$268,958	$270,626	$2,690	$1,737	$1,737	$1,737
18	2038-39	$274,371	$276,039	$2,744	$1,772	$1,772	$1,772
19	2039-40	$279,892	$281,560	$2,799	$1,808	$1,808	$1,808
20	2040-41	$285,523	$287,191	$2,855	$1,844	$1,844	$1,844
21	2041-42	$291,267	$292,935	$2,913	$1,881	$1,881	$1,881
22	2042-43	$297,125	$298,793	$2,971	$1,919	$1,919	$1,919
23	2043-44	$303,101	$304,769	$3,031	$1,958	$1,958	$1,958
24	2044-45	$309,197	$310,865	$3,092	$1,997	$1,997	$1,997
25	2045-46	$315,414	$317,082	$3,154	$2,037	$2,037	$2,037
26	2046-47	$321,756	$323,423	$3,218	$2,078	$2,078	$2,078
27	2047-48	$328,224	$329,892	$3,282	$2,120	$2,120	$2,120
28	2048-49	$334,822	$336,490	$3,348	$2,163	$2,163	$2,163
29	2049-50	$341,552	$343,220	$3,416	$2,206	$2,206	$2,206
30	2050-51	$348,416	$350,084	$3,484	$2,250	$2,250	$2,250
31	2051-52	$355,418	$357,086	$3,554	$2,296	$2,296	$2,296
32	2052-53	$362,559	$364,227	$3,626	$2,342	$2,342	$2,342
33	2053-54	$369,844	$371,512	$3,698	$2,389	$2,389	$2,389
34	2054-55	$377,274	$378,942	$3,773	$2,437	$2,437	$2,437
35	2055-56	$384,853	$386,521	$3,849	$2,486	$2,486	$2,486
36	2056-57	$392,584	$394,251	$3,926	$2,536	$2,536	$2,536
37	2057-58	$400,469	$402,136	$4,005	$2,587	$2,587	$2,587
38	2058-59	$408,511	$410,179	$4,085	$2,639	$2,639	$2,639
39	2059-60	$416,715	$418,383	$4,167	$2,692	$2,692	$2,692
40	2060-61	$425,083	$426,750	$4,251	$2,746	$2,746	$2,746
41	2061-62	$433,618	$435,285	$4,336	$2,801	$2,801	$2,801
42	2062-63	$442,323	$443,991	$4,423	$2,857	$2,857	$2,857
43	2063-64	$451,203	$452,871	$4,512	$2,914	$2,914	$2,914
44	2064-65	$460,260	$461,928	$4,603	$2,973	$2,973	$2,973
45	2065-66	$469,499	$471,167	$4,695	$3,032	$3,032	$3,032
	Nominal TOTAL [2]			**$137,000**	**$89,000**	**$89,000**	**$89,000**
	2017 (3% discount) [2]			**$61,000**	**$39,000**	**$39,000**	**$39,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.8
Sub-Project Area I-8 (Block H), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $836			*1%*	*64.59%*		*100%*
	2017-18	$0	$836	$0	$0	$0	$0
	2018-19	$17	$853	$0	$0	$0	$0
	2019-20	$34	$870	$0	$0	$0	$0
	2020-21	$51	$888	$1	$0	$0	$0
	2021-22	$69	$905	$1	$0	$0	$0
	2022-23	$87	$923	$1	$1	$0	$0
	2023-24	$106	$942	$1	$1	$0	$0
	2024-25	$10,799	$11,635	$108	$70	$0	$0
	2025-26	$11,032	$11,868	$110	$71	$0	$0
1	2026-27	$110,337	$111,174	$1,103	$713	$713	$713
2	2027-28	$112,561	$113,397	$1,126	$727	$727	$727
3	2028-29	$114,829	$115,665	$1,148	$742	$742	$742
4	2029-30	$117,142	$117,978	$1,171	$757	$757	$757
5	2030-31	$119,501	$120,338	$1,195	$772	$772	$772
6	2031-32	$121,908	$122,745	$1,219	$787	$787	$787
7	2032-33	$124,363	$125,200	$1,244	$803	$803	$803
8	2033-34	$126,867	$127,704	$1,269	$819	$819	$819
9	2034-35	$129,421	$130,258	$1,294	$836	$836	$836
10	2035-36	$132,026	$132,863	$1,320	$853	$853	$853
11	2036-37	$134,684	$135,520	$1,347	$870	$870	$870
12	2037-38	$137,394	$138,230	$1,374	$887	$887	$887
13	2038-39	$140,159	$140,995	$1,402	$905	$905	$905
14	2039-40	$142,978	$143,815	$1,430	$923	$923	$923
15	2040-41	$145,855	$146,691	$1,459	$942	$942	$942
16	2041-42	$148,789	$149,625	$1,488	$961	$961	$961
17	2042-43	$151,781	$152,618	$1,518	$980	$980	$980
18	2043-44	$154,833	$155,670	$1,548	$1,000	$1,000	$1,000
19	2044-45	$157,947	$158,783	$1,579	$1,020	$1,020	$1,020
20	2045-46	$161,123	$161,959	$1,611	$1,041	$1,041	$1,041
21	2046-47	$164,362	$165,198	$1,644	$1,062	$1,062	$1,062
22	2047-48	$167,666	$168,502	$1,677	$1,083	$1,083	$1,083
23	2048-49	$171,036	$171,872	$1,710	$1,105	$1,105	$1,105
24	2049-50	$174,473	$175,310	$1,745	$1,127	$1,127	$1,127
25	2050-51	$177,979	$178,816	$1,780	$1,150	$1,150	$1,150
26	2051-52	$181,556	$182,392	$1,816	$1,173	$1,173	$1,173
27	2052-53	$185,204	$186,040	$1,852	$1,196	$1,196	$1,196
28	2053-54	$188,924	$189,761	$1,889	$1,220	$1,220	$1,220
29	2054-55	$192,720	$193,556	$1,927	$1,245	$1,245	$1,245
30	2055-56	$196,591	$197,427	$1,966	$1,270	$1,270	$1,270
31	2056-57	$200,539	$201,376	$2,005	$1,295	$1,295	$1,295
32	2057-58	$204,567	$205,403	$2,046	$1,321	$1,321	$1,321
33	2058-59	$208,675	$209,511	$2,087	$1,348	$1,348	$1,348
34	2059-60	$212,865	$213,701	$2,129	$1,375	$1,375	$1,375
35	2060-61	$217,139	$217,975	$2,171	$1,403	$1,403	$1,403
36	2061-62	$221,499	$222,335	$2,215	$1,431	$1,431	$1,431
37	2062-63	$225,945	$226,782	$2,259	$1,459	$1,459	$1,459
38	2063-64	$230,481	$231,317	$2,305	$1,489	$1,489	$1,489
39	2064-65	$235,107	$235,944	$2,351	$1,519	$1,519	$1,519
40	2065-66	$239,826	$240,662	$2,398	$1,549	$1,549	$1,549
41	2066-67	$244,639	$245,476	$2,446	$1,580	$1,580	$1,580
42	2067-68	$249,549	$250,385	$2,495	$1,612	$1,612	$1,612
43	2068-69	$254,557	$255,393	$2,546	$1,644	$1,644	$1,644
44	2069-70	$259,664	$260,501	$2,597	$1,677	$1,677	$1,677
45	2070-71	$264,874	$265,711	$2,649	$1,711	$1,711	$1,711
	Nominal TOTAL [2]			**$80,000**	**$52,000**	**$51,000**	**$51,000**
	2017 (3% discount) [2]			**$31,000**	**$20,000**	**$20,000**	**$20,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.9
Sub-Project Area I-9 (Block I), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $1,102			*1%*	*64.59%*		*100%*
	2017-18	$0	$1,102	$0	$0	$0	$0
	2018-19	$22	$1,124	$0	$0	$0	$0
	2019-20	$45	$1,147	$0	$0	$0	$0
	2020-21	$67	$1,170	$1	$0	$0	$0
	2021-22	$91	$1,193	$1	$1	$0	$0
	2022-23	$115	$1,217	$1	$1	$0	$0
	2023-24	$139	$1,242	$1	$1	$0	$0
	2024-25	$164	$1,266	$2	$1	$0	$0
	2025-26	$9,863	$10,965	$99	$64	$0	$0
	2026-27	$10,082	$11,184	$101	$65	$0	$0
1	2027-28	$155,430	$156,533	$1,554	$1,004	$1,004	$1,004
2	2028-29	$158,561	$159,663	$1,586	$1,024	$1,024	$1,024
3	2029-30	$161,754	$162,856	$1,618	$1,045	$1,045	$1,045
4	2030-31	$165,011	$166,114	$1,650	$1,066	$1,066	$1,066
5	2031-32	$168,333	$169,436	$1,683	$1,087	$1,087	$1,087
6	2032-33	$171,722	$172,825	$1,717	$1,109	$1,109	$1,109
7	2033-34	$175,179	$176,281	$1,752	$1,131	$1,131	$1,131
8	2034-35	$178,704	$179,807	$1,787	$1,154	$1,154	$1,154
9	2035-36	$182,300	$183,403	$1,823	$1,177	$1,177	$1,177
10	2036-37	$185,968	$187,071	$1,860	$1,201	$1,201	$1,201
11	2037-38	$189,710	$190,812	$1,897	$1,225	$1,225	$1,225
12	2038-39	$193,526	$194,629	$1,935	$1,250	$1,250	$1,250
13	2039-40	$197,419	$198,521	$1,974	$1,275	$1,275	$1,275
14	2040-41	$201,389	$202,492	$2,014	$1,301	$1,301	$1,301
15	2041-42	$205,439	$206,541	$2,054	$1,327	$1,327	$1,327
16	2042-43	$209,570	$210,672	$2,096	$1,354	$1,354	$1,354
17	2043-44	$213,783	$214,886	$2,138	$1,381	$1,381	$1,381
18	2044-45	$218,081	$219,183	$2,181	$1,409	$1,409	$1,409
19	2045-46	$222,465	$223,567	$2,225	$1,437	$1,437	$1,437
20	2046-47	$226,936	$228,038	$2,269	$1,466	$1,466	$1,466
21	2047-48	$231,497	$232,599	$2,315	$1,495	$1,495	$1,495
22	2048-49	$236,149	$237,251	$2,361	$1,525	$1,525	$1,525
23	2049-50	$240,894	$241,996	$2,409	$1,556	$1,556	$1,556
24	2050-51	$245,734	$246,836	$2,457	$1,587	$1,587	$1,587
25	2051-52	$250,670	$251,773	$2,507	$1,619	$1,619	$1,619
26	2052-53	$255,706	$256,808	$2,557	$1,652	$1,652	$1,652
27	2053-54	$260,842	$261,944	$2,608	$1,685	$1,685	$1,685
28	2054-55	$266,081	$267,183	$2,661	$1,719	$1,719	$1,719
29	2055-56	$271,425	$272,527	$2,714	$1,753	$1,753	$1,753
30	2056-57	$276,875	$277,977	$2,769	$1,788	$1,788	$1,788
31	2057-58	$282,435	$283,537	$2,824	$1,824	$1,824	$1,824
32	2058-59	$288,105	$289,208	$2,881	$1,861	$1,861	$1,861
33	2059-60	$293,890	$294,992	$2,939	$1,898	$1,898	$1,898
34	2060-61	$299,789	$300,892	$2,998	$1,936	$1,936	$1,936
35	2061-62	$305,807	$306,910	$3,058	$1,975	$1,975	$1,975
36	2062-63	$311,945	$313,048	$3,119	$2,015	$2,015	$2,015
37	2063-64	$318,206	$319,309	$3,182	$2,055	$2,055	$2,055
38	2064-65	$324,593	$325,695	$3,246	$2,097	$2,097	$2,097
39	2065-66	$331,106	$332,209	$3,311	$2,139	$2,139	$2,139
40	2066-67	$337,751	$338,853	$3,378	$2,182	$2,182	$2,182
41	2067-68	$344,528	$345,630	$3,445	$2,225	$2,225	$2,225
42	2068-69	$351,440	$352,543	$3,514	$2,270	$2,270	$2,270
43	2069-70	$358,491	$359,594	$3,585	$2,315	$2,315	$2,315
44	2070-71	$365,683	$366,785	$3,657	$2,362	$2,362	$2,362
45	2071-72	$373,019	$374,121	$3,730	$2,409	$2,409	$2,409
	Nominal TOTAL [2]			**$112,000**	**$72,000**	**$72,000**	**$72,000**
	2017 (3% discount) [2]			**$43,000**	**$28,000**	**$27,000**	**$27,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.10
Sub-Project Area I-10 (Block J), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $836			*1%*	*64.59%*		*100%*
	2017-18	$0	$836	$0	$0	$0	$0
	2018-19	$17	$853	$0	$0	$0	$0
	2019-20	$34	$870	$0	$0	$0	$0
	2020-21	$51	$888	$1	$0	$0	$0
	2021-22	$69	$905	$1	$0	$0	$0
	2022-23	$87	$923	$1	$1	$0	$0
	2023-24	$106	$942	$1	$1	$0	$0
	2024-25	$124	$961	$1	$1	$0	$0
	2025-26	$11,148	$11,984	$111	$72	$0	$0
	2026-27	$11,388	$12,224	$114	$74	$0	$0
1	2027-28	$113,672	$114,509	$1,137	$734	$734	$734
2	2028-29	$115,963	$116,799	$1,160	$749	$749	$749
3	2029-30	$118,299	$119,135	$1,183	$764	$764	$764
4	2030-31	$120,681	$121,518	$1,207	$779	$779	$779
5	2031-32	$123,112	$123,948	$1,231	$795	$795	$795
6	2032-33	$125,591	$126,427	$1,256	$811	$811	$811
7	2033-34	$128,119	$128,956	$1,281	$828	$828	$828
8	2034-35	$130,698	$131,535	$1,307	$844	$844	$844
9	2035-36	$133,329	$134,165	$1,333	$861	$861	$861
10	2036-37	$136,012	$136,849	$1,360	$879	$879	$879
11	2037-38	$138,749	$139,586	$1,387	$896	$896	$896
12	2038-39	$141,541	$142,377	$1,415	$914	$914	$914
13	2039-40	$144,388	$145,225	$1,444	$933	$933	$933
14	2040-41	$147,293	$148,129	$1,473	$951	$951	$951
15	2041-42	$150,256	$151,092	$1,503	$971	$971	$971
16	2042-43	$153,277	$154,114	$1,533	$990	$990	$990
17	2043-44	$156,360	$157,196	$1,564	$1,010	$1,010	$1,010
18	2044-45	$159,504	$160,340	$1,595	$1,030	$1,030	$1,030
19	2045-46	$162,710	$163,547	$1,627	$1,051	$1,051	$1,051
20	2046-47	$165,981	$166,818	$1,660	$1,072	$1,072	$1,072
21	2047-48	$169,318	$170,154	$1,693	$1,094	$1,094	$1,094
22	2048-49	$172,721	$173,557	$1,727	$1,116	$1,116	$1,116
23	2049-50	$176,192	$177,028	$1,762	$1,138	$1,138	$1,138
24	2050-51	$179,732	$180,569	$1,797	$1,161	$1,161	$1,161
25	2051-52	$183,344	$184,180	$1,833	$1,184	$1,184	$1,184
26	2052-53	$187,027	$187,864	$1,870	$1,208	$1,208	$1,208
27	2053-54	$190,785	$191,621	$1,908	$1,232	$1,232	$1,232
28	2054-55	$194,617	$195,454	$1,946	$1,257	$1,257	$1,257
29	2055-56	$198,526	$199,363	$1,985	$1,282	$1,282	$1,282
30	2056-57	$202,513	$203,350	$2,025	$1,308	$1,308	$1,308
31	2057-58	$206,580	$207,417	$2,066	$1,334	$1,334	$1,334
32	2058-59	$210,729	$211,565	$2,107	$1,361	$1,361	$1,361
33	2059-60	$214,960	$215,797	$2,150	$1,388	$1,388	$1,388
34	2060-61	$219,276	$220,112	$2,193	$1,416	$1,416	$1,416
35	2061-62	$223,678	$224,515	$2,237	$1,445	$1,445	$1,445
36	2062-63	$228,169	$229,005	$2,282	$1,474	$1,474	$1,474
37	2063-64	$232,749	$233,585	$2,327	$1,503	$1,503	$1,503
38	2064-65	$237,420	$238,257	$2,374	$1,533	$1,533	$1,533
39	2065-66	$242,185	$243,022	$2,422	$1,564	$1,564	$1,564
40	2066-67	$247,046	$247,882	$2,470	$1,596	$1,596	$1,596
41	2067-68	$252,004	$252,840	$2,520	$1,628	$1,628	$1,628
42	2068-69	$257,060	$257,897	$2,571	$1,660	$1,660	$1,660
43	2069-70	$262,218	$263,055	$2,622	$1,694	$1,694	$1,694
44	2070-71	$267,479	$268,316	$2,675	$1,728	$1,728	$1,728
45	2071-72	$272,846	$273,682	$2,728	$1,762	$1,762	$1,762
	Nominal TOTAL [2]			**$82,000**	**$53,000**	**$53,000**	**$53,000**
	2017 (3% discount) [2]			**$31,000**	**$20,000**	**$20,000**	**$20,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.11
Sub-Project Area I-11 (Block K), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $718			*1%*	*64.59%*		*100%*
	2017-18	$0	$718	$0	$0	$0	$0
	2018-19	$14	$732	$0	$0	$0	$0
	2019-20	$29	$747	$0	$0	$0	$0
	2020-21	$44	$762	$0	$0	$0	$0
	2021-22	$5,626	$6,344	$56	$36	$0	$0
	2022-23	$5,753	$6,471	$58	$37	$0	$0
1	2023-24	$90,787	$91,505	$908	$586	$586	$586
2	2024-25	$92,617	$93,335	$926	$598	$598	$598
3	2025-26	$94,484	$95,202	$945	$610	$610	$610
4	2026-27	$96,388	$97,106	$964	$623	$623	$623
5	2027-28	$98,330	$99,048	$983	$635	$635	$635
6	2028-29	$100,311	$101,029	$1,003	$648	$648	$648
7	2029-30	$102,331	$103,049	$1,023	$661	$661	$661
8	2030-31	$104,392	$105,110	$1,044	$674	$674	$674
9	2031-32	$106,495	$107,213	$1,065	$688	$688	$688
10	2032-33	$108,639	$109,357	$1,086	$702	$702	$702
11	2033-34	$110,826	$111,544	$1,108	$716	$716	$716
12	2034-35	$113,057	$113,775	$1,131	$730	$730	$730
13	2035-36	$115,332	$116,050	$1,153	$745	$745	$745
14	2036-37	$117,653	$118,371	$1,177	$760	$760	$760
15	2037-38	$120,021	$120,739	$1,200	$775	$775	$775
16	2038-39	$122,436	$123,154	$1,224	$791	$791	$791
17	2039-40	$124,899	$125,617	$1,249	$807	$807	$807
18	2040-41	$127,411	$128,129	$1,274	$823	$823	$823
19	2041-42	$129,974	$130,692	$1,300	$839	$839	$839
20	2042-43	$132,587	$133,306	$1,326	$856	$856	$856
21	2043-44	$135,254	$135,972	$1,353	$874	$874	$874
22	2044-45	$137,973	$138,691	$1,380	$891	$891	$891
23	2045-46	$140,747	$141,465	$1,407	$909	$909	$909
24	2046-47	$143,576	$144,294	$1,436	$927	$927	$927
25	2047-48	$146,462	$147,180	$1,465	$946	$946	$946
26	2048-49	$149,406	$150,124	$1,494	$965	$965	$965
27	2049-50	$152,408	$153,126	$1,524	$984	$984	$984
28	2050-51	$155,471	$156,189	$1,555	$1,004	$1,004	$1,004
29	2051-52	$158,594	$159,312	$1,586	$1,024	$1,024	$1,024
30	2052-53	$161,781	$162,499	$1,618	$1,045	$1,045	$1,045
31	2053-54	$165,031	$165,749	$1,650	$1,066	$1,066	$1,066
32	2054-55	$168,346	$169,064	$1,683	$1,087	$1,087	$1,087
33	2055-56	$171,727	$172,445	$1,717	$1,109	$1,109	$1,109
34	2056-57	$175,176	$175,894	$1,752	$1,131	$1,131	$1,131
35	2057-58	$178,694	$179,412	$1,787	$1,154	$1,154	$1,154
36	2058-59	$182,282	$183,000	$1,823	$1,177	$1,177	$1,177
37	2059-60	$185,942	$186,660	$1,859	$1,201	$1,201	$1,201
38	2060-61	$189,675	$190,393	$1,897	$1,225	$1,225	$1,225
39	2061-62	$193,483	$194,201	$1,935	$1,250	$1,250	$1,250
40	2062-63	$197,367	$198,085	$1,974	$1,275	$1,275	$1,275
41	2063-64	$201,329	$202,047	$2,013	$1,300	$1,300	$1,300
42	2064-65	$205,370	$206,088	$2,054	$1,326	$1,326	$1,326
43	2065-66	$209,491	$210,209	$2,095	$1,353	$1,353	$1,353
44	2066-67	$213,696	$214,414	$2,137	$1,380	$1,380	$1,380
45	2067-68	$217,984	$218,702	$2,180	$1,408	$1,408	$1,408
	Nominal TOTAL [2]			**$66,000**	**$42,000**	**$42,000**	**$42,000**
	2017 (3% discount) [2]			**$28,000**	**$18,000**	**$18,000**	**$18,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.12
Sub-Project Area I-12 (Pier 48), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

	Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
	FY 2017-18 Base AV = $1,169			*1%*	*64.59%*		*100%*
	2017-18	$0	$1,169	$0	$0	$0	$0
	2018-19	$23	$1,193	$0	$0	$0	$0
	2019-20	$47	$1,217	$0	$0	$0	$0
	2020-21	$72	$1,241	$1	$0	$0	$0
	2021-22	$96	$1,266	$1	$1	$0	$0
	2022-23	$122	$1,291	$1	$1	$0	$0
	2023-24	$148	$1,317	$1	$1	$0	$0
	2024-25	$174	$1,343	$2	$1	$0	$0
	2025-26	$201	$1,370	$2	$1	$0	$0
	2026-27	$11,662	$12,831	$117	$75	$0	$0
	2027-28	$11,918	$13,088	$119	$77	$0	$0
1	2028-29	$122,675	$123,844	$1,227	$792	$792	$792
2	2029-30	$125,152	$126,321	$1,252	$808	$808	$808
3	2030-31	$127,678	$128,848	$1,277	$825	$825	$825
4	2031-32	$130,255	$131,425	$1,303	$841	$841	$841
5	2032-33	$132,884	$134,053	$1,329	$858	$858	$858
6	2033-34	$135,565	$136,734	$1,356	$876	$876	$876
7	2034-35	$138,299	$139,469	$1,383	$893	$893	$893
8	2035-36	$141,089	$142,258	$1,411	$911	$911	$911
9	2036-37	$143,934	$145,103	$1,439	$930	$930	$930
10	2037-38	$146,836	$148,006	$1,468	$948	$948	$948
11	2038-39	$149,796	$150,966	$1,498	$968	$968	$968
12	2039-40	$152,815	$153,985	$1,528	$987	$987	$987
13	2040-41	$155,895	$157,065	$1,559	$1,007	$1,007	$1,007
14	2041-42	$159,036	$160,206	$1,590	$1,027	$1,027	$1,027
15	2042-43	$162,241	$163,410	$1,622	$1,048	$1,048	$1,048
16	2043-44	$165,509	$166,678	$1,655	$1,069	$1,069	$1,069
17	2044-45	$168,842	$170,012	$1,688	$1,091	$1,091	$1,091
18	2045-46	$172,243	$173,412	$1,722	$1,113	$1,113	$1,113
19	2046-47	$175,711	$176,880	$1,757	$1,135	$1,135	$1,135
20	2047-48	$179,248	$180,418	$1,792	$1,158	$1,158	$1,158
21	2048-49	$182,857	$184,026	$1,829	$1,181	$1,181	$1,181
22	2049-50	$186,537	$187,707	$1,865	$1,205	$1,205	$1,205
23	2050-51	$190,291	$191,461	$1,903	$1,229	$1,229	$1,229
24	2051-52	$194,121	$195,290	$1,941	$1,254	$1,254	$1,254
25	2052-53	$198,026	$199,196	$1,980	$1,279	$1,279	$1,279
26	2053-54	$202,010	$203,180	$2,020	$1,305	$1,305	$1,305
27	2054-55	$206,074	$207,243	$2,061	$1,331	$1,331	$1,331
28	2055-56	$210,219	$211,388	$2,102	$1,358	$1,358	$1,358
29	2056-57	$214,447	$215,616	$2,144	$1,385	$1,385	$1,385
30	2057-58	$218,759	$219,928	$2,188	$1,413	$1,413	$1,413
31	2058-59	$223,158	$224,327	$2,232	$1,441	$1,441	$1,441
32	2059-60	$227,644	$228,814	$2,276	$1,470	$1,470	$1,470
33	2060-61	$232,220	$233,390	$2,322	$1,500	$1,500	$1,500
34	2061-62	$236,888	$238,058	$2,369	$1,530	$1,530	$1,530
35	2062-63	$241,649	$242,819	$2,416	$1,561	$1,561	$1,561
36	2063-64	$246,506	$247,675	$2,465	$1,592	$1,592	$1,592
37	2064-65	$251,459	$252,629	$2,515	$1,624	$1,624	$1,624
38	2065-66	$256,512	$257,681	$2,565	$1,657	$1,657	$1,657
39	2066-67	$261,665	$262,835	$2,617	$1,690	$1,690	$1,690
40	2067-68	$266,922	$268,092	$2,669	$1,724	$1,724	$1,724
41	2068-69	$272,284	$273,453	$2,723	$1,759	$1,759	$1,759
42	2069-70	$277,753	$278,922	$2,778	$1,794	$1,794	$1,794
43	2070-71	$283,331	$284,501	$2,833	$1,830	$1,830	$1,830
44	2071-72	$289,021	$290,191	$2,890	$1,867	$1,867	$1,867
45	2072-73	$294,825	$295,995	$2,948	$1,904	$1,904	$1,904
	Nominal TOTAL			**$89,000**	**$57,000**	**$57,000**	**$57,000**
	2017 (3% discount)			**$33,000**	**$21,000**	**$21,000**	**$21,000**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table B4.13
Sub-Project Area I-13 (Mission Square), AV and Projection of Mission Rock IFD Tax Revenue ($000s)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Fiscal Year [1]	Incremental AV	Total AV	Possessory/ Property Tax Increment	Possessory/ Property Tax Increment to City	Total Available Revenues to IFD	Total Taxes Allocated to IFD
FY 2017-18 Base AV = $0			*1%*	*64.59%*		*100%*
2017-18	$0	$0	$0	$0	$0	$0
2018-19	$0	$0	$0	$0	$0	$0
2019-20	$0	$0	$0	$0	$0	$0
2020-21	$0	$0	$0	$0	$0	$0
2021-22	$0	$0	$0	$0	$0	$0
2022-23	$0	$0	$0	$0	$0	$0
2023-24	$0	$0	$0	$0	$0	$0
2024-25	$0	$0	$0	$0	$0	$0
2025-26	$0	$0	$0	$0	$0	$0
2026-27	$0	$0	$0	$0	$0	$0
2027-28	$0	$0	$0	$0	$0	$0
2028-29	$0	$0	$0	$0	$0	$0
2029-30	$0	$0	$0	$0	$0	$0
2030-31	$0	$0	$0	$0	$0	$0
2031-32	$0	$0	$0	$0	$0	$0
2032-33	$0	$0	$0	$0	$0	$0
2033-34	$0	$0	$0	$0	$0	$0
2034-35	$0	$0	$0	$0	$0	$0
2035-36	$0	$0	$0	$0	$0	$0
2036-37	$0	$0	$0	$0	$0	$0
2037-38	$0	$0	$0	$0	$0	$0
2038-39	$0	$0	$0	$0	$0	$0
2039-40	$0	$0	$0	$0	$0	$0
2040-41	$0	$0	$0	$0	$0	$0
2041-42	$0	$0	$0	$0	$0	$0
2042-43	$0	$0	$0	$0	$0	$0
2043-44	$0	$0	$0	$0	$0	$0
2044-45	$0	$0	$0	$0	$0	$0
2045-46	$0	$0	$0	$0	$0	$0
2046-47	$0	$0	$0	$0	$0	$0
2047-48	$0	$0	$0	$0	$0	$0
2048-49	$0	$0	$0	$0	$0	$0
2049-50	$0	$0	$0	$0	$0	$0
2050-51	$0	$0	$0	$0	$0	$0
2051-52	$0	$0	$0	$0	$0	$0
2052-53	$0	$0	$0	$0	$0	$0
2053-54	$0	$0	$0	$0	$0	$0
2054-55	$0	$0	$0	$0	$0	$0
2055-56	$0	$0	$0	$0	$0	$0
2056-57	$0	$0	$0	$0	$0	$0
2057-58	$0	$0	$0	$0	$0	$0
2058-59	$0	$0	$0	$0	$0	$0
2059-60	$0	$0	$0	$0	$0	$0
2060-61	$0	$0	$0	$0	$0	$0
2061-62	$0	$0	$0	$0	$0	$0
2062-63	$0	$0	$0	$0	$0	$0
2063-64	$0	$0	$0	$0	$0	$0
2064-65	$0	$0	$0	$0	$0	$0
2065-66	$0	$0	$0	$0	$0	$0
2066-67	$0	$0	$0	$0	$0	$0
2067-68	$0	$0	$0	$0	$0	$0
2068-69	$0	$0	$0	$0	$0	$0
2069-70	$0	$0	$0	$0	$0	$0
2070-71	$0	$0	$0	$0	$0	$0
2071-72	$0	$0	$0	$0	$0	$0
Nominal TOTAL [2]			**$0**	**$0**	**$0**	**$0**
2017 (3% discount) [2]			**$0**	**$0**	**$0**	**$0**

[1] Base year Aggregate AV is AV in FY 2017/18, which is $16,014,000. For Base year AV for individual blocks, see Table B3.1
[2] Figures rounded.

Table C1
Existing Persons Served and Population
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

		Assumption
General Assumptions		
Base Fiscal Year [1]		FY 2017-18
General Demographic Characteristics		
City and County of San Francisco		
Population [2]		874,228
Employment [3]		593,224
Total Persons Served	*0.50 per employee*	1,170,840

Source: California Department of Finance; Esri Business Summary Report; KMA.

[1] Base fiscal numbers comes from the City and County of San Francisco, FY 2017-18. Revenues and expenditures are in 2017 dollars.
[2] State of California, Department of Finance, E-5 City/County Population and Housing Estimates, 1/1/2017.
[3] Esri, Business Summary Report, Total Employees, 2017, City of San Francisco.

Table C2
Population and Total Persons Served Through Buildout
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

			Fiscal Year of Sale																
			2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
			Assessed Value Added to Tax Roll (FY)																
Development Project	Assumption/ Source	Buildout	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Residential Population																			
Market Rate																			
New Residential Units	Table B1	801	0	0	0	0	0	327	0	156	202	116	0	0	0	0	0	0	0
Cumulative Residential Units			0	0	0	0	0	327	327	483	685	801	801	801	801	801	801	801	801
Occupancy Rate [2]	95%																		
Occupied Residential Units		761	0	0	0	0	0	311	311	459	651	761	761	761	761	761	761	761	761
Persons/Unit [1]	2.35																		
Population (rounded)		1,788	0	0	0	0	0	730	730	1,078	1,529	1,788	1,788	1,788	1,788	1,788	1,788	1,788	1,788
BMR																			
New Residential Units	Table B1	526	0	0	0	0	0	215	0	103	132	76	0	0	0	0	0	0	0
Cumulative Residential Units			0	0	0	0	0	215	215	318	450	526	526	526	526	526	526	526	526
Occupancy Rate [2]	98%																		
Occupied Residential Units		515	0	0	0	0	0	211	211	312	441	515	515	515	515	515	515	515	515
Persons/Unit [1]	2.35																		
Population (rounded)		1,211	0	0	0	0	0	495	495	732	1,036	1,211	1,211	1,211	1,211	1,211	1,211	1,211	1,211
Total, Market Rate and BMR																			
Occupied Residential Units		1,276	0	0	0	0	0	521	521	770	1,092	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276
Persons/Unit [1]	2.35																		
Population (rounded)		2,999	0	0	0	0	0	1,225	1,225	1,810	2,565	2,999	2,999	2,999	2,999	2,999	2,999	2,999	2,999
Employee Population																			
New Office SF	Table B1	1,231,091	0	0	0	0	0	522,352	0	449,823	129,458	129,458	0	0	0	0	0	0	0
Cumulative Office SF			0	0	0	0	0	522,352	522,352	972,175	1,101,633	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091
Occupancy Rate [4]	95%																		
Office SF (Occupied)		1,169,536	0	0	0	0	0	496,234	496,234	923,566	1,046,551	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Sq. Ft./Employee [1]	276																		
Office Employees (rounded)		4,237	0	0	0	0	0	1,798	1,798	3,346	3,792	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237
New Retail SF	Table B1	248,931	0	0	0	0	0	98,865	0	56,764	38,579	44,723	10,000	0	0	0	0	0	0
Cumulative Retail SF			0	0	0	0	0	98,865	98,865	155,629	194,208	238,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931
Occupancy Rate [4]	90%																		
Retail SF (Occupied)		224,038	0	0	0	0	0	88,979	88,979	140,066	174,787	215,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Sq. Ft./Employee [1]	327																		
Retail Employees (rounded)		685	0	0	0	0	0	272	272	428	535	658	685	685	685	685	685	685	685
New Production SF		202,500	0	0	0	0	0	0	0	0	0	0	202,500	0	0	0	0	0	0
Cumulative Production SF			0	0	0	0	0	0	0	0	0	0	202,500	202,500	202,500	202,500	202,500	202,500	202,500
Occupancy Rate [4]	90%																		
Production SF (Occupied)		182,250	0	0	0	0	0	0	0	0	0	0	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Sq. Ft./Employee [1]	1,213																		
Production Employees (rounded)		150	0	0	0	0	0	0	0	0	0	0	150	150	150	150	150	150	150
New Parking SF		983,876	0	0	0	0	0	0	0	983,876	0	0	0	0	0	0	0	0	0
Cumulative Parking SF			0	0	0	0	0	0	0	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876
Occupancy Rate [4]	90%																		
Parking SF (Occupied)		885,488	0	0	0	0	0	0	0	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488
Sq. Ft./Employee [4]	75,000																		
Parking Employees (rounded)		12	0	0	0	0	0	0	0	12	12	12	12	12	12	12	12	12	12
Total Employees		5,084	0	0	0	0	0	2,070	2,070	3,786	4,339	4,907	5,084	5,084	5,084	5,084	5,084	5,084	5,084
Total Persons Served																			
Total Persons Served [3]		5,541	0	0	0	0	0	2,260	2,260	3,703	4,735	5,453	5,541	5,541	5,541	5,541	5,541	5,541	5,541

[1] As per Draft Environmental Impact Report - Volume 2, Seawall Lot 337 and Pier 48 Mixed-Use Project EIR, April 26, 2017
[2] The assumptions are provided by EPS.
[3] Total persons served = residents + 0.5*employees.
[4] KMA assumptions.

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Table C2
Population and Total Persons Ser
Mission Rock IFD Fiscal Impact An
San Francisco, CA

	Fiscal Year of Sale																			
	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53
	Assessed Value Added to Tax Roll (FY)																			
Development Project	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55
Residential Population																				
Market Rate																				
New Residential Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Residential Units	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801
Occupancy Rate [2]																				
Occupied Residential Units	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761
Persons/Unit [1]																				
Population (rounded)	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**
BMR																				
New Residential Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Residential Units	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526
Occupancy Rate [2]																				
Occupied Residential Units	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515
Persons/Unit [1]																				
Population (rounded)	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**
Total, Market Rate and BMR																				
Occupied Residential Units	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276
Persons/Unit [1]																				
Population (rounded)	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**
Employee Population																				
New Office SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Office SF	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091
Occupancy Rate [4]																				
Office SF (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Sq. Ft./Employee [1]																				
Office Employees (rounded)	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**
New Retail SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Retail SF	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931
Occupancy Rate [4]																				
Retail SF (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Sq. Ft./Employee [1]																				
Retail Employees (rounded)	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**
New Production SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Production SF	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500
Occupancy Rate [4]																				
Production SF (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Sq. Ft./Employee [1]																				
Production Employees (rounded	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**
New Parking SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Parking SF	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876
Occupancy Rate [4]																				
Parking SF (Occupied)	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488
Sq. Ft./Employee [4]																				
Parking Employees (rounded)	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
Total Employees	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**
Total Persons Served																				
Total Persons Served [3]	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**

[1] As per Draft Environmental Impact Report - Volume 2, Seawall Lot 337 and Pier 48 Mixed-Use Project EIR, April 26, 2017
[2] The assumptions are provided by EPS.
[3] Total persons served = residents + 0.5*employees.
[4] KMA assumptions.

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Table C2
Population and Total Persons Ser
Mission Rock IFD Fiscal Impact An
San Francisco, CA

	Fiscal Year of Sale																			
	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73
	Assessed Value Added to Tax Roll (FY)															Assessed Value Added to Tax Roll (FY)				
Development Project	2055-56	2056-57	2057-58	2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68	2068-69	2069-70	2070-71	2071-72	2072-73	2073-74	2074-75
Residential Population																				
Market Rate																				
New Residential Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Residential Units	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801	801
Occupancy Rate [2]																				
Occupied Residential Units	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761	761
Persons/Unit [1]																				
Population (rounded)	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**	**1,788**
BMR																				
New Residential Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Residential Units	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526	526
Occupancy Rate [2]																				
Occupied Residential Units	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515
Persons/Unit [1]																				
Population (rounded)	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**	**1,211**
Total, Market Rate and BMR																				
Occupied Residential Units	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276	1,276
Persons/Unit [1]																				
Population (rounded)	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**	**2,999**
Employee Population																				
New Office SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Office SF	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091	1,231,091
Occupancy Rate [4]																				
Office SF (Occupied)	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536	1,169,536
Sq. Ft./Employee [1]																				
Office Employees (rounded)	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**	**4,237**
New Retail SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Retail SF	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931	248,931
Occupancy Rate [4]																				
Retail SF (Occupied)	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038	224,038
Sq. Ft./Employee [1]																				
Retail Employees (rounded)	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**	**685**
New Production SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Production SF	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500
Occupancy Rate [4]																				
Production SF (Occupied)	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250	182,250
Sq. Ft./Employee [1]																				
Production Employees (rounded	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**
New Parking SF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Parking SF	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876	983,876
Occupancy Rate [4]																				
Parking SF (Occupied)	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488	885,488
Sq. Ft./Employee [4]																				
Parking Employees (rounded)	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
Total Employees	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**	**5,084**
Total Persons Served																				
Total Persons Served [3]	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**	**5,541**

[1] As per Draft Environmental Impact Report - Volume 2, Seawall Lot 337 and Pier 48 Mixed-Use Project EIR, April 26, 2017
[2] The assumptions are provided by EPS.
[3] Total persons served = residents + 0.5*employees.
[4] KMA assumptions.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table C3
Average Income and Annual Taxable Retail Expenditures for Residential Units (2017$)
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

Residential Land Use	Assumption	Multifamily
Estimated Renter Household Income (Market Rate)		
Average Rent [1]		$4,556
Housing Expenditure % of Income	30%	
Annual Average Renter Household Income		**$182,227**
Average Retail Expenditures		
Income Spent on Taxable Retail Sales [2]		30.1%
Average Retail Expenditures (rounded)		**$55,000**
Average Low Income Household Income [3]		
45% AMI (Extremely Low)		$31,600
55% AMI (Very Low)		$52,650
90% AMI (Low Income)		$84,300
120% AMI (Median Income)		$92,250
150% AMI (Moderate Income)		$110,700
Average Retail Expenditures	Income Spent on Taxable Retail Sales [2]	
45% AMI	30.1%	**$10,000**
55% AMI	30.1%	**$16,000**
90% AMI	30.1%	**$25,000**
120% AMI	30.1%	**$28,000**
150% AMI	30.1%	**$33,000**

[1] Table C4.

[2] CA Board of Equalization Taxable Sales in California Report by Type of Business for Cities and Counties - 2015, San Francisco; US Census, American Community Survey, 2011-2015 5-Year Estimates.

[3] Official State Income Limits for 2017 (effective June 9, 2017) by California Department of Housing and Community Development. Since the ACS indicates the average size of household is 2.1 people, KMA uses the numbers of household with 2 persons.

Table C4
Rents - Market Rate
Mission Rock IFD Fiscal Impact Analysis
San Francisco, CA

		PARCEL A [1]			PARCEL D1 and D2 [1]			PARCEL F [1]			PARCEL I [1]			PARCEL K [1]			Total [2]		
Unit Type	Avg. Size [1]	Units	Monthly Rent	Subtotal Rent [2]	Units	Monthly Rent	Subtotal Rent [2]	Units	Monthly Rent	Subtotal Rent [2]	Units	Monthly Rent	Subtotal Rent [2]	Units	Monthly Rent	Subtotal Rent [2]	Total Rent	Total Units	Avg. Rent
Market Rate																			
Junior 1 BDR	450	62	$3,000	$186,000	38	$3,000	$114,000	51	$3,000	$153,000	29	$3,000	$87,000	20	$3,500	$70,000	$610,000	200	$3,050
1 BDR / 1 Bath	700	99	$4,400	$435,600	63	$4,400	$277,200	81	$4,400	$356,400	46	$4,400	$202,400	31	$4,900	$151,900	$1,423,500	320	$4,448
2 BDR / 2 Bath	1,000	81	$5,600	$453,600	51	$5,600	$285,600	65	$5,600	$364,000	38	$5,600	$212,800	26	$6,100	$158,600	$1,474,600	261	$5,650
3 BDR / 3 Bath	1,250	6	$7,000	$42,000	4	$7,000	$28,000	5	$7,000	$35,000	3	$7,000	$21,000	2	$7,500	$15,000	$141,000	20	$7,050
Subtotal		**248**		**$1,117,200**	**156**		**$704,800**	**202**		**$908,400**	**116**		**$523,200**	**79**		**$395,500**	**$3,649,100**	**801**	**$4,556**
BMR - 45% AMI																			
Junior 1 BDR	450	2	$908	$1,816	1	$908	$908	2	$908	$1,816	1	$908	$908	1	$908	$908	$6,356	7	$908
1 BDR / 1 Bath	700	3	$1,038	$3,114	2	$1,038	$2,076	3	$1,038	$3,114	2	$1,038	$2,076	1	$1,038	$1,038	$11,418	11	$1,038
2 BDR / 2 Bath	1,000	3	$1,168	$3,504	2	$1,168	$2,336	2	$1,168	$2,336	1	$1,168	$1,168	1	$1,168	$1,168	$10,512	9	$1,168
3 BDR / 3 Bath	1,250	0	$1,298	$0	0	$1,298	$0	0	$1,298	$0	0	$1,298	$0	0	$1,298	$0	$0	0	$0
Subtotal		**8**		**$8,434**	**5**		**$5,320**	**7**		**$7,266**	**4**		**$4,152**	**3**		**$3,114**	**$28,286**	**27**	**$1,048**
BMR - 55% AMI																			
Junior 1 BDR	450	10	$1,063	$10,630	7	$1,063	$7,441	8	$1,063	$8,504	5	$1,063	$5,315	3	$1,063	$3,189	$35,079	33	$1,063
1 BDR / 1 Bath	700	16	$1,214	$19,424	10	$1,214	$12,140	13	$1,214	$15,782	8	$1,214	$9,712	5	$1,214	$6,070	$63,128	52	$1,214
2 BDR / 2 Bath	1,000	13	$1,353	$17,589	8	$1,353	$10,824	11	$1,353	$14,883	6	$1,353	$8,118	4	$1,353	$5,412	$56,826	42	$1,353
3 BDR / 3 Bath	1,250	1	$1,478	$1,478	1	$1,478	$1,478	1	$1,478	$1,478	1	$1,478	$1,478	0	$1,478	$0	$5,912	4	$1,478
Subtotal		**40**		**$49,121**	**26**		**$31,883**	**33**		**$40,647**	**20**		**$24,623**	**12**		**$14,671**	**$160,945**	**131**	**$1,229**
BMR - 90% AMI																			
Junior 1 BDR	450	4	$1,769	$7,076	3	$1,769	$5,307	3	$1,769	$5,307	2	$1,769	$3,538	1	$1,769	$1,769	$22,997	13	$1,769
1 BDR / 1 Bath	700	7	$2,021	$14,147	4	$2,021	$8,084	5	$2,021	$10,105	3	$2,021	$6,063	2	$2,021	$4,042	$42,441	21	$2,021
2 BDR / 2 Bath	1,000	5	$2,262	$11,310	3	$2,262	$6,786	4	$2,262	$9,048	2	$2,262	$4,524	2	$2,262	$4,524	$36,192	16	$2,262
3 BDR / 3 Bath	1,250	0	$2,487	$0	0	$2,487	$0	0	$2,487	$0	0	$2,487	$0	0	$2,487	$0	$0	0	$0
Subtotal		**16**		**$32,533**	**10**		**$20,177**	**12**		**$24,460**	**7**		**$14,125**	**5**		**$10,335**	**$101,630**	**50**	**$2,033**
BMR - 120% AMI																			
Junior 1 BDR	450	18	$2,374	$42,732	11	$2,374	$26,114	14	$2,374	$33,236	8	$2,374	$18,992	6	$2,374	$14,244	$135,318	57	$2,374
1 BDR / 1 Bath	700	28	$2,713	$75,964	18	$2,713	$48,834	23	$2,713	$62,399	13	$2,713	$35,269	9	$2,713	$24,417	$246,883	91	$2,713
2 BDR / 2 Bath	1,000	23	$3,040	$69,920	14	$3,040	$42,560	19	$3,040	$57,760	11	$3,040	$33,440	7	$3,040	$21,280	$224,960	74	$3,040
3 BDR / 3 Bath	1,250	2	$3,352	$6,704	1	$3,352	$3,352	1	$3,352	$3,352	1	$3,352	$3,352	1	$3,352	$3,352	$20,112	6	$3,352
Subtotal		**71**		**$195,320**	**44**		**$120,860**	**57**		**$156,747**	**33**		**$91,053**	**23**		**$63,293**	**$627,273**	**228**	**$2,751**
BMR - 150% AMI																			
Junior 1 BDR	450	7	$2,979	$20,853	5	$2,979	$14,895	6	$2,979	$17,874	3	$2,979	$8,937	2	$2,979	$5,958	$68,517	23	$2,979
1 BDR / 1 Bath	700	11	$3,405	$37,455	7	$3,405	$23,835	9	$3,405	$30,645	5	$3,405	$17,025	4	$3,405	$13,620	$122,580	36	$3,405
2 BDR / 2 Bath	1,000	9	$3,818	$34,362	6	$3,818	$22,908	8	$3,818	$30,544	4	$3,818	$15,272	3	$3,818	$11,454	$114,540	30	$3,818
3 BDR / 3 Bath	1,250	1	$4,217	$4,217	0	$4,217	$0	0	$4,217	$0	0	$4,217	$0	0	$4,217	$0	$4,217	1	$4,217
Subtotal		**28**		**$96,887**	**18**		**$61,638**	**23**		**$79,063**	**12**		**$41,234**	**9**		**$31,032**	**$309,854**	**90**	**$3,443**

[1] Provided by Seawall Lot 337 Associates, LLC.
[2] KMA calculations.

Lodged with Board of Supervisors 2/1/18

CITY AND COUNTY OF SAN FRANCISCO
LONDON BREED, ACTING MAYOR

MEMORANDUM OF UNDERSTANDING
(MISSION ROCK SUD FINANCING DISTRICTS)

BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO, ACTING THROUGH

THE CONTROLLER, AND

THE TREASURER AND TAX COLLECTOR,

AND

THE CITY AND COUNTY OF SAN FRANCISCO, ACTING THROUGH

THE PORT COMMISSION

BEN ROSENFIELD, CONTROLLER

JOSE CISNEROS, TREASURER AND TAX COLLECTOR

ELAINE FORBES, PORT EXECUTIVE DIRECTOR

_____, 2018

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Exhibits:

A: Financing Plan with Appendix
B: IFD Financing Plan and Appendix I

MEMORANDUM OF UNDERSTANDING
(Mission Rock SUD Financing Districts)

This **MEMORANDUM OF UNDERSTANDING** (Mission Rock SUD Financing Districts) (this "**MOU**") is between the **CITY AND COUNTY OF SAN FRANCISCO**, acting through the Controller (the "**Controller**") and the Treasurer and Tax Collector (the "**Treasurer-Tax Collector**"), and the **CITY AND COUNTY OF SAN FRANCISCO**, acting through the Port Commission (the "**Port**" or the "**Port Commission**"). This MOU describes procedures for implementing the allocation and administration of property tax increment and special taxes as described in the Financing Documents for financing districts that will be formed within the SUD. The Port Commission and the Board of Supervisors approved this MOU by Port Resolution No. _____ and Board Resolution No. _____ (the "**MOU Resolution**"), respectively, under Charter section B7.320.

Initially capitalized and other terms used but not defined in this MOU are defined in the Appendix to Transaction Documents for the Project (the "**Appendix**"), which contains definitions, rules of interpretation, and standard provisions applicable to all Transaction Documents, including this MOU.

RECITALS

A. The Port Commission and the Board of Supervisors approved a Disposition and Development Agreement (the "**DDA**"), which includes a Financing Plan, between Developer and the Port, by Port Resolution No. ___ and Board Resolution No. _____. The Board of Supervisors also adopted Ordinance No. _____, establishing the SUD. Under the Financing Plan, the Port will use Project Payment Sources to satisfy payment obligations to Developer relating to development of the Project Site. A copy of the Financing Plan with the Appendix is attached as **Exhibit A**.

B. IFD Law authorizes the Board of Supervisors to form one or more infrastructure financing districts within its jurisdictional boundaries and to use tax increment generated by infrastructure financing districts to finance authorized improvements.

1. By Ordinance No 27-16 (the "**IFD Ordinance**"), the Board of Supervisors established a waterfront district under Section 53395.8 of the IFD Law over all Port property, named City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) (the "**IFD**") and designated project areas within the IFD. In the IFD Ordinance, the Board of Supervisors also approved an Infrastructure Financing Plan for the IFD (the "**IFD Financing Plan**").

2. On ___, 2018, the Board of Supervisors adopted Ordinance No. _____ (the "**Sub-Project Area Ordinance**"), establishing Project Area I ("**Project Area I**"), including Sub-Project Areas I-1 through I-13 (the "**Sub-Project Areas**") and approving Appendix I to the IFD Financing Plan ("**Appendix I**").

3. In the Sub-Project Area Ordinance, the Board of Supervisors authorized the IFD to use Allocated Tax Increment generated in the Sub-Project Areas and to issue, pay, and secure debt for the purposes and subject to the limitations described in Appendix I. The Allocated Tax Increment consists of the 64.588206% apportionment factor of the Proposition 13 base 1.00% tax rate-related Tax Increment generated in the Sub-Project Areas.

4. In the Financing Plan, the Port and Developer agreed that Allocated Tax Increment will be used to pay for debt service on Mello-Roos Bonds (the proceeds of which will be used to finance Horizontal Improvements), Horizontal Improvements, and Shoreline Protection Facilities. A copy of the IFD Financing Plan with Appendix I is attached as **Exhibit B**.

C. CFD Law authorizes the Board of Supervisors to form a community facilities district or special tax district within its jurisdictional boundaries, and to levy and collect Mello-Roos Taxes to finance public facilities and certain public services. The Board of Supervisors approved amendments to the San Francisco Special Tax Financing Law by Ordinance No. ____ (the "**Special Tax Ordinance**"). Under the Financing Plan, the Port will request that the Board of Supervisors establish the Mission Rock CFD over the SUD and authorize the Mission Rock CFD to levy Mello-Roos Taxes as described in the RMA Outline attached as Exhibit C to the Financing Plan.

D. Under the DDA, the Port will ground lease parcels in Seawall Lot 337 for construction of new buildings. In addition, the Port will enter into an interim lease for Pier 48 with an Affiliate of Developer while the Port seeks a development partner for the historic rehabilitation of Pier 48 under the terms of a long-term ground lease. Consequently, Mello-Roos Taxes will be levied on, and Allocated Tax Increment will consist of a portion of ad valorem taxes levied on, taxable parcels held by taxpayers by ground leases. In the MOU Resolution, the Board of Supervisors approved the levy of property taxes and special taxes on possessory interests in property in the Sub-Project Areas on the secured roll.

E. In this MOU, "**Financing Documents**" means the DDA, including the Financing Plan, IFD Financing Plan, Appendix I, the RMA and all ordinances and resolutions adopted by the Board of Supervisors in connection with the formation of the Sub-Project Areas and the Mission Rock CFD.

F. In this MOU, "**Debt**" means any bonds or other forms of indebtedness secured by Allocated Tax Increment or Mello-Roos Taxes from the Mission Rock CFD that are issued by the City on behalf of the IFD or the Mission Rock CFD to implement the Financing Documents. Debt may include DRP Advances, Port Capital Advances, and additional funding sources described in the Financing Plan to reimburse the Developer or to pay Developer pass-throughs for Horizontal Improvements.

G. In the MOU Resolution, the Board appointed the Port to act as the agent of the IFD and the Mission Rock CFD in the administration of Tax Increment and Mello-Roos Taxes with the authority and responsibility to:

1. direct the disbursement of Allocated Tax Increment, Mello-Roos Taxes and any Debt proceeds to implement the Financing Documents;

2. enter into an Acquisition Agreement with Developer that would establish the terms and conditions under which the Port and Other City Agencies would acquire Horizontal Improvements with Tax Increment, Mello-Roos Taxes and any Debt proceeds;

3. enter into one or more pledge agreements for the benefit of the Mission Rock CFD (each, a "**Pledge Agreement**") pursuant to which the Port, as agent of the IFD with respect to the Sub-Project Areas, would pledge or agree to use Allocated Tax Increment to pay debt service on bonds issued for and on behalf of the Mission Rock CFD;

4. incur and repay indebtedness in the form of Advances of DRP Proceeds, Port Capital Advances and additional funding sources described in the Financing Plan; and

5. as agent of the Mission Rock CFD and the Sub-Project Areas, enter into an agreement with a financial institution (the "**Special Fund Administration Agreement**") appointing it as the trustee (the "**Special Fund Trustee**") to

receive, administer, and disburse Mello-Roos Taxes and Allocated Tax Increment in designated trust subaccounts and to disburse the funds at the Port's direction to implement the Financing Documents.

H. This MOU describes procedures to which the City and the Port have agreed to implement the Financing Documents and enable the Port to satisfy the Project Payment Obligation, and to finance Shoreline Protection Facilities.

AGREEMENT

1. Term.

(a) Commencement. This MOU will be effective on the date it is fully executed.

(b) Expiration. The term of this MOU will end automatically on the date of the latest of the following to occur:

i. When all of the Allocated Tax Increment has been disbursed in accordance with IFD Law and Appendix I.

ii. When all of the Mello-Roos Taxes have been disbursed in accordance with the CFD Law, the Financing Plan, and the RMA.

iii. When all Debt has been defeased.

(c) Early Termination.

i. The Controller, the Treasurer-Tax Collector, and the Port each retains the right to terminate participation as a party to this MOU before its term expires under **Section 1(b)** by notice to the others as long as such termination will not adversely impact the ability of the Port to satisfy its obligations to Developer under the Financing Plan. The notice must be given at least six months before the desired early termination date stated in the notice.

ii. The noticed early termination date will be the effective date of the termination as to the noticing party unless one or both of the other parties request additional time to take any actions made necessary by termination. The terminating party will be obligated to grant any request for additional time that is reasonable under the circumstances.

iii. One party's notice of termination will not cause termination of this MOU as long as the Port and the remaining parties are able to implement the Financing Documents without the participation of the noticing party.

2. Purpose. The Controller, the Treasurer-Tax Collector, and the Port agree as follows:

(a) Implementation. A primary purpose of this MOU is to implement the Financing Documents. Implementation would be in the best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes of applicable law.]

(b) MOU as Complementary Financing Document. The Controller, the Treasurer-Tax Collector, and the Port intend this MOU to complement, and not to conflict with, the other Financing Documents, which will prevail over any conflicting provision in this MOU.

(c) Cooperation. In connection with this MOU, the Controller, and the Treasurer-Tax Collector agree to aid the Port, and the Controller, the Treasurer-Tax Collector, and the Port agree to:

i. cooperate with one another;

ii. implement expeditiously their obligations under the Financing Documents; and

iii. undertake and complete all actions or proceedings reasonably necessary or appropriate to ensure that the objectives of the Financing Documents are met during the term of this MOU.

(d) Consistency with Applicable Law and Other Legal Obligations. The Controller, the Treasurer-Tax Collector, and the Port agree that nothing in this MOU is intended to or will obligate any party to take any action that is not consistent with Applicable Law or any other legal obligations.

3. Specific Obligations .

(a) Levy of Taxes. The Controller:

i. agrees to levy ad valorem taxes on each Taxable Parcel on the tax roll;

ii. agrees to levy Mello-Roos Taxes after the CFD Formation Proceedings are final, as requested by the CFD Administrator by July 31 of each City Fiscal Year; and

iii. will deduct from the Allocated Tax Increment or Mello-Roos Taxes, as applicable reasonable costs incurred for performance of the Controller's obligations under this MOU.

(b) Collection of Taxes. The Treasurer-Tax Collector:

i. agrees to collect ad valorem taxes levied in the Sub-Project Areas in accordance with Applicable Law;

ii. will collect Mello-Roos Taxes levied in the Mission Rock CFD;

iii. will charge the applicable Financing District for any costs that the Treasurer-Tax Collector incurs in connection with the issuance of Bonds by any Financing District, and any investment of Bond proceeds for which the Treasurer-Tax Collector is responsible; and

iv. reserves the right to seek reimbursement from the applicable Financing District for additional costs incurred in the collection of ad valorem taxes from the Sub-Project Areas or Mello-Roos Taxes from the Mission Rock CFD.

(c) Allocation of Tax Increment. The Controller agrees to:

i. deposit Allocated Tax Increment when received into a segregated fund and to budget and appropriate Allocated Tax Increment to the IFD in accordance with the Financing Plan, the IFD Financing Plan, Appendix I, and California Revenue & Taxation Code section 96.1;

ii. pay the Allocated Tax Increment to the IFD with the next allocation following receipt of a report from the Treasurer-Tax Collector on the amount of Gross Tax Increment collected from the Sub-Project Areas;

iii. disburse Allocated Tax Increment to the IFD to the extent collected as long as any Debt payable from Allocated Tax Increment is

outstanding or any Port obligations to Developer payable by Allocated Tax Increment are outstanding; and

iv. prepare and provide to the Port within 10 days after each December 10 and April 10 information about ad valorem tax collection from the Sub-Project Areas at the Port's request, and at reasonable intervals identified by the Port.

(d) Statement of Indebtedness for Sub-Project Areas.

i. The Port, the Controller, and the Treasurer-Tax Collector agree that the IFD's obligations to use the funds for the purposes specified in the IFD Financing Plan and Appendix I is a financial obligation under the IFD Law that the Port, as agent of the IFD with respect to the Sub-Project Areas, will include in each Statement of Indebtedness.

ii. The Treasurer-Tax Collector and the Controller each agrees not to dispute the amount of the debts shown on a Statement of Indebtedness prepared by the Port so long as the debts are consistent with the IFD Financing Plan and Appendix I.

iii. At the Controller's request, the Port, as agent of the IFD, will consult with the Controller in connection with the preparation of each Statement of Indebtedness.

(e) Debt Secured by Tax Increment. The Controller agrees to collaborate with the Port on any issuance of Debt secured by or payable from Allocated Tax Increment to implement the Financing Documents subject to IFD Law.

(f) Disbursement of Mello-Roos Taxes. The Controller agrees to deposit Mello-Roos Taxes when received into segregated funds and to allocate, budget, appropriate, and disburse to the Mission Rock CFD all Mello-Roos Taxes collected from the Mission Rock CFD for the purposes specified in the Financing Documents.

(g) Annual CFD Reports.

i. The Port, the Controller, and the Treasurer-Tax Collector agree that the Mission Rock CFD's obligations to use the funds for the purposes specified in the Financing Documents are financial obligations that the Port, as agent of the Mission Rock CFD, will include in each annual report required under CFD Law.

ii. The Treasurer-Tax Collector and the Controller each agrees not to dispute the amount of the debts shown on each annual Mission Rock CFD report prepared by the Port so long as the debts are consistent with the Financing Documents.

iii. At the Controller's request, the Port, as agent of the Mission Rock CFD, will consult with the Controller in connection with the preparation of each annual Mission Rock CFD report.

(h) Delinquent Mello-Roos Taxes. As long as this MOU remains in effect, the Treasurer-Tax Collector agrees to prepare and provide to the Port:

i. a list of Taxable Parcels in each CFD indicating whether Mello-Roos Taxes are current or delinquent within 10 business days after April 10 and December 10 each year; and

ii. the redemption tax roll for the Mission Rock CFD by July 15 each year.

(i) Debt Secured by Mello-Roos Taxes. The Controller agrees to collaborate with the Port on any issuance of Mello-Roos Bonds secured by or payable from Mello-Roos Taxes to implement the Financing Documents, subject to CFD Law and prior Port consultation with the Office of Public Finance about timing, amounts, and other matters relating to the Mello-Roos Bonds.

4. Notices and Other Communications.

(a) Manner of Notice. Any notice, request for consent, or response to a request for consent (any of these documents, a "**notice**") given under this MOU will be effective only if in writing and given by delivering the notice in person or by sending it first-class certified mail with return receipt requested or by overnight courier return receipt requested, with postage prepaid, to the addresses specified below. Attempts to provide notice by email, telephone, or facsimile will not bind or be effective against any party.

(b) Addresses for Notice. Notices must be delivered to the following addresses, or at any other address designated by a party's notice as a new address for notices:

Address for Port:	Port of San Francisco Pier 1 San Francisco, CA 94111 Attn: Deputy Director of Finance Re: SF/Port MOU (Mission Rock SUD Financing Districts) Telephone: (415) 274-0400
And to:	Office of the City Attorney Pier 1, Port of San Francisco San Francisco, CA 94102 Attn: Port General Counsel Re: SF/Port MOU (Mission Rock SUD Financing Districts) Telephone: (415) 274-0400
Address for Controller:	Office of the Controller City and County of San Francisco City Hall, Room 316 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Ben Rosenfield Re: SF/Port MOU (Mission Rock SUD Financing Districts) Email: ben.rosenfield@sfgov.org Telephone: 415-554-7500 Fax No.: 415-554-7466
Address for Treasurer-Tax Collector:	Office of the Treasurer and Tax Collector City and County of San Francisco City Hall, Room 140 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Treasurer and Tax Collector

Re: SF/Port MOU (Mission Rock SUD Financing Districts) Email:
Telephone: 415-554-_____
Fax No.: 415-554-_____

(c) Effective Date of Notice. Any notice under this MOU will be deemed to have been given:

i. two business days after the date it is mailed if sent by first-class certified mail;

ii. one business day after the date it is deposited for delivery if sent by overnight courier; or

iii. on the date personal delivery is made or refused.

(d) Courtesy Copies. Until the Port has satisfied its payment obligations to Developer under the DDA, the parties agree to provide courtesy copies to Developer of any notices that any party gives to any other, at the same time and in the same manner as the original notice, at the address listed on Developer's Consent. Neither the City's nor the Port's failure to give Developer a copy of any notice given under this MOU will affect the validity or effective date of the notice.

(e) Representatives. Each of the Treasurer-Tax Collector, the Controller, and the Port agree to provide each other with the name and contact information for the individual within its department to address issues related to the IFD and Sub-Project Areas and the Mission Rock CFD.

5. Third-Party Beneficiary.

(a) Intended Third-Party Beneficiary. The parties agree that Developer is an intended third-party beneficiary of this MOU entitled to rely on and receive the benefits of this MOU to the extent the benefits relate to Developer's rights under the DDA. Developer may enforce against any party any provision of this MOU to the extent that it affects Developer's rights under the DDA, but no party will be liable to Developer for damages under this MOU. Successors to which Developer validly transfers any of its interests or rights under the DDA will be third-party beneficiaries of this MOU to the extent of their interest, subject to all limitations of the DDA and this MOU.

(b) Exclusive Benefit. Except as provided in subsection (a), this MOU is for the exclusive benefit of the parties and not for the benefit of any other person and may not be deemed to have conferred any rights, express or implied, upon any other person.

6. Amendments to MOU.

(a) By the Parties. This MOU may be amended or modified only by a signed document, subject to Charter section B7.320.

(b) By Resolution. Under Charter section B7.320, the Board of Supervisors and the Mayor must approve any change affecting the amounts funds that must be transferred under this MOU.

(c) Developer's Consent Required. Developer's consent will be required for any amendment that affects the availability of Public Financing Sources to meet the Port's payment obligations to Developer under the DDA.

[Remainder of page intentionally left blank.]

Executed and effective as of the last date set forth below.

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, through the Controller

_____
BEN ROSENFIELD
Controller

Date: _____

REVIEWED:

DENNIS J. HERRERA
City Attorney

By: _____
Name: _____
Deputy City Attorney

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, through the Treasurer and Tax Collector

_____
JOSE CISNEROS
Treasurer and Tax Collector

Date: _____

REVIEWED:

DENNIS J. HERRERA
City Attorney

By: _____
Name: _____
Deputy City Attorney

CLERK OF THE BOARD

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, through the Port Commission

By: _____
ELAINE FORBES
Executive Director

Date: _____

REVIEWED:

DENNIS J. HERRERA
City Attorney

By: _____
Joanne Sakai
Deputy City Attorney

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_____
ANGELA CALVILLO

Authorized by:
Port Resolution No. _____
Board of Supervisors Resolution No. _____

[Remainder of page intentionally left blank.]

DEVELOPER'S CONSENT

By signing below, [Name _____], on behalf of Seawall Lot 337 Associates, LLC ("**Developer**"):

1. consents to the Memorandum of Understanding (Mission Rock SUD Financing Districts) among the City and County of San Francisco, through the Controller and the Treasurer and Tax Collector, and the City and County of San Francisco, through the Port Commission (the "**MOU**") to which this consent is attached;

2. acknowledges that Developer is an intended third-party beneficiary of the MOU entitled to enforce the MOU subject to all of its limitations, including the limitation on damages specified in **Section 5(a)**, and

3. specifically agrees that the MOU validly applies to Developer and its successors and assigns; and

4. represents that Developer has authorized the undersigned to execute this consent on behalf of Developer and to bind Developer by this consent, and that the parties to the MOU are entitled to rely on all matters specified in this consent.

DEVELOPER:

SEAWALL LOT 337 ASSOCIATES, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

Date: _____

Address for courtesy copies of notices:

[Page intentionally left blank.]

EXHIBIT A

Financing Plan with Appendix

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EXHIBIT B

IFD Financing Plan and Appendix I

DDA Exhibit C7

Outline of Master Conditions, Covenants, and Restrictions

This exhibit summarizes the planned approach to the Master CC&Rs and Master Association for the Mission Rock Mixed-Use Project (the "Project"). The descriptions contained herein are subject to further revisions or additions due to changes in the Project, Regulatory Requirements, and Lender requirements. The Master CC&Rs will be submitted to the Port by the Developer with or prior to the Phase Submittal for Phase 1 and are subject to approval by the Port in accordance with DDA art. 3 (Phase Approval).

Overview:

The Project will be a master planned development of:

(i) the Development Parcels, which may be subdivided into two parcels consisting of a parcel containing the building and the air space above the building (the "Air Space Parcel") and a remainder parcel containing the land;

(ii) China Basin Park, Mission Rock Square, Channel Wharf, Channel Lane, and Channel Street (collectively the "Public Spaces");

(iii) Pier 48;

(iv) the Public ROWs; and

(v) subject to DDA § 2.6 (Mission Rock Square Garage), an additional Development Parcel may be added to accommodate the Mission Rock Square Garage in an air parcel below Mission Rock Square.

The Project will be subject to Master CC&Rs, which will describe the Master Association. Developer anticipates that the Master Association will maintain and operate the Public Spaces and maintain certain other publicly-owned Improvements in the Project under a management agreement with the Port. Additional responsibilities include managing the operations within the Public Spaces and overseeing compliance with the various operation and maintenance plans for the Project, which may include commercial use restrictions and architectural controls as described below. The costs to fund the foregoing duties will be funded by assessments levied by the Master Association or Services Special Taxes levied by a Community Facilities District (the "CFD"), or both.

Master Association Documents: The Master Association documents will consist of the Master CC&Rs, articles of incorporation, and bylaws.

Master CC&Rs: The Master CC&Rs will describe the ownership interests, easements, use restrictions, maintenance and operations requirements, association membership and voting rights, budget and reporting requirements, assessment allocation and collection, architectural controls, insurance requirements (including, if appropriate, naming governmental agencies as additional insureds), damage and destruction provisions, mortgagee protection provisions, and amendment requirements. The Master CC&Rs will be executed by the Master Declarant described below, and the Port as the landowner will consent to the Master CC&Rs. The Master CC&Rs will benefit and bind the leasehold interest in each parcel subject to the Master CC&Rs, including the ownership interest in the improvements on the land, for the applicable term of each Parcel Lease.

Phasing: Construction of the buildings and other Improvements in the Project will be in phases. Generally portions of the Project will become subject to the Master CC&Rs in a phasing schedule that corresponds to the Phases under the DDA.

Master Association: The Master Association will be an incorporated California nonprofit mutual benefit corporation governed by a board of directors. The Master Declarant will be entitled to appoint a majority of the board members for an extended period of time to the extent authorized by applicable law.

Master Declarant: Seawall Lot 337 Associates, LLC, or its assignee, will be the Master Declarant and will have initial control over the Master Association. The Master Declarant will have Class C voting rights enabling it to appoint a majority of the Board of Directors for an extended period of time to the extent authorized by applicable law.

Membership: As described in the Master CC&Rs section above, a Development Parcel subject to the Master CC&Rs binds the owners of the Improvements on the Development Parcels for the terms of their Parcel Leases. Under the Master CC&Rs, the Tenant under each Parcel Lease is a member of the Master Association with the right to exercise the voting rights allocated to that parcel and the duty to pay the assessments that the Master Association levies against the parcel. The Port as a ground lessor of a Development Parcel will not be a member and will not have any voting rights or assessment obligations. It is anticipated that the Master Association will not own any real property at the Project.

Easements: Developer anticipates obtaining access and utility easements from applicable City Agencies. In addition, easements will be granted to the Master Association over the parcels for access by agents of the Master Association to perform its maintenance duties under the Master CC&Rs.

Additional Agreements: If any parcel owner in the Project is not a member of the Master Association and not subject to the Master CC&Rs, and the parcel benefits from any areas or improvements maintained by the Master Association, a separate agreement may be recorded granting the parcel owner access and use rights and obligating the parcel owner to pay an allocable share of the management, maintenance and insurance costs.

Commercial and Retail Use Restrictions: The Master CC&Rs may contain use restrictions for the commercial uses within the Project and use restrictions for the ground floor retail within the Project, including restrictions that prohibit certain types of uses and impose limits on the type and amount of certain authorized uses, consistent with the Port's public trust duties as owner of the land. If set forth in the Master CC&Rs, the Master Association will have the power and duty to enforce the restrictions.

Environmental Covenant: The Master CC&Rs shall provide that the use and maintenance of the areas of the Project that are subject to the Environmental Covenants shall be in compliance with the restrictions and terms of the Environmental Covenants and any later amendments, in accordance with applicable laws.

Maintenance and Management: The Master CC&Rs and a management agreement that the Master Association may enter into with the Port will contain: (i) maintenance standards, including standards that require maintenance to comply with all applicable laws; and (ii) information related to operation and maintenance requirements for the Project, including but not limited to the Transportation Demand Management Plan, Sustainability Strategy, and the Stormwater Management Plan required under the ICA (the "Maintenance Standards"). Implementation of these Maintenance Standards may include the hiring of a Sustainability Coordinator and Transportation Demand Coordinator.

Parcel Maintenance: Each parcel owner will be responsible for maintaining the landscaping and improvements on the owner's parcel. If an owner fails to perform the maintenance, the Master Association, in accordance with the provisions set forth in the Master CC&Rs may elect to perform the maintenance and levy a reimbursement assessment against that parcel as authorized by the Master CC&Rs.

Master Association Maintenance Obligations: Unless maintained by the CFD, a utility company or the parcel owner, it is anticipated that the Master Association's maintenance obligations will include the following:

- Public Spaces
- Pier 48 aprons, other than substructure, after rehabilitation
- Public ROWs, exclusive of utilities and City standard attached structures, such as Christy Boxes and grates. The Master Association's maintenance obligation for Public ROWs includes, but is not limited to:
    - Street surface and substructure, including piles
    - Non-standard Sidewalk Corners (non-standard corner curb returns, sidewalk area at corners between extensions of the adjacent property lines, sidewalk bulb-outs at corners within extensions of property lines)
    - Non-standard roadway treatment (raised intersections; raised crosswalks, pavers, or other non-standard materials in roadway)
    - Sidewalk pedestrian throughway
    - Sidewalk furnishing/landscape zone (sidewalk streetscape/street furniture zone including pavers, landscape, irrigation, intermediate curbs and mid-block bulb outs)
    - Shared public ways - non-standard roadway paving treatments (streets with non-standard paving, including unit pavers in the roadway or decorative paving; non-standard detectable warning pavement; flush curbs; valley gutters)
    - Shared public way street lighting (roadway and pedestrian lighting, including poles, fixtures, conduits and pull-boxes)
    - Streetlife zone planting (trees planted within the sidewalk landscape zone, fronting private property)
    - Driveways (driveway sidewalk aprons including the curb (curb cut) along width of driveway)
    - Benches or seating within the public right-of-way
    - Custom trash and recycling receptacles
    - Various types of bollards at flush curb conditions or fire access terminus
    - SFMTA approved non-standard bike racks
    - Non-standard roadway signage for wayfinding, interpretive, art, etc.
    - Non-standard street lights, roadway lighting and pedestrian lighting, including poles, luminaires, pull-boxes and conduit
    - Standard and non-standard green stormwater infrastructure

Public Spaces Operations: The Master Association will manage the operations in the Public Spaces in accordance with the Parks Plan approved by the Port in accordance with DDA § 12.5(a) (Approval of Parks Plan).

Indemnification: The Master Association will be required to indemnify the Port and other appropriate City Parties for the Master Association's acts and omissions in connection with the maintenance and management of public facilities.

District Wide Utilities: The Master CC&Rs may obligate each building parcel to use certain district wide utilities, including but not limited to an on-site greywater treatment plant and central energy plant for chilled and hot water. The Master CC&Rs may obligate each parcel owner to enter into an off-site power purchase agreement for renewable energy.

Assessments: The Master Association will have the power to levy and collect assessments in order to fund its management, maintenance, operation, indemnification obligations, and insurance duties under the Master CC&Rs (to the extent these funds are not covered by the CFD). To the extent costs for claims related to indemnification obligations exceed the Master Association's budget, annual assessments will levied in the next year. Three types of assessments may be levied: regular, special and reimbursement assessments. In levying or collecting assessments, the Master Association shall comply with the accounting, reporting, reserve requirements, and collection procedures required under the Davis-Stirling Common Interest Development Act. A detailed budget will be prepared. As the Project will be constructed in phases, separate, individual phased budgets plus a final "built-out" budget may be prepared depending upon when each Development Parcel becomes subject to the Master Association's assessments. Assessments shall be allocated in accordance with voting rights described below. If certain duties performed by the Master Association benefit some but not all of the Development Parcels, costs will be allocated only to the benefitted Development Parcels via cost centers.

Voting: Voting rights will be allocated based on residential unit count and a designated number of votes allocated to commercial spaces based on square footage.

Architectural Controls: An architectural committee will be formed and Development Parcel owners will be required to comply with the architectural committee provisions, consistent with the Design Controls for any material exterior modifications or additions to a Development Parcel.

Mortgagee Protection Provisions: The Master CC&Rs will contain standard mortgagee protection provisions, including the provisions required by secondary mortgage market lenders such as Fannie Mae, Freddie Mac and FHA.

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT D1

"Permitted Exceptions":

DDA EXHIBIT D1

Permitted Title Exceptions

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2017-2018.
2. There were no taxes levied for the fiscal year 2016-2017 as the property was vested in a public entity.
3. All or a part of the Land herein described does not appear to be assessed on the Tax Roll for the year(s) 2016-2017. Said Land is subject to the possible assessment and collection of property taxes for current and prior years.

   Affects: Portions Currently Unassessed
4. The Land lies within the boundaries of a Mello Roos Community Facilities District ("CFD"), as follows:

   CFD No: 90-1

   For: School Facility Repair and Maintenance

   This property, along with all other parcels in the CFD, is liable for an annual special tax. This special tax is included with and payable with the general property taxes of the City and County of San Francisco. The tax may not be prepaid.

   Further information may be obtained by contacting:

   Chief Financial Officer
   San Francisco Unified School District
   135 Van Ness Ave. – Room 300
   San Francisco, CA 94102

   Phone (415) 241-6542
5. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
6. Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.
7. Any adverse claim based upon the assertion that any portion of said land was not tide or submerged land subject to disposition by the State of California on the effective date of the legislative grant of such land to the City and County of San Francisco or that any portion thereof has ceased to be tide or submerged land by natural causes and imperceptible degrees.
8. Rights and Easements for Commerce, Navigation and Fishery.

EXHIBIT D1

Permitted Title Exceptions

9. Conditions, Restrictions, Easements, Reservations and Limitations and Rights, Powers, Duties and Trusts contained in the Legislative Grants, and by law as to the land or any portion thereof, acquired by the City and County of San Francisco by Chapter 1333 of the Statutes of 1968, as amended by Chapters 1296 and 1400, Statutes of 1969 and by Chapter 670, Statutes of 1970 and Chapter 1253, Statutes of 1971, and as may be further amended, and such Reversionary Rights and Interests as may be possessed by the State of California under the terms and provisions of said Legislative Grants, or by law.

10. Any right, title or interest of persons, known or unknown, who claim or may claim adversely to the vested owners herein by reason of the record title to said property not having been established and quieted under the provisions of the "Destroyed Land Records Relief Act of 1906, as Amended", commonly known as the "McEnerney Act".

    Affects: Portion to be determined by Survey

11. Rights of the public for street purposes as to any portion of the land lying within the area commonly known as Terry A. Francois Boulevard, Third Street, Fourth Street, and Mission Rock Street.

12. "Agreement Relating to Transfer of the Port of San Francisco from the State of California to the City and County of San Francisco", executed by and between the City and County of San Francisco and the Director of Finance of the State of California and the San Francisco Port Authority, recorded January 30, 1969, Book B308, Page 686, Series No. R404013, of Official Records.

13. Matters disclosed by that certain instrument entitled "Record of Survey Map of Mission Bay" filed in Book Y of Survey Maps at pages 62-82: Recorded: July 28, 1992 in Reel F679, Image 620, Instrument No. F162698, of Official Records.

14. Covenants, conditions and restrictions set forth in that certain Permit No. 4-97 dated August 25, 1997, granted by the San Francisco Bay Conservation and Development Commission, recorded October 23, 1997, Instrument No. 1997-G249361, Book G994, Page 169, of Official Records, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as such permit may be presently amended and/or modified.

15. Covenants, conditions and restrictions set forth in that certain Permit No. 5-00 dated December 12, 2000, granted by the San Francisco Bay Conservation and Development Commission, recorded March 7, 2001, Instrument No. 2001 G912515-00, Book H839, Page 189, of Official Records, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as such permit may be presently amended and/or modified, as amended by instruments recorded June 12, 2001, Instrument No. 2001-G963347-00, Book H907, Image 508, of Official Records; and December 10, 2001, Instrument No. 2001-H066919-00, Book I030,

EXHIBIT D1

Permitted Title Exceptions

Image 300, of Official Records; and March 24, 2011, Instrument No. 2011-J154716-00, Book K359, Image 159, of Official Records.

16. Conditions and restrictions as set forth in a document recorded by the San Francisco Bay Conservation and Development Commission

    Type of Permit: San Francisco Bay Conservation and Development Commission Permit No. M201404200

    Recording Date: August 4, 2015 Recording No.: 2015-K105732-00, Official Records

    Reference is made to said document for full particulars.

The following Items affect PARCEL C (DEVELOPMENT PARCEL):

17. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

    Reserved by: City and County of San Francisco Water Dept.
    Purpose: Hydrant and waterline Recorded: August 24, 1995, Instrument No. 95 837202, Book G452, Page 435, of Official Records
    Affects: Portion

    No representation is made as to the present ownership of said easement.

18. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document; Reserved by: City and County of San Francisco of Electricity Purpose: Fire and police box, conduit and overhead line Recorded: August 24, 1995, Instrument No. 95 F837202, Book G452, Page 435, of Official Records

    Affects: Portion

    No representation is made as to the present ownership of said easement.

19. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document; In favor of: Pacific Gas and Electric Company Purpose: Overhead and underground electric and underground gas facilities Recorded: August 24, 1995, Instrument No. 95 F837202, Book G452, Page 435, of Official Records

    Affects: The westerly 61.50 foot portion of said land

    No representation is made as to the present ownership of said easement.

20. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document; In favor of: Pacific Bell Purpose: Overhead conduits and aerial lines Recorded: August 24, 1995, Instrument No. 95 F837202, Book G452, Page 435, of Official Records

    Affects: The westerly 61.50 foot portion of said land

    No representation is made as to the present ownership of said easement.

EXHIBIT D1

Permitted Title Exceptions

21. Covenants, conditions and restrictions set forth in that certain Permit No. 4-97 dated August 25, 1997, granted by the San Francisco Bay Conservation and Development Commission, recorded October 23, 1997, Instrument No. 1997-G249361, Book G994, Page 169, of Official Records, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as such permit may be presently amended and/or modified.

22. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

    Entitled: Memorandum of Lease
    Lessor: City and County of San Francisco operating by and through the San Francisco Port Commission
    Lessee: China Basin Ballpark Company, LLC Recorded: November 26, 1997, Instrument No. 97 265860, of Official Records

    The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

23. Covenants, Conditions and Restrictions contained in an Unrecorded Document entitled "Covenant and Environmental Restriction on Property" by the City and County of San Francisco, a Charter City and County, for the benefit of (and in the form previously approved by) the California Regional Water Quality Control Board for the San Francisco Bay Region (The "Board"), in order to satisfy one or more conditions imposed by Resolution of the dated May 20, 1998, to the issuance of a Certificate of Completion under Section 25264 of the California Health and Safety Code with respect to some or all of the property, as disclosed to company.

24. Redevelopment Plan for the Mission Bay South Redevelopment Project, upon the covenants, conditions and restrictions contained therein, approved by Ordinance No. 335-98 adopted by the Board of Supervisors of the City and County of San Francisco on November 2, 1998 and recorded November 18, 1998, Book H264, Page 420, Instrument No. 98-G470337-00, of Official Records, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

    Together with a Certificate of Correction as to the legal description set forth therein recorded January 20, 1999, Book H304, Page 513, Instrument No. 99 G501704-00, of Official Records.

    As supplemented and augmented pursuant to the terms and provisions of that certain "Statement of Eminent Domain Limitations Applicable to the Mission Bay South Redevelopment Project Area," executed by Agency and recorded December 31, 2007, Book J547, Page 277, Instrument No. 2007- I512983-00, of Official Records.

EXHIBIT D1

Permitted Title Exceptions

25. Mission Bay South Redevelopment Plan Area Declaration of Restrictions, upon the covenants, conditions and restrictions therein contained, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

    Executed By: Redevelopment Agency of the City and County of San Francisco ("Agency") Recorded: December 3, 1998, Book H273, Page 267, Instrument No. 98-G477250-00,of Official Records

    Together with a Certificate of Correction as to the legal description set forth therein recorded January 20, 1999, Book H304, Page 513, Instrument No. 99 G501704-00, of Official Records.

    As supplemented and augmented pursuant to the terms and provisions of that certain "Statement of Eminent Domain Limitations Applicable to the Mission Bay South Redevelopment Project Area," executed by Agency and recorded December 31, 2007, Book J547, Page 277, Instrument No. 2007-I512983-00, of Official Records.

26. Covenants, conditions and restrictions set forth in that certain Mission Bay South Owner Participation Agreement by and between Catellus Development Corporation, a Delaware corporation ("Catellus"), and Agency, recorded December 3, 1998, Instrument No. 98-G477258-00, Book H273, Page 275, of Official Records, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

    Certificate of Correction to Legal Description

    Recorded: January 20, 1999, in Reel H304, Image 513, of Official Records
    Instrument No.: G501704

    Together with a Certificate of Correction as to the legal description set forth therein recorded January 20, 1999, Instrument No. 99-G501704-00, Book H304, Page 513, of Official Records.

    First Amendment thereof recorded March 4, 2004, Book 1587, Page 521, Instrument No. 2004-H669955-00, of Official Records.

    Second Amendment thereof recorded November 30, 2005, Book J026, Page 557, Instrument No. 2005- I080843-00, of Official Records.

    Assignment of certain rights thereunder from Catellus Operating Limited Partnership, a Delaware limited partnership, to Focil-MB, LLC, a Delaware limited liability company, pursuant to instrument recorded July 1, 2005, Book I923, Page 072, Instrument No. 2005-H982554-00, of Official Records.

27. Covenants, conditions and restrictions, including provisions for certain reversions, as set forth in that certain "Amended and Restated Agreement Concerning the Public Trust," dated November 16, 1998, by and between Catellus, City, Port Commission, and the State of

EXHIBIT D1

Permitted Title Exceptions

California, recorded July 19, 1999, Book H429, Page 503, Instrument No. 99 G622151-00, of Official Records, as presently amended, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

Assignment of certain rights thereunder by Catellus Land and Development Corporation to FOCIL MB, LLC, a Delaware limited liability company, recorded December 1, 2004, Book 1774, Page 11, Instrument No. 2004-H859892 of Official Records.

28. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in that certain document entitled "Street Vacation Ordinance No. 328-98":

    In favor of: Pacific Bell and Pacific Gas and Electric Company
    Purpose: Utilities
    Recorded: July 19, 1999, Instrument No. 99-G622153, Book H429, Page 505, of Official Records.

    The exact location and extent of said easement is not disclosed of record.

    No representation is made as to the present ownership of said easement.

29. Covenants, conditions and restrictions in the Patent but omitting any covenants or restrictions, if any, including, but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

    Recorded: July 19, 1999, Instrument No. 99-G622155, of Official Records

30. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

    Granted to: Pacific Gas and Electric Company
    Purpose: Facilities
    Recorded: July 19, 1999, Instrument No. 99-G622162, of Official Records

    Affects: That portion thereof designated and described therein as SV-19

31. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

    Granted to: Pacific Bell
    Purpose: Facilities
    Recorded: July 19, 1999, Instrument No. 99-G622163, of Official Records

    Affects: That portion thereof designated and described therein as SV-19

EXHIBIT D1

Permitted Title Exceptions

32. Rights reserved by the City and County of San Francisco and Catellus Development Corp., in that Quitclaim Deed to the State of California, recorded July 19, 1999, Instrument No. 99-G622164, Book H429, Page 516, of Official Records, and the covenants, conditions and restrictions pertaining to such rights as set forth therein.

33. Covenants, conditions and restrictions in the Patent but omitting any covenants or restrictions, if any, including, but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

    Recorded: July 19, 1999, Instrument No. 1999-G622166, Book H429, Page 518, of Official Records

34. Terms, Covenants, Conditions, Easements, and Restrictions in that certain Instrument entitled "Easement Agreement (Catellus Access Easement)"

    Executed by And between: Catellus Development Corporation, a Delaware Corporation and the City and County of San Francisco, a municipal corporation
    Recorded: July 19, 1999, Instrument No. G622177, Reel H429, Image 529, Of Official Records
    Affects: Street Vacation Parcel 14

35. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in that certain document entitled "Easement Agreement (Catellus Access Easement)" in Favor of: Catellus Development Corporation

    Purpose: Access
    Recorded: July 19, 1999, Series No. 99-G622178 of Official Records, Book H429, Page 530.

    The exact location and extent of said easement is not disclosed of record.

36. A lease with certain terms, covenants, conditions and provisions set forth therein.

    Lessor: City and County of San Francisco, a Charter City and County and City and County of San Francisco acting by and through the San Francisco Port Commission
    Lessee: Catellus Development Corporation
    Recorded: July 19, 1999, Instrument No. 99-G622218, of Official Records "First Amendment to Master Lease" dated June 30, 1999, recorded March 21, 2000, Series No. 2000- G748555, Book H598, Page 175 of Official Records.

    "Second Amendment to Master Lease" dated December 10, 2001, recorded December 10, 2001, Series No. 2001-H66969, Book I30, Page 350 of Official Records.

    "Assignment and Assumption of Master Lease" dated November 22, 2004, recorded December 1, 2004, Series No. 2004-H859894, Book I774, Page 13, of Official Records.

    The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

EXHIBIT D1

Permitted Title Exceptions

37. The existence, if any, of petroleum hydrocarbon substances, metallic chemicals, or other toxic substances or material, the potential of which being disclosed by that certain Agreement for Mutual Release and Covenant Not to Sue by and between Port Commission and Catellus, dated June 24, 1998 recorded September 2, 1999, Instrument No. 99 G647957-00, Book H462, Image 117, of Official Records.

38. Matters contained in that certain document

    Entitled: COVENANT TO RESTRICT USE OF PROPERTY ENVIRONMENTAL RESTRICTION
    Executed by: CITY AND COUNTY OF SAN FRANCISCO, A CHARTER CITY AND COUNTY, IN TRUST; DEPARTMENT OF TOXIC SUBSTANCES CONTROL
    Recording Date: January 27, 2000
    Recording No: 00-G723986-00 of Official Records Reference is hereby made to said document for full particulars.

39. Covenants, conditions and restrictions set forth in that certain Covenant and Environmental Restriction on Property executed by and between City, Port Commission, and the California Regional Water Quality Control Board for the San Francisco Bay Region, recorded March 21, 2000, Book H598, Page 171, Instrument No. 2000-G748551-00, of Official Records, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

    As disclosed by such Covenant, the following additional exceptions:

    Covenants, conditions and restrictions contained in that certain unrecorded Risk Management Plan approved by the California Regional Water Quality Control Board for the San Francisco Bay Region, a copy of which is on file with the Department of Public Health for the City and County of San Francisco in a file entitled "Mission Bay Risk Management Plan."

40. Matters contained in that certain document entitled "City and County of San Francisco Department of Public Works Street Encroachment Agreement" dated , executed by and between City and County of San Francisco and China Basin Ballpark Company, LLC recorded May 15, 2000, Instrument No. 2000- G773008, of Official Records.

    Reference is hereby made to said document for full particulars.

41. Covenants, conditions and restrictions set forth in that certain Permit No. 5-00 dated December 12, 2000, granted by the San Francisco Bay Conservation and Development Commission, recorded March 7, 2001, Instrument No. 2001 G912515-00, Book H839, Page 189, of Official Records, but omitting any covenant or restriction, if any, based upon race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as such permit may be presently amended and/or modified, as amended by instruments recorded June 12, 2001, Instrument No. 2001-G963347-00, Book H907, Image 508, of

EXHIBIT D1

Permitted Title Exceptions

Official Records; and December 10, 2001, Instrument No. 2001-H066919-00, Book 1030, Image 300, of Official Records; and March 24, 2011, Instrument No. 2011-J154716-00, Book K359, Image 159, of Official Records.

42. An unrecorded lease with certain terms, covenants, conditions and provisions as set forth therein and disclosed by the document

    Entitled: Memorandum of Lease
    Lessor: City and County of San Francisco, operating by and through the San Francisco Port Commission, as lessor
    Lessee: China Basin Ballpark Company LLC, a Delaware limited liability company
    Recorded: May 31, 2012, Instrument No. 2012 J424263, of Official Records

    The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

43. Covenant Pertaining to Public Access required by the Bay Conservation and Development Commission, a State Agency, pursuant to Permit No. 10-97 as disclosed.

    Affects: Portion

The following Items affect ALL THE PROPERTY HEREIN DESCRIBED:

44. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

    The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

    The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

45. Matters which may be disclosed by an inspection and/or by a correct ALTA/NSPS Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.

46. The Company will require that an Owner's Affidavit be completed by the party(s) named below before the issuance of any policy of title insurance.

    Party(s): "VESTEE'S AS SHOWN HEREIN"

    The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit.

47. The search did not disclose any open mortgages or deeds of trust of record, therefore the Company reserves the right to require further evidence to confirm that the property is unencumbered, and further reserves the right to make additional requirements or add additional items or exceptions upon receipt of the requested evidence.

EXHIBIT D1

Permitted Title Exceptions

48. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company reserves the right to add additional items or make further requirements after such review.

[FORM MISSION ROCK PARCEL LEASE]

CITY AND COUNTY OF SAN FRANCISCO
MARK FARRELL, MAYOR

LEASE NO. L-[_____]

BETWEEN THE

THE CITY AND COUNTY OF SAN FRANCISCO
OPERATING BY AND THROUGH THE
SAN FRANCISCO PORT COMMISSION

AS LANDLORD

AND

[TENANT]

AS TENANT

DATED AS OF _____, 20[___]

ELAINE FORBES
EXECUTIVE DIRECTOR

SAN FRANCISCO PORT COMMISSION

KIMBERLY BRANDON, PRESIDENT
WILLIE ADAMS, VICE- PRESIDENT
LESLIE KATZ, COMMISSIONER
DOREEN WOO HO, COMMISSIONER

Lodged for Port Commission Meeting 1/30/18

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Exhibit XX Port and City Special Provisions [**Note: Port and City Special Provisions will be updated to include all requirements applicable as of execution date.**]
Exhibit XX Rules of Interpretation
Exhibit XX Form of Memorandum of Lease
Exhibit XX Form of Facilities Condition Report
Exhibit XX Form of Assignment and Assumption Agreement

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BASIC LEASE INFORMATION

Each reference to the Basic Lease Information in this Lease will incorporate the applicable Basic Lease Information specified herein.

As defined in the Disposition and Development Agreement between the Port and [_____], dated as of _____, 20__ (the "**DDA**"), this Lease is a **[fully prepaid lease] [or] [Hybrid Ground Lease] of unimproved property to a [Vertical Developer Affiliate of Master Developer] [or] [Third Party lessee]**.

Lease No.	Lease No. L-XXXX
Effective Date:	_____, 20__
Landlord:	THE CITY AND COUNTY OF SAN FRANCISCO operating by and through the SAN FRANCISCO PORT COMMISSION
Tenant:	
Tenant's Address for Notices:	
Landlord's Address for Notices:	
Premises:	All that real property located in the City and County of San Francisco, California, as more particularly described in ***Exhibit A*** attached hereto (the "**Property**"). The Property contains approximately ___ square feet of unimproved land area (the "**Land**'), together with all rights and privileges appurtenant to the Property and owned by Port, and any Improvements hereafter constructed on the Property. The Property is shown generally on the Site Plan attached hereto as ***Exhibit B***. The Property and all Improvements now and hereafter located on the Property are referred to in this Lease as the "**Premises**."
Single Point of Entry for State Mineral	Located in Zone 3, California grid System, at a point Reservation Entry where X equals ____ and Y equals _____,
Permitted Use:	The use and operation of the Premises will be [insert more tailored/specific uses] subject to the Required Uses, the limitations set forth in the Scope of Development attached hereto as ***Exhibit C*** and the

SUD [**add if applicable**: and the Affordable Housing Restrictions described in ***Exhibit C-2*** attached hereto] (collectively, the "**Project**") and as further specified below and in ***Article 3***.

"**Required Uses**" means the use of at least the Minimum Public Benefit Area within the Premises dedicated solely to [PDR/childcare/other required public benefit] throughout the Term in accordance with ***Section 3.7***.

"**Minimum Public Benefit Area**" means XXX square feet of the Premises dedicated solely to the Required Uses in the location identified in ***Exhibit XX*** attached hereto.

Commencement Date:	The Effective Date of this Lease.
Expiration Date:	_____, ___ [(75 years after the Commencement Date)]
Prepaid Rent:	**[Fully Prepaid] [Third Party Hybrid Amount]**: $____ or [the **Vertical Developer Affiliate Hybrid Amount**]: $____
Rent:	As set forth in ***Exhibit D*** attached hereto.
Security Deposit [Not Applicable for Fully Pre-Paid Leases]:	An amount equal to two (2) months of Base Rent
[Environmental Oversight Deposit:]	[Note: May be applicable for certain leases based on hazardous materials uses]
[Environmental Financial Assurances Deposit:]	[Note: May be applicable for certain leases based on hazardous materials uses]
Project Approvals:	Those certain project approvals for Mission Rock listed in ***Exhibit E*** attached hereto and made a part hereof, as may be amended from time to time.

LEASE NO. L-XXXX

THIS LEASE NO. L-XXXX (this "**Lease**") is dated as of the Effective Date, by and between **THE CITY AND COUNTY OF SAN FRANCISCO**, operating by and through the **SAN FRANCISCO PORT COMMISSION** ("**Port**"), as landlord, and [_____] ("**Tenant**"). The Basic Lease Information that appears on the preceding pages and all Exhibits and Schedules attached hereto are hereby incorporated by reference into this Lease and will be construed as a single instrument and referred to herein as this "**Lease.**" In the event of any conflict or inconsistency between the Basic Lease Information and the Lease provisions, the Basic Lease Information will control. All initially capitalized terms used herein are defined in ***Article 47*** or have the meanings given them when first defined.

THIS LEASE IS MADE WITH REFERENCE TO THE FOLLOWING FACTS AND CIRCUMSTANCES:

A. Port is an agency of the City, exercising its functions and powers over property under its jurisdiction and organized and existing under the Burton Act and the City's Charter. The Waterfront Plan is Port's adopted land use document for property within Port jurisdiction, which provides the policy foundation for waterfront development and improvement projects.

B. The Port owns about 7½ miles of tidelands and submerged lands along San Francisco Bay. The seawall lots are tidelands that were filled and cut off from the waterfront by the construction of the great seawall in the late 19th and early 20th centuries, and by the construction of the Embarcadero roadway which lies, in part, over a portion of the great seawall. Seawall Lot 337, the largest of the designated seawall lots, is located just south of China Basin and for years has been used as a surface parking lot.

C. The Port and [_____] ("**Master Developer**"), are parties to that certain Disposition and Development Agreement dated as of , 201_ (the "**DDA**") and that certain Lease No. L-XX dated as of [_____], 20__ (the "**Master Lease**"). The DDA and Master Lease govern the mixed-use development of an approximately 28-acre site, known as "Mission Rock" as more particularly described in the DDA and Master Lease. The DDA and Master Lease set forth a parcel disposition process under which the Port will enter into ground leases for developable parcels within the Mission Rock Site with Master Developer, on behalf of itself or through its Vertical Developer Affiliates, or, if Master Developer fails to exercise its option to lease such developable parcel, to third parties selected in accordance with the requirements of the DDA.

D. This Lease is a [[fully] [partially] prepaid] ground lease with a [Vertical Developer Affiliate] [Third Party]. The form of this Lease was authorized by the Port Commission by Resolution No. XXX and the Board of Supervisors by Resolution No. XXX, which resolutions authorized the Port's Executive Director to enter into this Lease without further approval by the Port Commission or the Board of Supervisors under Charter Section 9.118.

E. [Include additional Recitals that describe exercise of Option, if applicable, the parcel disposition process as provided under the DDA, the escrow instructions approved and submitted by the parties, close of escrow and any other relevant facts and circumstances leading up to execution of this Lease]

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. PREMISES; TERM.

1.1. *Premises.*

(a) **Lease of Premises; Description**. For the Rent and subject to the terms and conditions of this Lease, Port hereby leases to Tenant, and Tenant hereby leases from Port, the Premises described in the Basic Lease Information as of the Commencement Date.

(b) **Permitted Title Exceptions**. The interests granted by Port to Tenant pursuant to ***Section 1.1(a)***are subject to (i) the matters reflected in ***Exhibit XX*** (the "**Permitted Title Exceptions**"), and (ii) such other matters as Tenant will cause or suffer to arise subject to the terms and conditions of this Lease, and (iii) the rights of Port and the public reserved under the terms of this Lease.

(c) **Accessibility Inspection Disclosure**. California law requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a Certified Access Specialist ("**CASp**") to determine whether the property meets all applicable construction-related accessibility requirements. The law does not require landlords to have the inspections performed. Tenant is hereby advised that the Premises has not been inspected by a CASp and Port will have no liability or responsibility to make any repairs or modifications to the Premises in order to comply with accessibility standards. The following disclosure is required by law:

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties will mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

(d) **San Francisco Disability Access Disclosures**. Tenant is hereby advised that the Premises may not currently meet all applicable construction-related accessibility standards, including standards for public restrooms and ground floor entrances and exits. Tenant understands and agrees that Tenant may be subject to legal and financial liabilities if the Premises does not comply with applicable federal and state disability access Laws. As further set forth in ***Article 7*** (Compliance with Laws), Tenant further understands and agrees that it is Tenant's obligation, at no cost to Port, to cause the Premises and Tenant's use thereof to be conducted in compliance with the Disabled Access Laws and any other federal or state disability access Laws. Tenant will notify Port if it is making any Alterations or Improvements to the Premises that might impact accessibility standards required under federal and state disability access Laws.

(e) **No Right to Encroach**.

(i) If Tenant (including, its Agents, Invitees, successors and assigns) uses or occupies space outside the Premises without the prior written consent of Port (the "**Encroachment Area**"), then upon written notice from Port ("**Notice to Vacate**"), Tenant will immediately vacate such Encroachment Area and if such Encroachment Area is controlled by Port, pay as Additional Rent for each day Tenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area, multiplied by the then current fair market rent for such Encroachment Area, as reasonably determined by Port (the "**Encroachment Area Charge**"). If Tenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period will be prorated based on a thirty (30) day month. In no event will acceptance by Port of the Encroachment Area Charge be deemed a consent by Port to the use or occupancy of the

Encroachment Area by Tenant, its Agents, Invitees, successors or assigns, or a waiver (or be deemed as a waiver) by Port of any and all other rights and remedies of Port under this Lease.

(ii) In addition, Tenant will pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars ($300.00), which amount will be increased by One Hundred Dollars ($100.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter, upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Port determines during subsequent inspection(s) that Tenant has failed to vacate the Encroachment Area, then Tenant will pay to Port, as Additional Rent, an amount equaling Four Hundred Dollars ($400.00), which amount will be increased by One Hundred Dollars ($100.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter, for each additional Notice to Vacate, if applicable, delivered by Port to Tenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Tenant's failure to comply with the applicable Notice to Vacate and Port's right to impose the foregoing charges will be in addition to and not in lieu of any and all other rights and remedies of Port under this Lease. **[Note: Amounts to increase by $50 every 5 years from DDA execution.]**

(iii) In addition to Port's rights and remedies under this ***Section 1.1(e)***, the terms and conditions of the Indemnity and waiver provision set forth in ***Article 19*** (Indemnification of Port) will also apply to Tenant's (including, its Agents, Invitees, successors and assigns) use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Tenant will additionally Indemnify Port from and against any and all loss or liability resulting from delay by Tenant in surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any Claims against Port made by any tenant or prospective tenant founded on or resulting from such delay and losses to Port due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

(iv) All amounts set forth in this ***Section 1.1(e)*** will be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area. By signing this Lease, each party specifically confirms the accuracy of the statements made in this ***Section 1.1(e)*** and the reasonableness of the amount of the charges described in this ***Section 1.1(e)***.

(f) **Subsurface Mineral Rights**. Under the terms and conditions of Article 2 of the Burton Act, the State has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying the Premises. In accordance with the provisions of Sections 2 and 3.5(c) of the Burton Act, Tenant and Port hereby acknowledge that the State has reserved the right to explore, drill for and extract such subsurface minerals, including oil and gas deposits, solely from a single point of entry outside of the Premises as identified in the Basic Lease Information, provided that such right will not be exercised so as to disturb or otherwise interfere with the Leasehold Estate or the use of the Premises, including the ability of the Premises to support the Improvements, but provided further that, without limiting any remedies the Parties may have against the State or other parties, any such disturbance or interference that causes damage or destruction to the Premises will be governed by ***Article 14***. Port will have no liability under this Lease arising out of any exercise by the State of such mineral rights (unless the State has succeeded to Port's interest under this Lease, in which case such successor owner may have such liability).

(g) **"AS IS WITH ALL FAULTS"**. TENANT AGREES THAT PORT IS LEASING THE PREMISES TO TENANT, AND THE PREMISES ARE HEREBY ACCEPTED BY TENANT, IN THEIR EXISTING STATE AND CONDITION, "AS IS, WITH

ALL FAULTS." TENANT ACKNOWLEDGES AND AGREES THAT NEITHER PORT NOR ANY OF THE OTHER INDEMNIFIED PARTIES HAS MADE, AND THERE IS HEREBY DISCLAIMED, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, WITH RESPECT TO THE CONDITION IN, ON, UNDER, ABOVE, OR ABOUT THE PREMISES, TITLE TO THE PREMISES, THE SUITABILITY OR FITNESS OF THE PREMISES OR ANY APPURTENANCES THERETO FOR THE DEVELOPMENT, USE, OR OPERATION OF THE IMPROVEMENTS, THE COMPLIANCE OF THE PREMISES WITH ANY LAWS, ANY MATTER AFFECTING THE USE, VALUE, OCCUPANCY OR ENJOYMENT OF THE PREMISES, OR ANY OTHER MATTER PERTAINING TO THE PREMISES, ANY APPURTENANCES THERETO OR THE IMPROVEMENTS, AND AS FURTHER DESCRIBED HEREIN.

Tenant further acknowledges and agrees that it has been afforded a full opportunity to inspect Port's records relating to conditions in, on, around, under, and pertaining to the Premises. Port makes no representation or warranty as to the accuracy or completeness of any matters contained in such records. Tenant is not relying on any such information. All information contained in such records is subject to the limitations set forth in this ***Section 1.1(g)***. Tenant represents and warrants to Port that Tenant has performed a diligent and thorough inspection and investigation in, on, around, under, and pertaining to the Premises, either independently or through its own experts including (i) the quality, nature, adequacy and physical condition in, on, around, under, and pertaining to the Premises including the structural elements, foundation, and all other physical and functional aspects in, on, around, under, and pertaining to the Premises; (ii) the quality, nature, adequacy, and physical, geotechnical and environmental condition in, on, around, under, and pertaining to the Premises, including the soil and any groundwater (including Hazardous Materials conditions (including the presence of asbestos or lead) with regard to the building, soils and any groundwater); (iii) the suitability in, on, around, under, and pertaining to the Premises for the Improvements and Tenant's planned use of the Premises; (iv) title matters, the zoning, land use regulations, and other Laws governing use of or construction in, on, around, under, and pertaining to on the Premises; and (v) all other matters of material significance affecting in, on, around, under, and pertaining to the Premises and its development and use under this Lease.

As part of its agreement to accept the Premises in their "**As Is With All Faults**" condition, Tenant, on behalf of itself and its successors and assigns, will be deemed to waive any right to recover from, and forever release, acquit and discharge, Port, the City, and their respective Agents of and from any and all Losses, whether direct or indirect, known or unknown, foreseen or unforeseen, that Tenant may now have or that may arise on account of or in any way be connected with (i) the physical, geotechnical or environmental condition in, on, under, above, or about the Premises, including any Hazardous Materials in, on, under, above or about the Premises (including soil and groundwater conditions), (ii) the suitability of the Premises for the development of the Improvements, the Permitted Uses, value, occupancy or enjoyment of the Premises, (iii) title matters, the zoning land use regulations, and other Laws applicable thereto, including Environmental Laws, or any other matter pertaining to the Premises, any appurtenances thereto or the Improvements; (iv) all other matters of material significance affecting in, on, around, under, and pertaining to the Premises and its development and use under this Lease.

In connection with the foregoing release, Tenant acknowledges that it is familiar with California Civil Code, Section 1542, which provides as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED THE SETTLEMENT WITH THE DEBTOR.

Tenant agrees that the release contemplated by this ***Section 1.1(g)*** includes unknown claims pertaining to the subject matter of this release. Accordingly, Tenant hereby waives the benefits of Civil Code Section 1542, or under any other statute or common law principle of similar effect, in connection with the release contained in this ***Section 1.1(g)***.

Tenant Initials:_____

The provisions of this ***Section 1.1(g)*** will survive the expiration or earlier termination of this Lease.

(h) **Title Defect**. Port will have no liability to Tenant in the event any defect exists in Port's title to the Premises as of the Commencement Date and no such defect will be grounds for a termination of this Lease by Tenant. Tenant's sole remedy with respect to any such existing title defect will be to obtain compensation by pursuing its rights against any title insurance company or companies issuing title insurance policies to Tenant.

(i) **No Light, Air or View Easement**. This Lease does not include an air, light, or view easement. Any diminution or shutting off of light, air or view by any structure which may be erected on lands near or adjacent to the Premises or by any vessels berthed near the Premises will in no way affect this Lease or impose any liability on Port, entitle Tenant to any reduction of Rent, or affect this Lease in any way or Tenant's obligations hereunder.

(j) **Unique Nature of Premises**. Tenant acknowledges that: (a) Port's regular maintenance may involve activities, such as pile driving, that create noise and other effects not normally encountered in locations elsewhere in San Francisco due to the unique nature of the Premises; (b) there is a risk that all or a portion of the Premises will be inundated with water due to floods or sea level rise; and (c) there is a risk that sea level rise will increase the cost of operations, maintenance, and repair of the Premises.

(k) **Memorandum of Technical Corrections**. The Parties reserve the right, upon mutual agreement of Port's Executive Director and Tenant, to enter into memoranda of technical corrections hereto to reflect any non-material changes in the actual legal description and square footages of the Premises, and upon full execution thereof, such memoranda will be deemed to become a part of this Lease.

(l) **[Port's Reservation of Rights.]** **[Note: Placeholder in the event may be necessary for certain leases (i.e. Outfall or other infrastructures and buffer zones]]**[1]

1.2. ***Term***. The effectiveness of this Lease will commence on the Commencement Date as shown in the Basic Lease Information. The Lease will expire at 11:59 p.m. on the Expiration Date set forth in the Basic Lease Information, unless earlier terminated or extended in accordance with the terms of this Lease. The period from the Commencement Date until the final expiration of the Lease is referred to as the "**Term.**"

2. RENT.

During the Term, Tenant will pay Rent for the Premises to Port at the times and in the manner provided in ***Exhibit D*** attached hereto and incorporated herein by this reference.

3. USES.

3.1. ***Permitted Uses***. Tenant will use and operate the Premises in accordance with this Lease and solely for the Permitted Uses described in the Basic Lease Information. Tenant will not seek any amendment to the Project Approvals, including, without limitation, the SUD or Design Controls that would be substantially inconsistent with the land use restrictions set forth in the Scope of Development without the prior written consent of the Port Commission and, during

[1] Note: it is anticipated that the Reservation of Rights will be included in parcel-specific circumstances, such as if a public access area or the existing Outfall Infrastructure is included within the Premises boundary.

the term of the DDA, Master Developer, each in its sole discretion. The Parties recognize that from time to time, Tenant may desire to obtain additional use, zoning, regulatory or land use approvals or conditional use authorization relating to the Premises. Port agrees, from time to time, to reasonably cooperate with Tenant, at no cost to Port, in pursuing such regulatory approvals or authorizations, including, but not limited to, executing documents, applications or petitions relating thereto, subject to the limitations of this ***Section 3.1, Section 3.7,*** and ***Article 8***.

3.2. ***Prohibited Uses***. Tenant will not conduct or permit on the Premises any of the following activities (in each instance, a "**Prohibited Use**" and collectively, "**Prohibited Uses**"):

(a) any activity, or the maintaining of any object, which is not within the Permitted Use or not previously approved by Port in writing, in its sole discretion;

(b) any activity or object which will materially overload or cause material damage to the Premises (other than which would be considered reasonable wear and tear or which is otherwise repaired by Tenant in accordance with the terms of this Lease);

(c) any activity which constitutes waste or nuisance, including, but not limited to, the preparation, manufacture or mixing of anything that might emit any unusually objectionable odors, noises or lights onto adjacent properties, or the use of loudspeakers or sound or light apparatus which can be heard or seen outside the Premises other than in connection with typical retail uses that do not violate any applicable Law;

(d) any activity which will in any way injure, obstruct or interfere with the rights of ingress and egress of other owners, tenants, or occupants of adjacent properties;

(e) the placement of any Sign on or near the Premises related to any auction, distress, fire, bankruptcy or going out of business sale on the Premises without the prior written consent of Port, which consent may be granted, conditioned, or withheld in the sole and absolute discretion of Port;

(f) any vehicle and equipment maintenance, including but not limited to, fueling, changing oil, transmission or other automotive fluids; provided, however, the foregoing prohibition does not apply to standard equipment maintenance for office equipment (such as printers, computer, and copiers) and residential equipment (such as washing machines, dryers, and kitchen appliances) or to charging stations for electric vehicles and equipment;

(g) the storage of any and all excavated materials, including but not limited to, dirt, concrete, sand, asphalt, and pipes (unless such use is reasonably required on a temporary basis to allow for the construction of the Initial Improvements, Subsequent Construction, or the repair or maintenance of the Improvements);

(h) the storage of any and all aggregate material, or bulk storage, such as wood or of other loose materials (unless such use is reasonably required on a temporary basis to allow for the construction of the Initial Improvements, Subsequent Construction, or the repair or maintenance of the Improvements); or

(i) [the construction of any structures or fixtures within, over, or under the Outfall Infrastructure Area without Port's prior consent, which may be withheld in its sole discretion] **[NOTE: Applicable only where Outfall Infrastructure Area is located within a development parcel; may need to include additional restrictions/protocols in an attached exhibit to protect infrastructure.]**

(j) the washing of any vehicles or equipment (unless such use is (i) reasonably required on a temporary basis to comply with the [Mission Rock Risk Management Plan] during construction of the Initial Improvements or (ii) is ancillary to the Permitted Use and in accordance with a Port approved operations plan).

3.3. ***Liquidated Damages for Repeat Prohibited Uses***. In addition to the other remedies available to Port under this Lease for an Event of Default under ***Section 24.1(f)***, if

Tenant uses the Premises for the same type of Prohibited Use and Port has delivered a notice of such violations more than two (2) times within the prior six (6) month period, then Tenant will pay Port an amount equal to Two Thousand Five Hundred Dollars ($2,500.00) (as adjusted periodically, the "**Prohibited Use Charge**") for such Prohibited Use as liquidated damages, which Two Thousand Five Hundred Dollars ($2,500.00) will be increased by ten percent (10%) on the fifth (5th) anniversary of the Commencement Date and every five (5) years thereafter. **[Note: $2,500 will increase annually by 3% from and after 2018 until execution of this Lease.**

THE PARTIES HAVE AGREED THAT PORT'S ACTUAL DAMAGES, IN THE EVENT TENANT USES THE PREMISES FOR A PROHIBITED USE MORE THAN TWO (2) TIMES WITHIN A SIX (6) MONTH PERIOD, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS LEASE, THE AMOUNT OF THE PROHIBITED USE CHARGE IS A REASONABLE ESTIMATE OF THE DAMAGES THAT PORT WOULD INCUR IN SUCH AN EVENT. Y PLACING THEIR RESPECTIVE INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

Initials: _____ _____

Port Tenant

3.4. ***Advertising and Signs.*** Subject to the prohibition on tobacco and alcohol advertising provided in ***Article 45***, Tenant will have the right to install signs and advertising inside the Premises and the Improvements in accordance with the Master Signage Program], as may be amended from time to time. Tenant will have the right to place, construct or maintain any sign, flag, advertisement, awning, banner or other decoration (collectively, "**Sign**") on, or visible from, the exterior of the Premises without the prior written consent of Port acting in its proprietary capacity, provided the Sign complies with the Design Controls and the approved [Signage Master Plan]. Any Sign that Tenant is permitted to place, construct or maintain on the Premises will comply with all Laws relating thereto, including but not limited to the Design Controls and the [Signage Master Plan], building permit requirements, and Tenant will obtain all Regulatory Approvals required by such Laws. Port makes no representation with respect to Tenant's ability to obtain such Regulatory Approval. Tenant, at its sole cost and expense, will remove all Signs placed by it on the Premises at the expiration or earlier termination of this Lease.

3.5. ***Restrictions on Encumbering Port's Reversionary Interest.*** Tenant may not enter into agreements granting licenses, easements or access rights over the Premises if the same would be binding on Port's reversionary interest in the Premises without Port's prior written consent, which consent may be withheld in Port's sole discretion, and subject to the provisions of ***Article 6***.

3.6. ***Required Public Access Areas.*** **[Note: Placeholder for leases where Public Access is required or part of the project.]** Tenant must maintain throughout the Term, dedicated public access areas within the Premises as depicted on ***Exhibit XX*** attached hereto. The Public Access Areas may be amended from time to time between the Parties, provided, however, in no event will the Public Access Areas be reduced from the Public Access Areas depicted on ***Exhibit XX*** as of the Commencement Date without Port's prior written consent, or increased from the Public Access Areas depicted on ***Exhibit XX*** as of the Commencement Date without Tenant's prior written consent, in each case which consent may be withheld in its sole discretion. Tenant must maintain the Public Access Areas in accordance with, and in compliance

with, this Lease and must comply with the Rules and Regulations for Public Access Areas set forth in ***Exhibit XX*** attached hereto.

3.7. ***Required Public Benefits***. **[Note: Applicable for certain leases.]** Tenant may not use the Minimum Public Benefit Area for any use other than the Required Uses without the prior written consent of Port, which consent may be granted, withheld or conditioned in Port's sole discretion. Tenant must include with any request to use the Minimum Public Benefit Area for uses other than the Required Uses evidence of its efforts to lease the Premises for the Required Uses, including outreach and marketing efforts. Port's consent to any one request to reduce the Minimum Public Benefit Area for Required Uses or use of such area for other uses will not be construed as consent for any subsequent request.

4. DEVELOPMENT PROJECTS.

4.1. ***Generally***. Tenant acknowledges that during the Term, other development projects will be developed or constructed in the immediate vicinity of the Premises, and other development projects on or near Port property [(such as the development projects at Pier 48, the Mission Rock Site, Chase Center, Mission Bay, and [ ]. Pier 70 and the proposed development of over 5 million square feet on the 29-acre Central Waterfront site at or around 1201 Illinois Street (bounded by Illinois, the Bay, 22nd and 23rd Streets) also may be constructed in the vicinity of the Premises (collectively, "**Development Projects**"). Tenant is aware that construction of the Development Projects and other construction projects of Port tenants, licensees or occupants or projects of third parties in the vicinity of the Premises and the activities associated with such construction may generate adverse impacts on construction of the Initial Improvements or any Subsequent Construction, use and/or operation of the Premises after construction, or may result in inconvenience to or disturbance of Tenant and its Agents and Invitees. Said impacts may include increased vehicle and truck traffic, closure of traffic lanes, re-routing of traffic, traffic delays, loss of street and public parking, dust, dirt, construction noise, and visual obstructions (collectively, "**Construction Impacts**").

Tenant hereby waives any and all Losses against the Indemnified Parties arising out of any inconvenience or disturbance to Tenant, its Agents or Invitees, from Construction Impacts. The Parties will each use reasonable efforts to coordinate its construction efforts with each other and with others engaged in construction on such other projects in a manner that will seek, to the extent reasonably possible, to reduce construction conflicts.

4.2. ***Cooperation***. The Mission Rock Agreements will, among other things, permit the construction during the Term, of new public open space, new commercial and residential buildings, a parking structure, and other improvements, within the Mission Rock Site. Tenant acknowledges and agrees that it will reasonably cooperate with Port, the Master Developer and other developers and tenants of the Mission Rock Project, at no material out-of-pocket cost to Tenant.

5. TAXES AND ASSESSMENTS.

5.1. ***Payment of Taxes and Other Impositions***.

(a) **Payment of Taxes**. Tenant will pay or cause to be paid to the proper authority prior to delinquency, all Impositions assessed, levied, confirmed, or imposed on the Premises or any of the Improvements or Personal Property (excluding the personal property of any Subtenant whose interest is separately assessed) located on the Premises or on its Leasehold Estate (but excluding any such taxes separately assessed, levied or imposed on any Subtenant), or on any use or occupancy of the Premises hereunder, to the full extent of installments or amounts payable or arising during the Term, whether in effect at the Commencement Date or which become effective thereafter. Tenant further recognizes and agrees that the Leasehold Estate may be subject to the payment of special taxes, including without limitation a levy of special taxes to finance energy efficiency, water conservation, water pollution control and similar improvements under the Special Tax Financing Law in Chapter 43 Article X of the

Administrative Code and the Mello-Roos Taxes described in ***Section 5.2***. Tenant will not permit any such Impositions to become a defaulted lien on the Premises or the Improvements thereon; provided that if applicable Law permits Tenant to pay such taxes in installments, Tenant may elect to do so. In addition, Tenant will pay any fine, penalty, interest or cost as may be charged or assessed for nonpayment or delinquent payment of such taxes. Tenant will have the right to contest the validity, applicability or amount of any such taxes in accordance with ***Article 6***. In the event of any such dispute, Tenant will Indemnify and hold the Indemnified Parties harmless from and against all Losses, including Attorneys' Fees and Costs, resulting therefrom.

(i) *Acknowledgment of Possessory Interest.* Tenant specifically recognizes and agrees that this Lease creates a possessory interest which is subject to taxation, and that this Lease requires Tenant to pay any and all possessory interest taxes levied upon Tenant's interest pursuant to an assessment lawfully made by the County Assessor. Tenant further acknowledges that any Sublease, Transfer, or Assignment permitted under this Lease and any exercise of any option to renew or extend this Lease may constitute a change in ownership, within the meaning of the California Revenue and Taxation Code, and therefore may result in a reassessment of any possessory interest created hereunder in accordance with applicable Law.

(ii) *Reporting Requirements.* San Francisco Administrative Code Sections 23.38 and 23.39 (or any successive or replacement ordinance) requires that Port report certain information relating to this Lease, and the creation, renewal, extension, assignment, sublease, or other transfer of any interest granted hereunder, to the County Assessor within sixty (60) days after any such transaction. Within thirty (30) days following the date of any transaction that is subject to such reporting requirements, Tenant will provide such information as may reasonably be requested by Port to enable Port to comply with such requirements.

(b) Other Impositions. Without limiting the provisions of ***Section 5.1(a)***, and except as otherwise provided in this ***Section 5.1(b)*** and ***Article 6***, Tenant will pay or cause to be paid all Impositions, to the full extent of installments or amounts payable or arising during the Term which may be assessed, levied, confirmed or imposed on or in respect of or be a lien upon the Premises, any Improvements now or hereafter located thereon, any Personal Property now or hereafter located thereon (but excluding the personal property of any Subtenant whose interest is separately assessed), the Leasehold Estate, or any subleasehold estate permitted hereunder, including any taxable possessory interest which Tenant, any Subtenant or any other Person may have acquired pursuant to this Lease (but excluding any such Impositions separately assessed, levied or imposed on any Subtenant). Subject to the provisions of ***Article 6***, Tenant will pay all Impositions directly to the taxing authority, prior to delinquency, provided that if any applicable Law permits Tenant to pay any such Imposition in installments, Tenant may elect to do so. In addition, Tenant will pay any fine, penalty, interest or cost as may be assessed for nonpayment or delinquent payment of any Imposition. As used herein, "**Impositions**" means all taxes (including possessory interest, real, personal, and special taxes), Mello-Roos Taxes, assessments, liens, levies, fees, charges or expenses of every description, levied, assessed, confirmed or imposed by a governmental or quasi-governmental entity on the Premises, any of the Improvements or Personal Property located on the Premises, the Leasehold Estate, any subleasehold estate, or any use or occupancy of the Premises hereunder. Impositions includes all such taxes, assessments, liens, levies, fees charged or expenses of every description, whether general or special, ordinary or extraordinary, foreseen or unforeseen, or hereinafter levied or assessed in lieu of or in substitution of any of the foregoing of every character including, without limitation, Mello-Roos Taxes under the CFD. The foregoing or subsequent provisions notwithstanding, Tenant will not be responsible for any Impositions arising from or related to, Port's fee ownership interest in the Property or Premises, Port's interest as landlord under this Lease, or any transfer thereof, including but not limited to, Impositions relating to the fee, transfer taxes associated with the conveyance of the fee, or business or gross rental taxes attributable to Port's fee interest or transfer thereof.

(c) **Proof of Compliance**. Within a reasonable time following Port's written request which Port may give at any time and give from time to time, Tenant will deliver to Port copies of official receipts of the appropriate taxing authorities, or other proof reasonably satisfactory to Port, evidencing the timely payment of such Impositions.

5.2. ***Acknowledgements and Covenants Regarding Community Facilities Districts and Assessment Matters***. **[Note: Conform/update with DDA and Financing Plan.]**

(a) **Section 53341.5 Acknowledgment**. Prior to Tenant's execution and delivery of this Lease, Master Developer and Port delivered to Tenant, and Tenant executed and delivered to Master Developer and Port, a notice of special tax pursuant to California Government Code Section 53341.5 (the "**Notice of Special Tax**") confirming that Tenant has been advised of the terms and conditions of the CFD, including that the Premises are subject to the Mello-Roos Special Taxes (as defined in ***Exhibit XX***). A copy of the executed Notice of Special Tax is attached hereto as ***Exhibit XX***.

(b) **Facilities and Maintenance CFD**. As material consideration for the Port entering into this Lease, Tenant will comply with all of the covenants and acknowledgements set forth in ***Exhibit H*** (CFD Matters) attached hereto and the Master Developer is an explicit third-party beneficiary of the covenants and acknowledgements set forth in ***Exhibit H*** (CFD Matters) attached hereto.

5.3. ***Port's Right to Pay***. Unless Tenant is exercising its right to contest in accordance with the provisions of ***Article 6***, if Tenant fails to pay and discharge any Imposition (including fines, penalties and interest) prior to delinquency, Port, at its sole option, may (but is not obligated to) pay or discharge the same; provided that prior to paying any such delinquent Imposition, Port will give Tenant written notice specifying a date that is at least ten (10) days following the date such notice is given after which Port intends to pay such Impositions. If Tenant fails, on or before the date specified in such notice, either to pay the delinquent Imposition or to notify Port that it is contesting such Imposition pursuant to ***Article 6***, then Port may thereafter pay such Imposition, and the amount so paid by Port (including any interest and penalties thereon paid by Port), together with interest at the Default Rate computed from the date Port makes such payment, will be payable by Tenant as Additional Rent.

5.4. ***Information Required by the County Assessor***. **[Note: Subject to further discussion.]**

(a) The County Assessor has notified Port that it requires certain information in order to facilitate completion of Assessor Block Maps, updates to ownership records, and assessment of in-progress construction, completed new construction, sales and other assessable transfers of property. Exhibit XXX lists the information that the County Assessor expects to need in order to perform the foregoing tasks (the "**Assessor Information**").

(b) Each Party will provide to the County Assessor any Assessor Information requested in writing by the County Assessor in the format required by the County Assessor (the "**Requested Information**") within 90 days of the applicable Party's receipt of a written request for such Requested Information. Port will have the right to exercise all rights and remedies available at law or in equity to enforce Tenant's obligation to provide Requested Information on a timely basis, including specific performance. Tenant waives any right to confidentiality under applicable law to the extent necessary for the County Assessor to notify Port of Tenant's failure to provide the Requested Information on a timely basis and Port to exercise its right to specific performance of Tenant's obligation.

(c) Promptly following the County Assessor's request, Port may, from time to time, update the information requirements set forth in Exhibit XXX by providing Tenant no less than five (5) business days' prior notice and a replacement copy of Exhibit XXX.

6. CONTESTS.

6.1. ***Right of Tenant to Contest Impositions and Liens.*** Subject to ***Section 5.2,*** Tenant has the right to contest the amount, validity or applicability, in whole or in part, of any Imposition, mechanics' lien, or encumbrance (including any arising from work performed or materials provided to Tenant or any Subtenant to improve all or a portion of the Premises) by appropriate proceedings conducted in good faith and with due diligence, at no cost to Port, provided that, prior to commencement of such contest, Tenant notifies Port of such contest. Tenant must notify Port of the final determination of such contest within fifteen (15) days after such determination. Subject to ***Section 5.2***, nothing in this Lease requires Tenant to pay any Imposition, mechanics' lien, or encumbrance so long as Tenant contests the validity, applicability or amount of such Imposition, mechanics' lien, or encumbrance in good faith, and so long as it does not allow the portion of the Premises affected by such Imposition, mechanics' lien, or encumbrance to be forfeited to the entity levying such Imposition, mechanics' lien, or encumbrance as a result of its nonpayment. If any Law requires, as a condition to such contest, that the disputed amount be paid under protest, or that a bond or similar security be provided, Tenant must comply with such condition as a condition to its right to contest. Tenant is responsible for the payment of any interest, penalties or other charges that may accrue as a result of any contest, and Tenant must provide a statutory lien release bond or other security reasonably satisfactory to Port in any instance where Port's interest in the Premises may be subjected to such lien or claim. Tenant is not required to pay any Imposition, mechanics' lien, or encumbrance being so contested during the pendency of any such proceedings unless payment is required by the court or agency conducting such proceedings. Port, at its own expense and at its sole option, may elect to join in any such proceeding whether or not any Law requires that such proceedings be brought by or in the name of Port or any owner of the Premises. Port will not be subjected to any liability for the payment of any fines or penalties, and except as provided in the preceding sentence, costs, expenses or fees, including Attorneys' Fees and Costs, in connection with any such proceeding. Without limiting ***Article 19***, Tenant will Indemnify the Indemnified Parties for all Losses resulting from Tenant's contest of any imposition.

6.2. ***Port's Right to Contest Impositions.*** At its own cost and after notice to Tenant of its intention to do so, Port may, but in no event will be obligated to, contest the validity, applicability or the amount of any Impositions, by appropriate proceedings conducted in good faith and with due diligence. Nothing in this section will require Port to pay any Imposition as long as it contests the validity, applicability or amount of such Imposition in good faith, and so long as it does not allow any portion of the Premises to be forfeited to the entity levying such Imposition as a result of its nonpayment and so long as such activities do not cause a default under any Mortgage in effect at the time. Port will give notice to Tenant within a reasonable period of time of the commencement of any such contest and of the final determination of such contest. Port will reimburse Tenant within thirty (30) days after demand from Tenant for any such fines, penalties, costs, interest, expenses or fees, including Attorney's Fees and Costs, which Tenant may be legally obligated to pay solely as a result of Port's contest of such Impositions.

7. COMPLIANCE WITH LAWS.

7.1. ***Tenant's Obligation to Comply.*** During the Term, Tenant will comply with, at no cost to Port, (i) all applicable Laws (taking into account any variances or other deviations properly approved), (ii) the Mission Rock Risk Management Plan, and (iii) the Mitigation Monitoring and Reporting Program, (iv) the Vertical DDA (so long as the Vertical DDA remains in effect), [(v) the Traffic Management Plan [**note: add other requirements imposed in connection with Project Approvals, if any**]. The foregoing sentence will not be deemed to limit Port's ability to act in its legislative or regulatory capacity, including the exercise of its police powers. In particular, Tenant acknowledges that the Permitted Uses do not limit Tenant's responsibility to obtain Regulatory Approvals for such Permitted Uses, nor do such Permitted Uses limit Port's responsibility in the issuance of any such Regulatory Approvals to comply with

applicable Laws. It is understood and agreed that Tenant's obligation to comply with Laws includes the obligation to make, at no cost to Port, all additions to, modifications of, and installations on the Premises that may be required by any Laws relating to or affecting the Premises.

7.2. ***Unforeseen Requirements***. The Parties acknowledge and agree that Tenant's obligation under this ***Section 7.2*** to comply with all Laws and the other requirements set forth in ***Section 7.1*** is a material part of the bargained-for consideration under this Lease. Tenant's obligation to comply with Laws and the other requirements set forth in ***Section 7.1*** includes the obligation to make substantial improvements (including any barrier removal work or other work required to all or any portion of the Premises under Disabled Access Laws as a result of Tenant's specific use of the Premises, the Improvements, Deferred Infrastructure or any Subsequent Construction performed by or on behalf of Tenant, or substructural repairs to the Premises), regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term, the relative benefit of the repairs to Tenant or Port, the degree to which curative action may interfere with Tenant's use or enjoyment of the Premises, the likelihood that the Parties contemplated the particular Law involved, or the relationship between the Law or the other requirements set forth in ***Section 7.1*** involved and Tenant's particular use of the Premises. No occurrence or situation arising during the Term, nor any Law or the other requirements set forth in ***Section 7.1***, however extraordinary, relieves Tenant of its obligations hereunder, nor gives Tenant any right to terminate this Lease (except for the Termination Option set forth in ***Section 7.3***) in whole or in part or to otherwise seek redress against Port. Tenant waives any rights now or hereafter conferred upon it by any Law to terminate this Lease (except for the Termination Option set forth in ***Section 7.3***), to receive any abatement, diminution, reduction or suspension of payment of Rent, or to compel Port to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

7.3. ***Right to Terminate Lease***.

(a) **Termination Option**. Notwithstanding any other provision of ***Section 7.1***, in the event of any change in Laws during the last ten (10) years of the Term that would require capital repairs or improvements, including upgrades or other capital expenditures for reconstruction, replacement, expansion, Restoration, alteration or modification of the Premises (including the Improvements), Tenant will have the option, but not the obligation, to terminate this Lease (the "**Termination Option**") on the following terms and conditions:

(i) If Tenant desires to exercise the Termination Option, Tenant will deliver written notice thereof to Port of its election, at least one hundred twenty (120) days prior to the termination date specified therein ("**Termination Notice for Change in Laws**").

(ii) On or prior to the effective date of termination of this Lease in accordance with this ***Section 7.3***, Tenant must:

(1) cure all Tenant monetary Events of Default and any Events of Default relating to the provisions of ***Section 7.1*** (other than making the capital repairs or improvements necessitated by the change in Laws leading to Tenant's exercise of the Termination Option) and ***Section 10.1***,

(2) cure all Tenant Events of Default or Unmatured Events of Defaults under ***Article 21***,

(3) pay in full all utility charges and Impositions due and owing up to and including the effective date of termination,

(4) maintain all the insurance required to be maintained under ***Section 20*** until the effective date of termination, and

(5) if requested by Port, Demolish and Remove the Improvements in accordance with this ***Section 7.3***.

(b) **Demolition and Removal Requirement**. If Port desires Tenant to Demolish and Remove the Improvements, Port will notify Tenant within ninety (90) days following receipt of the Termination Notice for Change in Laws, which election may be made by Port in its sole discretion. If Tenant Demolishes and Removes the Improvements in accordance with this ***Section 7.3***, Tenant will have no obligation to cure any Events of Default under ***Sections 7.1 or 10.1***. If Tenant exercises its Termination Option, this Lease will terminate on the later of the date set forth in the Termination Notice for Change in Laws or the date Tenant cures all of the Events of Default required to be cured and completes the Demolition and Removal in compliance with all Laws; provided, however, if Port requests Tenant to Demolish and Remove the Improvements, and such work cannot reasonably be completed prior to termination of this Lease, then Tenant's access to the Premises to perform such work will be under Port's license, as further described in ***Section 36.2***. Tenant's obligation to Demolish and Remove the Improvements in accordance with this ***Section 7.3*** will survive the earlier termination of this Lease.

8. REGULATORY APPROVALS.

(a) **Port Acting as Owner of Property**. Tenant understands and agrees that Port is entering into this Lease in its proprietary capacity as the holder of fee title to the Premises and not as a Regulatory Agency with certain police powers. Tenant acknowledges and agrees that Port has made no representation or warranty that the necessary Regulatory Approvals to allow for the development of the Initial Improvements can be obtained. Tenant acknowledges and agrees that although Port is an agency of the City, Port staff and executives have no authority or influence over officials or Regulatory Agencies responsible for the issuance of any Regulatory Approvals, including Port and/or City officials acting in a regulatory capacity. Accordingly, there is no guarantee, nor a presumption, that any of the Regulatory Approvals required for the approval or development of the Initial Improvements will be issued by the appropriate Regulatory Agency, and Tenant understands and agrees that neither entry by Port into this Lease nor any approvals given by Port under this Lease will be deemed to imply that Tenant will obtain any required approvals from Regulatory Agencies which have jurisdiction over the Initial Improvements and/or the Premises, including Port itself in its regulatory capacity. Port's status as an agency of the City in no way limits the obligation of Tenant, at Tenant's own cost and initiative, to obtain Regulatory Approvals from Regulatory Agencies that have jurisdiction over the Initial Improvements. By entering into this Lease, Port is in no way modifying or limiting Tenant's obligations to cause the Premises to be developed, Restored, used and occupied in accordance with all Laws. Tenant further acknowledges and agrees that any time limitations on Port review or approval within this Lease applies only to Port in its proprietary capacity, not in its regulatory capacity. Without limiting the foregoing, Tenant understands and agrees that Port staff have no obligation to advocate, promote or lobby any Regulatory Agency and/or any local, regional, state or federal official for any Regulatory Approval, for approval of the Initial Improvements or other matters related to this Lease, and any such advocacy, promotion or lobbying will be done by Tenant at Tenant's sole cost and expense. Tenant hereby waives any claims against the Indemnified Parties, and fully releases and discharges the Indemnified Parties to the fullest extent permitted by Law, from any liability relating to the failure of Port, the City or any Regulatory Agency from issuing any required Regulatory Approval or from issuing any approval of the Initial Improvements.

(b) **Regulatory Approval; Conditions**. Tenant understands that construction of the Initial Improvements and Tenant's contemplated uses and activities on the Premises, any subsequent changes in Permitted Uses, and any Subsequent Construction, may require Regulatory Approvals from Regulatory Agencies, which may include the City, Port, RWQCB, SFPUC, and other Regulatory Agencies. Tenant is solely responsible for obtaining any such Regulatory Approvals, as further provided in this Section.

Port, at no cost to Port, will cooperate reasonably with Tenant in its efforts to obtain such Regulatory Approvals, including submitting letters of authorization for submittal of applications

consistent with all applicable Laws and the further terms and conditions of this Lease, including, without limitation, being a co-permittee with respect to any such Regulatory Approvals. However, if Port is required to be a co-permittee under any such permit, then Port will not be subject to any conditions and/or restrictions under such permit that could (i) encumber, restrict or adversely change the use of any Port property other than the Premises, unless in each instance Port has previously approved, in Port's sole and absolute discretion, such conditions or restrictions and Tenant has assumed all obligations and liabilities related to such conditions and/or restrictions; or (ii) restrict or change the use of the Premises in a manner not otherwise permitted under this Lease or subject Port to unreimbursed costs or fees, unless in each instance Port has previously approved, in Port's reasonable discretion, such conditions and/or restrictions and Tenant has assumed all obligations and liabilities related to such conditions and/or restrictions (including the assumption of any unreimbursed costs or fees Port may be subject to).

Port will provide Tenant with its approval or disapproval thereof in writing to Tenant within ten (10) business days after receipt of Tenant's written request, or if Port's Executive Director reasonably determines that Port Commission or Board action is required under applicable Laws, at the first Port and subsequent Board hearings after receipt of Tenant's written request subject to notice requirements and reasonable staff preparation time, not to exceed forty-five (45) days for Port Commission action alone and seventy-five (75) days if both Port Commission and Board action is required, provided such period may be extended to account for any recess or cancellation of board or commission meetings. Port will join in any application by Tenant for any required Regulatory Approval and execute such permit where required, provided that Port has no obligation to join in any such application or sign the permit if Port does not approve the conditions or restrictions imposed by the Regulatory Agency under such permit as set forth above in this section.

Tenant will bear all costs associated with (1) applying for and obtaining any necessary Regulatory Approval, and (2) complying with any and all conditions or restrictions imposed by Regulatory Agencies as part of any Regulatory Approval, including the economic costs of any development concessions, waivers, or other impositions, and whether such conditions or restrictions are on-Premises or require off-Premises improvements, removal, or other measures. Tenant in its sole discretion has the right to appeal or contest any condition in any manner permitted by Law imposed by any such Regulatory Approval; provided, however, if Port is a co-permittee, then Tenant will have first obtained Port's prior consent, not to be unreasonably withheld, prior to commencing any such appeal or contest. Tenant will provide Port with prior notice of any such appeal or contest and keep Port informed of such proceedings. Tenant will pay or discharge any fines, penalties or corrective actions imposed as a result of the failure of Tenant to comply with the terms and conditions of any Regulatory Approval. No Port Approval will limit Tenant's obligation to pay all the costs of complying with any conditions or restrictions. Tenant will take reasonable steps to cooperate with Port in connection with Port's efforts to obtain approvals from Regulatory Agencies related to development of [Mission Rock] that are not necessary for or related to development of the Premises.

Without limiting any other Indemnification provisions of this Lease, Tenant will Indemnify the Indemnified Parties from and against any and all Losses which may arise in connection with Tenant's failure to obtain or seek to obtain in good faith, or to comply with the terms and conditions of any Regulatory Approval which will be necessary to develop and construct the Premises in accordance with the Scope of Development, except to the extent that such Losses arise solely from the negligence or willful acts or omissions of Port acting in its proprietary capacity.

(c) **Regulatory Permit Coverage**. Except as may otherwise be agreed upon between Tenant and Master Developer pursuant to separate agreement(s), Tenant will not be entitled to rely upon Regulatory Approvals previously obtained by Master Developer for any portion of Mission Rock, but will be required to obtain its own Regulatory Approvals in accordance with all applicable Laws. This includes, without limitation, Storm Water Pollution

Prevention Plans (SWPPP), Dust Control Plans (DCP), Asbestos Dust Mitigation Plans (ADMP), and compliance with the City's Maher Ordinance (SFDPH Article 22A). Notwithstanding the foregoing, in accordance with its approved ADMP, Master Developer will provide a sitewide air monitoring network positioned on ongoing horizontal and vertical construction work within the Mission Rock.

9. TENANT'S MANAGEMENT AND OPERATING COVENANTS.

9.1. ***Operating Standards.*** From and after Completion of the Initial Improvements, Tenant will maintain and operate the Premises, or cause the Premises to be maintained and operated, in a manner consistent with the prudent business practices of institutional landlords of buildings of comparable age, size, type and use located in San Francisco and in accordance with this Lease. Tenant is exclusively responsible, at no cost to Port, for the management and operation of the Premises.

9.2. ***Leasing of Premises.*** Tenant will use reasonable efforts to keep as much of the space in the Premises leased, taking into account marketplace conditions and applying in the exercise of such efforts, the prudent business practices of institutional landlords of buildings of comparable age, size, type and use located in San Francisco.

9.3. ***Reporting of Subleases.***

(a) **Leasing Activity Reports**. Tenant will deliver to Port within sixty (60) days following the end of each calendar year commencing in the calendar year a certificate of occupancy is issued for the Improvements until and including the calendar year that includes the twenty-fifth (25th) anniversary of the Commencement Date, a leasing activity report for immediately prior calendar year for the Premises substantially in the form attached hereto as *Exhibit XX* (the "**Leasing Activity Report**"). [**Note: Leasing Activity Report will contain at least total square footage available and square footage leased, the number of tenants the average rental rate, and to the extent publicly available, gross revenues from the Premises**] To the extent gross revenues from the Premises is made available in other public forums such as government filings, Tenant will include such information in the Leasing Activity Report. Each Leasing Activity Report will be certified by an officer of Tenant that it is a true and correct copy.

(b) **Audited Financial Statements**. Tenant will deliver to Port within ninety (90) days following the end of the calendar year that includes the twenty-sixth (26th) anniversary of the Commencement Date and within sixty (60) days following the end of each calendar year thereafter until the calendar year that includes the Expiration Date, Tenant's audited financial statement for the Premises, certified by Tenant's chief financial officer as being true, correct, and complete. The Parties agree and acknowledge that the audited financial statements need not include a line item for each Sublease and the pertinent financial terms related to such Sublease, but may instead, include a summary of the revenues generated by the Subleases.

(c) **Port Representative**. Throughout the Term, upon no less than two (2) business days' prior notice to Tenant, a representative of Port may review at the property manager's offices at the Premises during regular business hours, a complete copy of the Subleases at the Premises. Other than any Subleases Port has agreed to recognize pursuant to a Non-Disturbance Agreement, Port's representative will not be permitted to copy any of the Subleases or take any written notes of any Sublease terms during the first twenty-nine (29) years of the Term.

(d) **Appraiser**. Until Port sells its fee interest or enters into a long-term lease for the last development parcel within Mission Rock, Port's appraiser may review at the management office at the Premises or at another San Francisco location where Tenant may keep copies of Subleases, all current Subleases and rent roll, provided the Port's appraiser has entered into a customary confidentiality agreement that does not limit his or her ability to use the information in a manner necessary to inform the appraisal only (which shall not include the right

to publish or otherwise disseminate any information in any manner outside of the context of the appraisal). The information gathered by the appraiser will be used solely to inform the appraiser in determining the fair market value of the development parcel to be sold or leased, as applicable.

9.4. ***Restaurant/Retail Businesses Open to the General Public.*** Throughout the Term, restaurants and other facilities for the exclusive use of the members of any invitation-only membership organization is prohibited on the ground floor of the Premises; provided, however, the foregoing does not prohibit amenities available only to employees of Tenant or any Subtenant (e.g. an employee cafeteria) or facilities for the exclusive use of membership organizations that are open to the general public (e.g. a membership-based gym).

9.5. ***Flags.*** [**Note: Applicable only for Parcels where US and CA flags are flown**] Throughout the Term, a Port flag will fly on each flagpole within the Premises ("**Flagpoles**"). Port will provide Port flags to Tenant. Tenant will promptly, at no charge, install, raise, lower and remove Port flags at Port's request. The dimensions of Port flags will be similar to the dimensions of Port flags flown in the Central Waterfront. Tenant also may use the Flagpoles to fly other flags on each Flagpole, provided that such other flags, other than the flags of the United States and the State of California, must be placed beneath the Port flag and Port must first reasonably approve the dimensions, color, text, design, and materials for such flag. If Port determines that Tenant's response to Port's request to raise or lower Port flags is inadequate, then at Port's election, Port may access the Flagpoles to adjust the Port flags accordingly without notice to Tenant.

Tenant will have no responsibility to maintain any Port flags. Port will provide Tenant with replacement Port flags to replace worn Port flags on the Flagpoles. If Port does not provide a replacement flag to replace a worn flag, then Tenant will provide Port with notice requesting that a replacement flag be provided ("**Replacement Notice**"). If Port reasonably believes the flag in question is not worn sufficiently enough to warrant its replacement, Port will notify Tenant within five (5) days following receipt of the Replacement Notice, and such flag will remain in place and not be replaced. If Port has not timely notified Tenant that Port disputes the need to replace the flag and if Port does not provide Tenant with a replacement flag within thirty (30) days following the Replacement Notice, then Tenant will deliver to Port a second notice, which notice will include a statement in bold, all caps and underlined that if Port does not provide Tenant with a replacement flag within ten (10) days of such second notice, then Tenant will have the right to remove the worn flag. If Port does not provide Tenant with a replacement flag within ten (10) days of such second notice, then Tenant will have the right to remove the worn flag; provided, however, if Port notifies Tenant that Port cannot provide Tenant with a replacement flag due to unavailability of a replacement flag, Tenant will not remove the worn flag until Port is able to obtain a replacement flag. If Tenant removes Port's flag, then Tenant will promptly fly a replacement flag provided by Port to Tenant.

9.6. ***Graffiti Removal.*** Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and its residents, and to prevent the further spread of graffiti.

Tenant agrees to commence removal of graffiti from the Premises within forty-eight (48) hours of the earlier of Tenant's: (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from San Francisco Public Works. This ***Section 9.6*** is not intended to require Tenant to breach any lease or other agreement that it may have concerning its use of the

Premises. The term "**graffiti**" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and that is visible from the public right-of-way, but does not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the Planning Code, or the Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (Calif. Civil Code §§ 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

9.7. ***Mitigation Monitoring and Reporting Program.*** In order to mitigate any potential significant environmental impacts of the Initial Improvements and operation of the Premises, Tenant agrees that the development and operation of the Improvements will be in accordance with mitigation measures set forth in the Mitigation Monitoring and Reporting Program attached as ***Exhibit XX***. As appropriate, Tenant will incorporate the Mitigation Monitoring and Reporting Program into any contract for the development and/or operation of the Improvements and the Premises.

9.8. ***Transportation Demand Plan.*** Tenant will comply with the Transportation Demand Plan throughout the Term.

9.9. ***Mission Rock Risk Management Plan.*** **[Parties to discuss RMP/Soils management issues, references throughout lease to be updated accordingly.]** Tenant will comply, and will cause its Agents to comply, with all applicable provisions of the Mission Rock Risk Management Plan, a copy of which has been provided to Tenant, including requirements to notify all site users, comply with risk management measures during construction, and inspect, document and report site conditions to Port annually. Any and all Subleases will require Subtenants (including its Agents) to comply with all applicable provisions of the Mission Rock Risk Management Plan.

10. REPAIR AND MAINTENANCE; FACILITIES CONDITION REPORT; RESERVE ACCOUNT.

10.1. ***Covenants to Repair and Maintain the Premises.*** Except as may otherwise be provided under ***Articles 14*** (Damage and Destruction) and ***15*** (Condemnation), throughout the Term, Tenant will maintain and repair, at no cost to Port, the Premises, all Improvements within the Premises (including, without limitation, all Material Systems) and Subsequent Construction thereon in accordance with the prudent business practices of institutional landlords of buildings of comparable age, size, type and use located in San Francisco (less reasonable wear and tear), and in compliance with all applicable Laws and this ***Article 10***. Tenant will with reasonable promptness make (or cause others to make) all repairs, renewals and replacements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, foreseen or unforeseen, required to comply with this ***Section 10.1***, except as set forth in ***Article 14*** or ***Article 15***. For purposes of this Lease, the term "**reasonable wear and tear**" will not include any deterioration in the condition or diminution of the value of any portion of the Premises in any manner whatsoever related directly or indirectly to Tenant's failure to comply with the terms and conditions of this Lease.

10.2. ***Facilities Condition Report.***

(a) **Additional Definitions.**

"**Capital Items**" mean replacements, repairs, and/or improvements to the Premises, the foundation and structural integrity of the Improvements and Material Systems serving the Premises, and other Improvements within the Premises that would be deemed capital assets under general accounting principles consistently applied.

"**Capital Reserves**" means funds in a bank account where all funds will be used solely to replace, repair, and improve Capital Items within the Premises.

"**Capital Reserve Deposits**" means the deposits into an account for Capital Reserves.

"**FCR Date**" means the twentieth (20th) Anniversary Date and every ten (10) years thereafter until and including the sixtieth (60th) Anniversary Date and ever five (5) years thereafter until the expiration of the Term.

(b) **Facilities Condition Report**. No less than ninety (90) days before each FCR Date, Tenant will deliver to Port a facilities condition report (the "**Facilities Condition Report**") prepared by a qualified team of construction professionals including, without limitation, a structural and mechanical engineer, each with at least ten (10) years of experience in constructing, renovating and/or evaluating major [use for residential leases: residential] [use for commercial leases: commercial] buildings in California. The Facilities Condition Report will be substantially in the form is attached hereto as ***Exhibit XX***. [**Note: FCR will describe at a minimum the condition and integrity of the foundation and structural integrity of the Improvements (visible and reasonably accessible portions thereof) , and the condition and integrity of all Material Systems serving the Improvements within the Premises as well as an estimate of the remaining useful life of all the Material Systems.**] Additionally, if a Facilities Condition Report is prepared by Tenant or another party in connection with any Transfer or Refinancing, then Tenant will provide or cause the other party to provide, a copy of such Facilities Condition Report to Port.

(c) **Failure to Revise or Submit Report**. If Port reasonably believes the Facilities Condition Report does not satisfy the requirements set forth in ***Section 10.2(b)***, then Port will notify Tenant of such deficiency within forty-five (45) days following receipt of the Facilities Condition Report and Tenant will revise the Facilities Condition Report, to address Port's concerns within sixty (60) days. If Tenant fails to provide a Facilities Condition Report, or a revised Facilities Condition Report to Port within such period of time, Port after giving thirty (30) days' notice to Tenant will have the right, but not the obligation, to cause the preparation of a Facilities Condition Report by construction professionals of Port's choice, satisfying the experience requirements set forth in ***Section 10.2(b)*** at Tenant's sole cost. Upon Port's delivery to Tenant of an invoice for such Facilities Condition Report, Tenant will promptly reimburse Port the amount set forth in such invoice.

(d) **Maintenance and Repair of Identified Items**. Tenant will use commercially reasonable efforts to perform the recommended repairs identified in the Facilities Condition Report in accordance with the prudent business practices of institutional landlords of buildings of comparable age, size, type and use located in San Francisco.

10.3. ***Capital Reserves.***

(a) **Lender Capital Reserves Requirement**. Subject to ***Section 10.3(b),*** Tenant will establish and maintain Capital Reserves to pay for replacements, repairs, and improvements of Capital Items within the Premises to the extent and on the terms and conditions required by Tenant's Lender. If Tenant's Lender does not require the establishment of such Capital Reserves, then Tenant will establish and maintain Capital Reserves pursuant to ***Section 10.3(b)***.

(b) **No Lender Capital Reserves Requirement** From and after Completion of the Initial Improvements, if a Lender does not require Tenant to maintain Capital Reserves, Tenant will establish and maintain Capital Reserves consistent with the prudent business practices of institutional landlords of buildings of comparable age, size, type and use located in San Francisco with a depository institution reasonably acceptable to Port. Tenant will use the Capital Reserves only for the repair and/or replacement of Capital Items.

(c) **Capital Reserves Statements.** If a Lender does not require Tenant to maintain Capital Reserves, Tenant will provide Port on an annual basis, a statement from the depository institution where the Capital Reserves are held, showing the then current balance and any activity on such account that occurred during the immediately prior calendar year. In the event that Tenant has used Capital Reserves within the immediately prior calendar year, Tenant will include with the delivery of such statement, an explanation for such withdrawal, along with reasonably detailed statements relating to the expenditure of such funds.

10.4. ***No Obligation of Port; Waiver of Rights.*** From and after the Commencement Date, Tenant will be solely responsible for the condition, operation, repair, maintenance and management of the Premises, including the Initial Improvements, Subsequent Construction, and any and all other Improvements. Port will not, as a result of this Lease, have any obligation to make repairs or replacements of any kind or maintain the Premises or any portion of any of them. Tenant waives the benefit of any Law that would permit Tenant to make repairs or replacements at Port's expense, or abate or reduce any of Tenant's obligations under, or terminate, this Lease, on account of the need for any repairs or replacements. Without limiting the foregoing, Tenant hereby waives any right to make repairs at Port's expense as may be provided by California Civil Code Sections 1932(1), 1941 and 1942, as any such provisions may from time to time be amended, replaced or restated.

10.5. ***Port's Right to Repair.*** In the event Tenant fails to maintain and repair the foundation, the structural integrity of the Improvements, the roofs, and building systems (including plumbing, sewer, mechanical, electrical and other utility systems) (collectively, "**Material Systems**") within the Premises in accordance with ***Section 10.1*** and such failure is likely to cause imminent physical harm to any Person or constitutes a violation of applicable Law, Port may repair the same at Tenant's cost and expense and Tenant will reimburse Port therefor as provided in this ***Section 10.5***. Except in the event of an emergency, Port will first provide no less than fifteen (15) days prior notice to Tenant before commencing any maintenance to or repair of a Material System ("**Port's Repair Notice**"). If Tenant does not commence maintenance or repair of the affected Material System or provide assurances reasonably satisfactory to Port that Tenant will commence maintenance or repair of the same within such fifteen (15) day period, then Port may proceed to take the required action. If Port elects to proceed with such repair or maintenance, then promptly following completion of any work taken by Port pursuant to this ***Section 10.5***, Port will deliver a detailed invoice of the work completed, the materials used and the costs relating thereto. Tenant also will pay to Port an administrative fee equal to ten percent (10%) of the total "hard costs" of the work. "**Hard costs**" include the cost of materials and installation, but exclude any costs associated with design, such as architectural fees. Tenant will pay to Port the amount set forth in the invoice within thirty (30) days after delivery of Port's invoice.

In the event Port notifies Tenant of a failure to maintain and repair the Premises ("**Maintenance Notice**"), Tenant will pay to Port, as Additional Rent, an amount equaling [**Note: amount to increase by $50 every 5 years after DDA execution:** Three Hundred Dollars ($300)], which amount will be increased by one hundred dollars on the tenth (10th) Anniversary Date and every ten (10) years thereafter, upon delivery of the Maintenance Notice. In the event Port determines during subsequent inspection(s) that Tenant has failed to so maintain the Premises in accordance with this ***Article 10***, then Tenant will pay to Port, as Additional Rent, an amount equaling [**Note: amount to increase by $50 every 5 years after DDA execution**: Four Hundred Dollars ($400)], which amount will be increased by one hundred dollars on the tenth (10th) Anniversary Date and every ten (10) years thereafter, for each additional Maintenance Notice, if applicable, delivered by Port to Tenant following each inspection. The Parties agree that the charges associated with each inspection of the Premises and delivery of each Maintenance Notice represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises and issuance of each Maintenance Notice. Tenant's failure to comply with the applicable Maintenance Notice and Port's right to

impose the foregoing charges is in addition to and not in lieu of any and all other rights and remedies of Port under this Lease. The amounts set forth in this ***Section 10.5*** are due within five (5) days following delivery of the applicable Maintenance Notice.

Initials: _____ Tenant

11. IMPROVEMENTS.

11.1. ***Tenant's Obligation to Construct the Initial Improvements.*** Construction of the Initial Improvements will be governed by the terms and conditions of the Vertical DDA and the VCA, and subject to (i) this Lease and all applicable Laws, including without limitation, the SUD and the Design Controls, (ii) the Mission Rock Risk Management Plan, (iii) the Mitigation Monitoring and Reporting Program[, and (iv) the Traffic Management Plan]. Any Subsequent Construction will be performed in accordance with ***Article 12.***

11.2. ***Failure to Timely Construct Initial Improvements.*** If Tenant fails to Commence Construction of the Initial Improvements within the time period set forth in [Section 12.1(b) of the VDDA], without limiting any other remedies set forth in this Lease or the VDDA, Port may terminate this Agreement in accordance with the procedures outlined in ***Sections 25.4(a)*** and [Schedule 15.3 of the VDDA].

11.3. ***Title to Improvements.*** During the Term, Tenant will own all of the Improvements within the Premises, including all Subsequent Construction and all appurtenant fixtures, machinery and equipment installed therein (except for Subtenant improvements to the extent owned by any Subtenant pursuant to the applicable sublease, trade fixtures and other personal property of Subtenants). At the expiration or earlier termination of this Lease, title to the Improvements, including appurtenant fixtures (but excluding trade fixtures and other personal property of Tenant and its Subtenants other than Port), will vest in Port without further action of any Party, and without compensation or payment to Tenant. Tenant and its Subtenants will have the right at any time, or from time to time, including, without limitation, at the expiration or upon the earlier termination of the Term, to remove Personal Property from the Premises; provided, however, that if the removal of Personal Property causes material damage to the Premises, Tenant will promptly cause the repair of such damage at no cost to Port.

12. CONSTRUCTION.

12.1. ***Port Approval.***

(a) **Generally**. Tenant will have the right, from time to time during the Term, to construct the Initial Improvements in accordance with the VDDA and perform Subsequent Construction (collectively, "**Construction**") in accordance with the provisions of this ***Article 12.***

(b) **Construction Requiring Port's Prior Approval**. Tenant has the right during the Term to perform Subsequent Construction in accordance with the provisions of this ***Article 12***, provided that Tenant cannot perform Subsequent Construction without Port's prior approval, which approval may be withheld by Port in its sole discretion [(i)] to Public Access Areas that would adversely affect public's access, or the use or appearance of such Public Access Areas (other than as reasonably necessary during Subsequent Construction and only on a temporary basis; provided however, any closure of Public Access Areas not reasonably necessary to protect the public or property or to reduce the risk of injury to person or the public during Subsequent Construction will require Port's prior consent) [or (ii) within, on, over, or under the Outfall Infrastructure Area.] **Note: Only applicable in leases where public access area is required or if Outfall Infrastructure Area located within Premises]**

12.2. ***Permits/Design Review/Tenant Improvements.*** Tenant must obtain all Regulatory Approvals and all permits required by applicable Law to be obtained from governmental agencies having jurisdiction, including, where applicable, from Port itself. Without limiting the foregoing, Tenant acknowledges that the Initial Improvements and any major alterations or additions (as defined in the Design Controls, the [Master Signage Program]

and the design review process set forth in Planning Code Section 249. XX SUD], which requires review and approval by Port for certain improvements, for consistency with the SUD and Design Controls. Without limiting anything else in this ***Article 12***, Port's approval, in its proprietary capacity, will not be required for the installation or alteration of tenant improvements and finishes to prepare portions of the Premises for occupancy or use by Subtenants, provided that the foregoing does not alter Tenant's obligation to obtain any required Regulatory Approvals and permits, including, as applicable, a building permit from Port, in its regulatory capacity.

12.3. ***Construction Schedule.***

(a) **Performance**. Once commenced, Tenant will prosecute all Construction with reasonable diligence, subject to Force Majeure, and subject to any other applicable provisions regarding timing as set forth in the Vertical DDA and the VCA.

(b) **Reports and Information**. During periods of Construction, Tenant will submit to Port written progress reports when and as reasonably requested by Port.

12.4. ***Construction.***

(a) **Commencement of Construction**. Tenant will not commence any Construction until all the following conditions have been satisfied or waived by Port:

(i) Tenant has obtained and paid for all required building permits (or site permits and necessary addenda) and any other required Regulatory Approvals to commence with Construction; and

(ii) If any Bond, sub-guard insurance (or other insurance product), guaranty, or other security is obtained by or for the benefit of Tenant with respect to the payment of any funds or performance obligations associated with the Initial Improvements or any Subsequent Construction, Tenant will cause to have (1) Port named as a co-obligee to any performance and/or payment bond, (2) Port named as an additional insured or third-party beneficiary with respect to any sub-guard or other insurance product, and (3) Port named as an additional beneficiary to any guaranty provided by a guarantor of any Subtenant's obligations that is granted a Non-Disturbance Agreement in accordance with ***Section 18.4***; provided, however, Port's rights under such Bond, insurance product or guaranty will (x) remain subordinate to the rights of any Lender, and (y) not be exercised by Port before an Event of Default.

(b) **Construction Standards**. All Construction will be performed by duly licensed and bonded contractors or mechanics and will be accomplished expeditiously, diligently and in accordance with good construction and engineering practices and applicable Laws.

(c) **Intentionally blank.**

(d) **Reports and Information**. During periods of Construction, Tenant will submit to Port written progress reports or other reports for the benefit of or requested by the County Assessor when and as reasonably requested by Port or the County Assessor.

(e) **Costs of Construction**. Port will have no responsibility for costs of any Construction and Tenant will pay (or cause to be paid) all such costs.

(f) **Construction Rights of Access**. During any period of Construction, Port and its Agents will have the right to enter areas in which Construction is being performed, on reasonable prior written notice during customary construction hours, subject to the rights of Subtenants, to inspect the progress of the work; provided, however, that Port and its Agents will conduct their activities in such a way to minimize interference with Tenant and its operations to the extent feasible. Nothing in this Lease, however, will be interpreted to impose an obligation upon Port to conduct such inspections or any liability in connection therewith.

(g) **Prevailing Wages**. Any construction, alteration, demolition, installation, maintenance, repair, or laying of carpet at, or hauling of refuse from, the Premises comprise a public work if paid for in whole or part out of public funds. The terms "**public work**" and "**paid for in whole or part out of public funds**" as used in this Section are defined in California Labor Code Section 1720 et seq., as amended. Tenant agrees that any person performing labor for Tenant on any public work at the Premises will be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and will be subject to the same hours and working conditions, and will receive the same benefits as in each case are provided for similar work performed in San Francisco County. Tenant will include in any contract for such labor a requirement that all persons performing labor under such contract will be paid not less than the highest prevailing rate of wages for the labor so performed. Tenant will require any contractor to provide, and will deliver to City upon request, certified payroll reports with respect to all persons performing such labor at the Premises.

(h) **Compliance with Workforce Development Plan**. Tenant agrees that it will comply with the applicable provisions of the Workforce Development Plan, which provisions are attached hereto as ***Exhibit XX***.

12.5. ***Safety Matters***. Tenant, while performing any Construction or maintenance or repair of the Improvements (for purposes of this Section only, "**Work**"), will undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or disruption or damage to adjoining portions of the Premises and Improvements and the surrounding property, or the risk of injury to members of the public, caused by or resulting from the performance of its Work. Tenant will erect appropriate construction barricades to enclose the areas of such construction and maintain them until the Construction has been substantially completed, to the extent reasonably necessary to minimize the risk of hazardous construction conditions.

12.6. ***Record Drawings***.

(a) With respect to any Construction requiring a building permit, Tenant will furnish to Port one set of design/permit drawings in their finalized form and Record Drawings with respect to such Construction within ninety (90) days following completion of the applicable Construction and Port's written notice to Tenant requesting same. Record Drawings must be in the form of full-size, hard paper copies and converted into electronic format as (1) full-size scanned TIF files, and (2) AutoCad files of the completed and updated Construction Documents, as further described below, and in such format as is reasonably required by Port's building department at the time of submittal. As used in this Section "**Record Drawings**" means drawings, plans and surveys showing the Construction as built on the Premises and prepared during the course of construction (including all requests for information, responses, field orders, change orders and other corrections to the documents made during the course of construction). If Tenant fails to provide such Record Drawings to Port within the time period specified herein, and such failure continues for an additional ninety (90) days following an additional written request from Port, Port will thereafter have the right to cause an architect or surveyor selected by Port to prepare Record Drawings showing such Construction, and the actual, third-party cost of preparing such Record Drawings must be reimbursed by Tenant to Port as Additional Rent. Nothing in this Section will limit Tenant's obligations, if any, to provide plans and specifications in connection with Construction under applicable regulations adopted by Port in its regulatory capacity. Tenant will be permitted to disclaim any representations or warranties with respect to the design/permit drawings, Record Drawings or other plans and specifications provided hereunder, and, at Tenant's request, Port will provide Tenant with a release from liability for future use of the applicable materials, in a form acceptable to Tenant and Port.

(b) **Record Drawing Requirements**. Record Drawings must be no less than (24" x 36"), with mark-ups neatly drafted to indicate modifications from the original design

drawings, scanned at 400 dpi. Each drawing will have a Port-assigned number placed onto the title block prior to scanning. An index of drawings must be prepared correlating drawing titles to the numbers. A minimum of ten (10) drawings will be scanned as a test, prior to execution of this requirement in full.

(c) **AutoCad Requirements**. The AutoCad files must be contained in Release 2006 or a later version, and drawings must be transcribed onto a compact disc(s) or DVD(s), as requested by Port. All X-REF, block and other referenced files must be coherently addressed within the environment of the compact disc or DVD, at Port's election. Discs containing files that do not open automatically without searching or reassigning X-REF addresses will be returned for reformatting. A minimum of ten (10) complete drawing files, including all referenced files, is required to be transmitted to Port as a test, prior to execution of this requirement in full.

(d) **Changes in Technology**. Port reserves the right to revise the format of the required submittals set forth in this ***Section 12.6*** as technology changes and new engineering/architectural software is developed.

12.7. ***Certification of Total Development Costs. Attachment 1 to Exhibit D*** includes the provisions to certify Entitlement Costs and Total Development Costs of the Initial Tenant.

13. UTILITY AND TELECOMMUNICATIONS SERVICES.

13.1. ***Utility Services***. Tenant acknowledges and agrees that Port, in its proprietary capacity as owner of the Premises and landlord under this Lease, will not provide any utility services to the Premises or any portion of the Premises. In accordance with the requirements under the DDA, the Premises will be served by the Horizontal Improvements constructed by Master Developer, construction of which may occur simultaneously with construction of Tenant's Initial Improvements. If Tenant desires to coordinate construction activities with Master Developer or construction of the Initial Improvements with the Horizontal Improvements, Tenant will include such provision in the VCA. Tenant, at no cost to Port or the City, will (i) arrange for the provision and construction of all on-site and any off-site utilities necessary to construct, operate and use all of the Improvements and any other portion of the Premises for their intended use, (ii) be responsible for contracting with, and obtaining, all necessary utility and other services, as may be necessary and appropriate to the uses to which all of the Improvements and the Premises are put (it being acknowledged that City (including its SFPUC) is the sole and exclusive provider to the Premises of certain public utility services), and (iii) maintain and repair all utilities serving the Premises to the point provided by the respective utility service provider (whether on or off the Premises). Tenant also must coordinate with the respective utility service provider with respect to the installation of utility services, including providing advance notice to appropriate parties of trenching requirements.

Tenant will pay or cause to be paid as the same become due, all deposits, charges, meter installation fees, connection fees and other costs for all public or private utility services at any time rendered to the Premises or any part of the Premises, and will do all other things required for the maintenance, repair, replacement, and continuance of all such services. Tenant agrees, with respect to any public utility services provided to the Premises by City, that no act or omission of City in its capacity as a provider of public utility services, will abrogate, diminish, or otherwise affect the respective rights, obligations and liabilities of Tenant and Port under this Lease, or entitle Tenant to terminate this Lease or to claim any abatement or diminution of Rent. Further, Tenant covenants not to raise as a defense to its obligations under this Lease, or assert as a counterclaim or cross-claim in any litigation or arbitration between Tenant and Port relating to this Lease, any Losses arising from or in connection with City's provision (or failure to provide) public utility services, except to the extent to preserve its rights hereunder that failure to raise such claim in connection with such litigation would result in a waiver of such claim. The foregoing will not constitute a waiver by Tenant of any claim it may now or in the future have

(or claim to have) against any such public utility provider relating to the provision of (or failure to provide) utilities to the Premises.

Notwithstanding the foregoing, to the extent installed by Master Developer and included in the Master CC&Rs to be recorded against the Premises, Tenant will be required to participate in the districtwide utility systems serving Mission Rock, including, without limitation, procuring recycled water from the district blackwater system and electricity from the district energy system. [**TBC**]

13.2. ***Energy Consumption***. [**Note: Applicable for certain leases only.**] Tenant acknowledges and agrees that City has delivered a Disclosure Summary Sheet, Statement of Energy Performance, Data Checklist, and Facility Summary (all as defined in the California Code of Regulations, Title 20, Division 2, Chapter 4, Article 9, Section 1680) for the Premises no less than 24 hours prior to Tenant's execution of this Lease. The Disclosure Summary Sheet is attached as Schedule [xxx].

13.3. ***Rooftop and Other District-Wide Equipment.***

(a) **Telecommunications Equipment and Satellite Dish**. Tenant will have the right to install Satellite Dish(es) on the roof of the Premises and to sublease such portions to an operator, provided that Tenant (i) complies with all Laws, and (ii) obtains all required Regulatory Approvals. The Parties will cooperate in connection with the location of any Satellite Dish installed pursuant to this ***Section 13.1*** and the location of any Satellite Dish installed by Port or City pursuant to ***Section 13.3*** so as to minimize interference with the systems serviced by such Satellite Dish.

(b) **Other Equipment**.

(i) *Solar*. [placeholder for any requirements to install Rooftop Solar Thermal connected to District Energy System and Rooftop Solar PV connected to District Microgrid]

(ii) *District Blackwater System*. [placeholder for Tenant obligations to install facilities for and participate in district blackwater system]

(iii) *District Energy System*. [placeholder for Tenant obligations to install facilities for and participate in district energy system]

(iv) *Communications Facilities*. Tenant agrees that Port and City have the right to install at no charge, Satellite Dish(es) and other telecommunications facilities reasonably required for Port's or City's operations and/or District-wide programs and systems, including, without limitation, (i) facilities for City's emergency or 700-Mhz and 800-Mhz City-wide radio system communications facilities (or its successor), (ii) [public Wi-Fi networks], and (iii) [a master cellular network], which may require installation on the roof or exterior of any building within the Premises, provided that Port (i) complies with all Laws, (ii) obtains all required Regulatory Approvals, and (iii) obtains Tenant's prior reasonable approval with respect to the size, location, dimensions, color, text (if any), screening, reflectivity, and method of installation of the applicable Satellite Dish or telecommunications facility. The installation of any such Satellite Dish(es) and other telecommunications facilities will be at Port's or City's sole cost. If the installation of any such Satellite Dish or other telecommunications facility requires alterations and/or improvements of any portion of the Premises, including, without limitation, the relocation of any photo-voltaic panels or any other Satellite Dish previously installed on the roof of the Premises, such alterations and/or improvements will be at Port's sole cost and expense, and Port will promptly repair, at its sole cost, any damage to the Premises including, without limitation, to any photo-voltaic panels. All aspects and phases of Port's installation, other equipment, wiring, conduit, roof mount and base, will at all times be subject to supervision and approval by Tenant, not to be unreasonably withheld, conditioned or delayed. All approval and supervision rights of Tenant are intended solely to protect Tenant's interests. Port will be

responsible for procuring, prior to any installation, and maintaining in force at all times thereafter, any and all Regulatory Approvals as may be required for the lawful installation, use and operation of Port's or City's system. Port will be permitted access to the areas on the roof where any such installation is made, as necessary for the installation, repair, maintenance, and replacement thereof. Any access, interruptions or disturbance for the foregoing purposes will be temporary only. Port's access to the roofs will not unreasonably interfere with or disturb Tenant's or Subtenants' use and enjoyment of the Premises, will be subject to the reasonable building security procedures adopted by Tenant, and will require prior written consent for access occurring during regular business hours (except in cases of emergency). Port's access may be subject to temporary interruption in cases of emergency. Port will promptly repair and restore any damage to persons or property caused as a result of Port's access to and activities on the roof. Port will be solely responsible for all maintenance, utilities and other costs of operation of any such facility installed pursuant to the terms of this ***Section 13.3***.

13.4. ***Electricity from SFPUC***. [Section XX of the Development Agreement], a copy of which is attached hereto as ***Exhibit XX***, will govern Tenant's obligation to procure electricity for the Premises from the San Francisco Public Utilities Commission.

13.5. ***Waiver***. Tenant hereby waives any benefits of any applicable Law, including the provisions of California Civil Code Section 1932(1) permitting the termination of this Lease due to any interruption or failure of utility services. The foregoing does not constitute a waiver by Tenant of any claim it may now or in the future have (or claim to have) against any public utility provider relating to the provision of (or failure to provide) utilities to the Premises.

14. DAMAGE OR DESTRUCTION.

14.1. *Damage or Destruction*.

(a) **Tenant to Give Notice**. If at any time during the Term any damage or destruction occurs to all or any portion of the Premises (other than a di minimis portion) from fire or other casualty (each a "**Casualty**"), Tenant will promptly give telephonic and written notice ("**Casualty Notice**") thereof to Port generally describing the nature and extent of such Casualty.

(b) **No Effect on Lease**. Except as set forth in ***Section 14.3***, this Lease will not terminate or be forfeited or be affected in any manner by reason of Casualty, and Tenant, notwithstanding any law or statute present or future (including without limitation, California Civil Code Sections 1932(2) and 1933(4)), waives any and all rights to quit or surrender the Premises or any part thereof, Tenant acknowledging and agreeing that the provisions of this ***Article 14*** will govern the rights and remedies of the parties in the event of a Casualty. Tenant expressly agrees that its obligations hereunder, including the payment of any and all Base Rent, Additional Rent and any other sums due hereunder, will continue as though said Premises and/or Improvements had not been damaged or destroyed and without abatement, suspension, diminution or reduction of any kind.

14.2. ***Restoration Obligation***. In the event of a Casualty, unless Tenant terminates this Lease in accordance with ***Section 14.3***, Tenant will commence and diligently Restore the Improvements to the condition they were in immediately before such Casualty in accordance with then applicable Laws (including any required code upgrades), without regard to the amount or availability of insurance proceeds, subject to Force Majeure; provided, however, subject to the rights of Lenders in accordance with ***Article 40***, all all-risk coverage insurance proceeds, earthquake and flood insurance proceeds, boiler and machinery insurance proceeds, and any other insurance proceeds paid to Tenant by reason of Casualty (other than business or rental interruption insurance), must be first used by Tenant for Restoration of the Premises. All Restoration must be performed in accordance with the procedures set forth in ***Article 12*** relating to Construction and at Tenant's sole expense and must be completed within five (5) years following the event of Casualty, subject to Force Majeure. In connection with any Restoration,

any Restoration that would otherwise require Port approval under ***Sections 12.1(b)*** will require Port's prior approval subject to the standards set forth in such sections. The Restored Improvements must be at least equivalent in quality, appearance, public safety, and durability to the Initial Improvements and provide similar public benefit as the original Initial Improvements, subject to the Permitted Uses.

14.3. ***Termination Due to Major or Uninsured Casualty.***

"**Major Casualty**" means damage to or destruction of all or any portion of the Premises to the extent that the hard costs of Restoration will exceed thirty percent (30%) of the hard costs to replace the Improvements in their entirety. The calculation of such percentage will be based upon replacement costs and requirements of applicable Laws in effect as of the date of the event causing such Major Casualty.

"**Uninsured Casualty**" means any of the following: (i) a Casualty event occurring at any time during the Term for which the costs of Restoration (including the cost of any required code upgrades) are not insured or insurable under the policies of insurance that Tenant is required to carry under ***Article 20*** and such costs exceed One Million Dollars ($1,000,000.00), which amount will be increased by an additional Five Hundred Thousand Dollars ($500,000.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter, or (ii) a Casualty event occurring at any time during the Term which is covered under Tenant's policies of insurance that Tenant is required to carry under ***Article 20*** but where the cost of Restoration (including the cost of any required code upgrades) will exceed the sum of (A) the net proceeds of any insurance payable, (B) the amount of any applicable policy deductibles, and (c) One Million Dollars ($1,000,000.00), which amount will be increased by an additional Five Hundred Thousand Dollars ($500,000.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter. Any Casualty event not insured due to Tenant's failure to maintain the requisite insurance policies and coverage requirements under ***Article 20*** will not be considered an Uninsured Casualty.

(a) **Tenant's Election to Terminate**. If an event of Major Casualty or Uninsured Casualty occurs at any time during the Term, then within ninety (90) days following Tenant's delivery to Port of the Casualty Notice, Tenant may, by written notice to Port, terminate this Lease upon satisfaction of all the conditions set forth in ***Section 14.3(b)***.

(b) **Conditions to Termination**. As a condition precedent to Tenant's right to terminate this Lease in accordance with ***Section 14.3***, unless waived by Port, Tenant will do all of the following:

(i) Unless otherwise requested by Port, in its sole discretion, Tenant will, at its sole cost and expense, Demolish and Remove the Improvements prior to the effective termination date;

(ii) Unless the Improvements are to be demolished as set forth in ***Section 14.3(b)(i)***, Tenant will provide Port the estimated cost of Restoration;

(iii) Cure all Tenant monetary Events of Defaults and any Tenant Events of Default or Unmatured Events of Default relating to the provisions of ***Section 21***;

(iv) Pay in full all utility charges and Impositions incurred up to and including the effective date of termination;

(v) Maintain all the insurance required to be maintained under ***Section 20*** until the effective date of termination;

(vi) Pay or cause to be paid the following amounts solely from the insurance proceeds as and to the extent available arising from each Casualty promptly following receipt of such proceeds, in the order required by any senior Mortgage, and if none, in the following order of priority:

(1) First, to Port (or Tenant, if such work is performed by, or on account of, Tenant at its cost) for the actual costs incurred for any work required to alleviate any conditions caused by such Casualty that could cause an immediate or imminent threat to the public safety and welfare or damage to the environment, including any demolition or hauling of rubble or debris;

(2) Second, to Port, for all accrued and unpaid amounts owed to Port under this Lease, if any, by Tenant, up to the effective date of the termination;

(3) Third, to each non-affiliate Lender demanding payment, in order of priority, a portion of the remaining casualty insurance proceeds arising out of or in connection with the Casualty in an amount not to exceed the aggregate amounts that are secured by the applicable non-affiliate Mortgage then owed to each such non-affiliate Lender; and

(4) Fourth, to the appropriate governmental or quasi-governmental entity, all Impositions due up to the effective date of termination; and

(5) Fifth, the balance of the proceeds will be divided proportionately between Port, for the value of Port's reversionary interest in the Premises and Improvements (in their condition immediately prior to the Casualty event) as of the date the Term would have expired but for the Casualty event, and Tenant, for the value of the Improvements for the remaining unexpired portion of the Term (in their condition immediately prior to the event of damage or destruction) less any proceeds distributed in repayment of any Mortgages as provided in ***Section 14.3(b)(vi)(3)***.

(vii) Upon termination in accordance with this ***Article 14***, Tenant will deliver possession of the Premises to Port and quitclaim to Port all right, title and interest in the Premises and in any remaining Improvements. Upon such termination, the Parties will be released thereby without further obligation to the other Party as of the effective date of such termination; provided, however, that the Indemnification provisions hereof or any other provision that explicitly survives the expiration or earlier termination of this Lease will survive any such termination with respect to matters arising before the effective date of any such termination.

14.4. ***Distribution Upon Lease Termination Due to Tenant Failure to Restore.*** If Tenant is obligated to and fails to Restore the Improvements as provided herein and commits a Tenant Event of Default in failing to Restore the Improvements and this Lease is thereafter terminated due to such Tenant Event of Default, all insurance proceeds remaining after application pursuant to ***Section 14.3(b)(vi)(1)—14.3(b)(vi)(4)*** will be paid to and retained by Port.

15. CONDEMNATION.

15.1. *General; Notice; Waiver.*

(a) **General**. If, at any time during the Term, there is any Condemnation of all or any part of the Premises, including any of the Improvements, the rights and obligations of the Parties will be determined pursuant to this ***Article 15***.

(b) **Notice**. In case of the commencement of any proceedings or negotiations which might result in a Condemnation of all or any portion of the Premises during the Term, the Party learning of such proceedings will promptly give written notice of such proceedings or negotiations to the other Party. Such notice will describe with as much specificity as is reasonable, the nature and extent of such Condemnation or the nature of such proceedings or negotiations and of the Condemnation which might result therefrom, as the case may be.

(c) **Waiver**. Except as otherwise provided in this ***Article 15***, the Parties intend that the provisions of this Lease will govern their respective rights and obligations in the event of a Condemnation. Accordingly, but without limiting any right to terminate this Lease

given Tenant in this ***Article 15***, Tenant waives any right to terminate this Lease upon the occurrence of a Partial Condemnation under California Code of Civil Procedure Sections 1265.120 and 1265.130, as such section may from time to time be amended, replaced or restated.

15.2. ***Total Condemnation***. If there is a Condemnation of the entire Premises or the Leasehold Estate (a "**Total Condemnation**"), this Lease will terminate as of the Condemnation Date. Upon such termination, except as otherwise set forth in this Lease, the Parties will be released without further obligations to the other Party as of the Condemnation Date, subject to the payment to Port of accrued and unpaid Rent, up to the Condemnation Date and the provisions that explicitly survive the expiration or earlier termination of this Lease.

15.3. ***Substantial Condemnation, Partial Condemnation***. If there is a Condemnation of any portion but less than all of the Premises, the rights and obligations of the Parties will be as follows:

(a) **Substantial Condemnation**. If there is a Substantial Condemnation of a portion of the Premises, this Lease will terminate, at Tenant's option (which must be exercised, if at all, at any time within ninety (90) days after the Condemnation Date by delivering written notice of termination to Port), as of the Condemnation Date, as further provided below. For purposes of this ***Article 15***, "**Substantial Condemnation**" means a Condemnation of (i) less than the entire Premises which renders the Project untenantable, unsuitable, or economically infeasible for the Permitted Uses as reasonably determined by Tenant, or (ii) of property located outside the Premises that, in any case, substantially and materially eliminates access to the Premises where no alternative access can be constructed or made available. Notwithstanding the foregoing, Tenant will have no right to terminate this Lease under this Section if the Substantial Condemnation, as the case may be: (x) can be cured by the performance of Restoration (unless such Substantial Condemnation occurs during the last ten (10) years of the Term or if Tenant reasonably anticipates, based upon a schedule of performance for such Restoration prepared with due diligence by Tenant in consultation with Port that at the time of completion of the Restoration, less than ten (10) years would remain in the Term), and (y) the cost of such Restoration does not exceed by at least One Million Dollars ($1,000,000.00), which amount will be increased by an additional Five Hundred Thousand Dollars ($500,000.00) on the tenth (10th) Anniversary Date and every ten (10) years thereafter, the portion of the Award fairly allocable to severance damages suffered by Tenant. In such case, this Lease will not terminate, and, upon a determination that the Lease will continue based upon the availability and amount of Award, Tenant will commence and complete such Restoration as promptly as reasonably practicable by using commercially reasonable diligence and pursuant to the provisions of ***Article 12*** and ***Section 15.4***, subject to events of Force Majeure.

(b) **Partial Condemnation**. If there is a Condemnation of any portion of the Premises or the Leasehold Estate which does not result in a termination of this Lease under ***Section 15.2*** or ***Section 15.3(a)*** (a "**Partial Condemnation**"), this Lease will terminate only as to the portion of the Premises taken in such Partial Condemnation, effective as of the Condemnation Date. In the case of a Partial Condemnation, this Lease will remain in full force and effect as to the portion of the Premises (or of the Leasehold Estate) remaining immediately after such Condemnation, and Tenant will promptly commence and complete, subject to events of Force Majeure, any necessary Restoration of the remaining portion of the Premises, at no cost to Port. Any such Restoration will be performed in accordance with the provisions of ***Article 12***.

15.4. ***Awards***. Except as provided in ***Sections 15.5*** and ***15.6***, Awards and other payments to either Port or Tenant on account of a Condemnation, less costs, fees and expenses of either Port or Tenant (including, without limitation, reasonable Attorneys' Fees and Costs) incurred in the collection thereof ("**Net Awards and Payments**") will be allocated between Port and Tenant as follows:

(i) First, to Port for the payment of all unpaid Rent.

(ii) Second, in the event of a Partial Condemnation, to pay costs of Restoration incurred by Tenant, in which case, the portion of the Net Awards and Payments allocable to Restoration will be payable to Tenant, a Lender, or trustee in accordance with the requirements governing payment of insurance proceeds set forth in ***Section 14.3(b)(vi);***

(iii) Third, to Port for the value of the condemned land only, subject to the particular uses of the Premises existing immediately prior to the Condemnation Date, and without reference to, or inclusion of, Port's reversionary interest in the value of the Improvements (the "**Condemned Land Value**");

(iv) Fourth, to any non-affiliate Lender pursuant to a non-affiliate Mortgage as and to the extent provided therein, for payment of all sums secured by its non-affiliate Mortgage that remain outstanding, together with its reasonable out of pocket expenses and charges in collecting the Net Award and Payment, including without limitation, its reasonable attorneys' fees incurred in the Condemnation.

(v) Fifth, to Tenant to the extent that the Net Awards and Payments are attributable to Tenant's Leasehold Estate, not including the value of the Improvements for the remaining unexpired portion of the Term to the original scheduled Expiration Date;

(vi) Sixth, the balance of the Net Awards and Payment will be divided proportionately between Port, for the value of Port's reversionary interest in the Improvements (based on the date the Term would have expired but for the event of Condemnation), and Tenant, for the value of the Improvements for the remaining unexpired portion of the Term to the original scheduled Expiration Date.

(vii) Notwithstanding anything to the contrary set forth above, any portion of the Net Awards and Payments which has been specifically designated by the condemning authority or in the judgment of any court to be payable to Port or Tenant on account of any interest in the Premises or the Improvements separate and apart from the value of Port's reversionary interest in the land and Improvements, the Leasehold Estate, or the value of the Improvements on the Premises for the remaining unexpired portion of the Term, will be paid to Port or Tenant, as applicable, as so designated by the condemning authority or judgment.

15.5. ***Temporary Condemnation***. If there is a Condemnation of all or any portion of the Premises for a temporary period lasting less than the remaining Term, other than in connection with a Substantial Condemnation or a Partial Condemnation of a portion of the Premises for the remainder of the Term, this Lease will remain in full force and effect, there will be no abatement of Rent, and the entire Award will be payable to Tenant.

15.6. ***Relocation Benefits, Personal Property***. Notwithstanding ***Section 15.4***, Port will not be entitled to any portion of any Net Awards and Payments payable in connection with the Condemnation of the Personal Property of Tenant or any of its Subtenants.

16. LIENS.

16.1. ***Liens***. Tenant will not create or permit the attachment of, and will promptly discharge at no cost to Port, any lien, security interest, or encumbrance on the Premises or the Leasehold Estate, other than (i) this Lease, permitted Subleases, and Permitted Title Exceptions, (ii) liens for non-delinquent Impositions (excluding Impositions which may be separately assessed against the interests of Subtenants or are being contested in accordance with ***Article 4***), and (iii) Mortgages.

16.2. ***Mechanics' Liens***. Tenant will keep the Premises and the Leasehold Estate free from any liens arising out of any work performed, materials or services furnished, or obligations incurred by Tenant or any of its Agents. Tenant will provide thirty (30) days' advance written notice to Port of any Subsequent Construction to allow Port to post a notice of non-responsibility on the Premises. If Tenant does not, within sixty (60) days following the imposition of any such lien, cause the same to be released of record or post a bond or take such other action reasonably

acceptable to Port, it will constitute an Event of Default, and Port will have, in addition to all other remedies provided by this Lease or by Law, the right but not the obligation to cause the same to be released by such means as it deems proper, including payment of the claim giving rise to such lien. All sums paid by Port (including interest at the Default Rate computed from the date of payment) for such purpose and all expenses incurred by Port in connection therewith must be reimbursed to Port by Tenant within ten (10) days following demand by Port. Port will include with its demand, supporting documentation.

17. DEPOSITS.

17.1. ***Base Rent Deposit.*** [**Note: Not applicable for fully pre-paid leases**]

(a) On or before the Commencement Date, Tenant will pay to Port in addition to Base Rent, a security deposit (as adjusted from time to time, the "**Base Rent Deposit**") for the Premises in the amount set forth in the Basic Lease Information. The Security Deposit will be increased on each Adjustment Date so that the Security Deposit held by Port always equals no less than twice the monthly installment of Base Rent. Tenant will deliver to Port within five (5) days following each Adjustment Date, the difference between the Base Rent Deposit currently held by Port and increased Base Rent Deposit.

(b) Tenant agrees that Port may, but will not be required to, apply the Base Rent Deposit in whole or in part to (i) remedy any failure by Tenant to pay Rent as and when due, (ii) cure, or attempt to cure, any Event of Default by Tenant in the performance of the terms, covenants and conditions of this Lease, (iii) repair, or attempt to repair, any damage to the Premises caused by Tenant, its Subtenants, Agents or Invitees, or (iv) compensate Port for any expense incurred or damage caused by Tenant, its Subtenants, Agents, or Invitees.

17.2. ***Environmental Financial Performance Deposit.*** [**Note: Parties to explore additional provisions, with corresponding required mitigations, for subtenant uses that increase environmental liability/risk.**] On or prior to the commencement of any Sublease with a Subtenant that will engage in activities on the Premises involving the use of Hazardous Materials (other than (a) standard building materials and equipment that do not contain asbestos or asbestos-containing materials, lead or polychlorinated biphenyl (PCBs), and (b) janitorial or office supplies or materials in such amounts as are customarily used for general office, residential, or commercial purposes so long as such Handling is at all times in compliance with all Environmental Laws), Tenant will deliver to Port an amount determined by Port to be reasonable additional security for any increased environmental liabilities to Port arising out of the Subtenant's specific use of non-Excepted Hazardous Materials at the Premises (the "**Environmental Financial Performance Deposit**") as additional collateral for the full and faithful performance by Tenant of its obligations under ***Article 21***. Port's determination of the amount of the Environmental Financial Performance Deposit will be consistent with the Port Commission's adoption of the Environmental Risk Policy and Financial Assurance Requirements for Real Property Agreements on [**Note: update as necessary**: November 13, 2007, pursuant to Resolution No. 07-81, as may be amended or updated from time to time] (the "**Port Environmental Risk Policy**"). In the event Port determines in its sole but reasonable discretion that any proposed change(s) to Tenant's (or its Subtenants') use and operation of Hazardous Materials (other than Excepted Hazardous Materials) on the Premises increase Port's risk of Loss, then prior to commencement of such Sublease, Port may require Tenant to increase the Environmental Financial Performance Deposit in a manner consistent with the Port Environmental Risk Policy. Port also has the right to increase every five (5) years the amount of the Environmental Financial Performance Deposit in a manner consistent with the Port Environmental Risk Policy if Port reasonably believes after review of Tenant's and Subtenants' use and operation of Hazardous Materials (other than Excepted Hazardous Materials) that the then current amount is insufficient. [**Note: Parties may explore adding Port as an additional beneficiary to a guaranty or letter of credit provided by a subtenant.**]

17.3. ***Environmental Oversight Deposit.***

(a) If Tenant is required to provide an Environmental Financial Performance Deposit in accordance with ***Section 17.2***, then prior to commencement of the Sublease necessitating such deposit, Tenant will also deliver to Port an environmental oversight deposit ("**Environmental Oversight Deposit**") in cash, in an amount equaling [**Note: Adjust if Port Commission increases this amount for all new leases**: Ten Thousand Dollars ($10,000)], as security for Port's recovery of costs of inspection, monitoring, enforcement, and administration of Tenant's performance of its obligations under ***Article 21***; provided, however, the Environmental Oversight Deposit will not be deemed an advance of Rent, an advance of any other payment due to Port under this Lease, a security deposit subject to the California Civil Code, or a measure of Port's damages upon an Event of Default concerning Tenant's obligations under ***Article 21***.

(b) Port at its option may demand reimbursement from Tenant within five (5) business days following demand, or use, apply, or retain the Environmental Oversight Deposit in whole or in part to reimburse Port, for Port's costs incurred if an Environmental Regulatory Agency delivers a notice of violation or order regarding a Hazardous Material Condition ("**Environmental Notice**") to Tenant and either: (i) the actions required to cure or comply with the Environmental Notice cannot be completed within fourteen (14) days after its delivery; or (ii) Tenant has not begun to cure or comply with the Environmental Notice or is not working actively to cure or comply with the Environmental Notice within fourteen (14) days after its delivery. Under these circumstances, Port's costs may include staff time corresponding with and responding to Regulatory Agencies, Attorneys' Fees and Costs, and inspection, collection, and laboratory analysis of environmental samples and monitoring the Hazardous Material Condition.

(c) If an Environmental Notice is delivered to Tenant, and Tenant has cured or complied with the Environmental Notice within fourteen (14) days after its delivery, Port at its option may demand payment from Tenant within five (5) days following demand, or apply the sum of [**Note: amount to increase by $50 every 5 years after DDA execution**: Five Hundred Dollars ($500)] (which amount will be increased by one hundred dollars on the tenth (10th) anniversary of the Commencement Date and every ten years thereafter) from the Environmental Oversight Deposit, as Additional Rent for each Environmental Notice delivered to Tenant to reimburse Port for its administrative costs.

17.4. ***Generally.***

(a) The Base Rent Deposit, Environmental Financial Performance Deposit (if any) and the Environmental Oversight Deposit (if any), are collectively referred to as the "**Security Deposit.**" Tenant will not be entitled to any interest on the Security Deposit.

(b) The amount of the Security Deposit will not be deemed to limit Tenant's liability for the performance of any of its obligations under this Lease nor be a measure of Port's damages upon a Tenant Event of Default. Port may apply the Security Deposit as provided herein without waiving any of Port's other rights and remedies hereunder or at Law or in equity.

(c) The Security Deposit will not be deemed an advance of Rent, an advance of any other payment due to Port under this Lease, a security deposit subject to the California Civil Code.

(d) Should Port use any portion of the Security Deposit, Tenant must replenish the Security Deposit to the full extent of the required amount within five (5) business days following Port's demand.

(e) Port's obligations with respect to the Security Deposit are those of a debtor and not a trustee. Port will not be required to keep the Security Deposit separate from its general funds.

(f) Upon the expiration or earlier termination of this Lease, Port will return the unused balance of the Security Deposit to Tenant (less any amounts then due and payable from Tenant to Port under this Lease) within thirty (30) days after Tenant surrenders possession of the Premises to Port.

18. ASSIGNMENT AND SUBLETTING.

18.1. ***Transfer.***

(a) Additional Definitions.

"**Assignment**" means an assignment, conveyance, hypothecation, pledge (other than a pledge in connection with any mezzanine financing which will not require prior Port approval), or otherwise transfer all or any of Tenant's interest in this Lease or Leasehold Estate.

"**Control**" means with respect to any Person (a) the possession, directly or indirectly, of the power to direct or cause the direction of the day to day management, policies or activities of such Person whether through ownership of voting securities, by contract or otherwise (excluding customary limited partner or non-managing member approval rights, or (b) the ownership (direct or indirect) of more than fifty percent (50%) of the profits or capital of another Person, or (c) the ownership (direct or indirect) of more than fifty percent (50%) of the ownership interest of such Person (whether shares, partnership interests, membership interest or other equity, and whether one or more classes thereof). "**Controlled**" and "**Controlling**" have correlative meanings.

"**Excluded Transfer**" means any of the following: (a) the exercise of customary remedies under mezzanine financing of Tenant or any constituent owner thereof; (b) the exercise of customary limited partner or non-managing member remedies under a partnership or limited liability company operating agreement, as applicable; (c) a change resulting from death or legal incapacity of a natural person; or (d) the sale, transfer or issuance of less than the Controlling interest of stock listed on a nationally or internationally recognized stock exchange in a single transaction or a related series of transactions.

"**Managing Party**" means, with respect to any Person, both (a) the possession, directly or indirectly, of the power to direct or cause the direction of the day-to-day management, policies or activities of Tenant (excluding customary limited partner or non-managing member approval rights) and (b) the ownership (direct or indirect) of more than ten percent (10%) of the profits or capital of Tenant.

"**Minimum Net Worth Amount**" means Twenty-Seven Million Five Hundred Thousand Dollars ($27,500,000.00), which amount will increase by ten percent (10%) on the tenth (10th) anniversary of the Commencement Date and every ten (10) years thereafter. [**NOTE: $27.5 million to increase by 5% every 5 years after DDA execution**]

"**Net Worth Guarantor**" means a Person, in combination with Tenant or the proposed transferee, satisfying the Net Worth Requirement that is the guarantor under the Net Worth Guaranty.

"**Net Worth Guaranty**" means a guaranty of performance of all the obligations under this Lease, in an amount not to exceed the Net Worth Requirement (less the net worth of Tenant or the proposed transferee), and otherwise in form and substance reasonably satisfactory to Port, delivered to Port by a Person, in combination with Tenant or the proposed transferee, satisfying the Net Worth Requirement.

"**Net Worth Requirement**" means, with respect to a proposed transferee, the proposed transferee has (a) prior to issuance of a Certificate of Completion, a net worth (inclusive of its equity in the Property) equal to at least the Minimum Net Worth Amount, less any debt to be secured by (i) the proposed transferee's interest in the Premises or Leasehold Estate, or (ii) a pledge of the proposed transferee's ownership interest, or (b) following the issuance of a Certificate of Completion, a net worth (inclusive of its equity in the Property) equal to or at least

the lesser of (i) Minimum Net Worth Amount and (ii) thirty percent (30%) of the fair market value of the Premises, in each case.

"**Qualified Transferee**" means any transferee that satisfies each of the following criterion: (1) has, or has engaged a property manager with at least ten (10) years' experience operating [**use for commercial leases**: major commercial projects] [**use for residential leases**: residential projects]; (2) satisfies the Net Worth Requirement; and (3) is subject to jurisdiction of the courts of the State.

"**Significant Change**" means any change in the direct or indirect ownership of Tenant that results in a change in Control of Tenant provided, however, in no event will any Excluded Transfer be deemed a Significant Change.

"**Transfer**" means an Assignment and Significant Change.

(b) **Conditions to Transfer Before Certificate of Completion**. Subject to ***Sections 18.1(e), 18.1(h), 18.1(i)***, before Port's issuance of a Certificate of Completion, Tenant will not (A) suffer or permit any Significant Change to occur, or (B) consummate an Assignment without the prior written consent of Port, which consent may not be unreasonably withheld by Port if each of the following conditions is satisfied:

(i) In the case of an Assignment only, the proposed transferee executes and delivers an Assignment and Assumption Agreement in substantially the form attached hereto as ***Exhibit XX*** (an "**Assignment and Assumption Agreement**"), which Assignment and Assumption Agreement must contain:

(1) an express assumption by the proposed transferee, for itself and its successors and assigns, and expressly for the benefit of Port, of all of the obligations of Tenant arising from or after the effective date of the Transfer under this Lease, the Vertical DDA if in effect, and any other agreements or documents entered into by and between Port and Tenant pursuant to this Lease directly relating to the Project, and an express agreement by the proposed transferee to be subject to all of the conditions and restrictions to which Tenant is subject;

(2) a representation by the proposed transferee that it has conducted a thorough investigation and due diligence of the Improvements, including the condition of the real property, of all Material Systems, the roof and structural integrity of the Improvements, and if the Transfer occurs after the twentieth (20th) anniversary of the Commencement Date, has reviewed the most recent Facilities Condition Report prepared by Tenant; and

(3) a release by the proposed transferee of the Indemnified Parties and the State Lands Indemnified Parties and waiver of any and all Losses against the Indemnified Parties and the State Lands Indemnified Parties for the condition of the Improvements or the real property or any claims assignor may have against the Indemnified Parties arising prior to the effective date of the Transfer.

(ii) In the case of a Significant Change only, Tenant delivers to Port, a certificate setting forth the purchaser or purchasers of the ownership interest resulting in the Significant Change, purchase price of such interest, any Net Sales Proceeds owed to Port, and a reaffirmation from Tenant that it will continue to be obligated under all the terms and conditions of this Lease, all certified by Tenant's chief financial officer as true, accurate, and complete, the form of which is attached hereto as ***Exhibit XX*** ("**Significant Change Certificate**");

(iii) All instruments and other legal documents involved in effectuating the Transfer reasonably requested by Port, including all documentation necessary for Port to confirm the amount of Port's share of Transfer Proceeds, has been submitted to Port for its review and reasonable approval, or at the request of Tenant, such documents are made available for Port's review at Tenant's office in San Francisco;

(iv) There is no Event of Default or Unmatured Event of Default on the part of Tenant under this Lease or any of the other documents or obligations to be assigned to the proposed transferee where Tenant or proposed transferee have not made provisions to cure the applicable default, which provisions are satisfactory to Port in its sole discretion; and

(v) If the effective date of the Transfer is prior to Port's issuance of a Certificate of Completion, there is no Developer Event of Default or an Unmatured Developer Event of Default (as such terms are defined in the Vertical DDA) on the part of Developer under the Vertical DDA, where Tenant or the proposed transferee has not made provisions to cure the default, which provisions are satisfactory to Port;

(vi) Subject to ***Section 18.1(b)(vii)***, (1) in the case of a Significant Change, Tenant must be a Qualified Transferee immediately following the consummation of such Significant Change; and (2) in the case of an Assignment, the proposed transferee is a Qualified Transferee;

(vii) If Tenant (in the case of a Significant Change) or proposed transferee (in the case of an Assignment) does not satisfy the Net Worth Requirement, Tenant or the proposed transferee, as applicable, will have the right to deliver a Net Worth Guaranty in lieu of satisfying the Net Worth Requirement. Under the Net Worth Guaranty, the Net Worth Guarantor, among other things, will:

(1) guaranty performance of all of Tenant's obligations under this Lease in an amount not to exceed the Net Worth Requirement;

(2) covenant that it will throughout the term of the Net Worth Guaranty, maintain the Net Worth Requirement; and

(3) provide Port as of the first day of each calendar year, a statement certified by its chief financial officer, or if the Net Worth Guarantor is an individual, a certified public accountant, that the Net Worth Guarantor continues to meet the Net Worth Requirement and that to his/her actual knowledge, he/she is not aware of any facts that would cause the Net Worth Guarantor to not meet the Net Worth Requirement.

The Net Worth Guaranty will otherwise be in form and substance reasonably satisfactory to Port. The Net Worth Guaranty will terminate when the Tenant benefiting from the Net Worth Guaranty meets the Net Worth Requirement. Tenant and the Net Worth Guarantor will provide Port with its financial statements and other information necessary to substantiate its position that it meets the Net Worth Requirement and that the Net Worth Guaranty should terminate.

(viii) Tenant provides to Port an estoppel certificate substantially in the form attached hereto as ***Exhibit XX***, which estoppel certificate will be effective as of the effective date of Transfer;

(ix) Port receives on or prior to the effective date of Transfer (A) Port's share of Net Sale Proceeds, as described in [***Section 3.6 of Exhibit D***] .and (B) a settlement statement relating to the Transfer or other evidence, reasonably satisfactory to Port, of Port's share of Net Sales Proceeds.

(x) Port receives on or prior to the effective date of Transfer sufficient funds to reimburse Port for its Attorneys' Fees and Costs to review the proposed Transfer provided, however, if Port has not delivered to Tenant an invoice for Attorney's Fees and Costs prior to the effective date of Transfer, Tenant will reimburse Port for same within ten (10) business days of receipt of such invoice.

(c) **Transfer After Certificate of Completion**. From and after Port's issuance of a Certificate of Completion, Tenant may Transfer without the prior consent of Port so long as:

(i) in the case of a Significant Change, Tenant is a Qualified Transferee immediately following the consummation of such Significant Change; or

(ii) in the case of an Assignment, the proposed transferee is a Qualified Transferee; provided, however, if Tenant (in the case of a Significant Change) or proposed transferee (in the case of an Assignment) does not satisfy the Net Worth Requirement, Tenant or the proposed transferee, as applicable, will have the right to deliver a Net Worth Guaranty in lieu of satisfying the Net Worth Requirement in accordance with ***Section 18.1(b)(vii)***;

(iii) Tenant provides Port prior notice before the effective date of the Transfer;

(iv) in the case of an Assignment, within thirty (30) days after such Assignment, Tenant delivers an Assignment and Assumption Agreement to Port, executed by transferor and the transferee; and

(v) in the case of a Significant Change, within thirty (30) days after such Significant Change, Tenant delivers a Significant Change Certificate to Port.

(d) **No Limitation**. It is the intent of this Lease, to the fullest extent permitted by Law and equity that no Transfer of this Lease, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, may operate, legally or practically, to deprive or limit Port of the benefits under this Lease or any rights or remedies or controls provided in or resulting from this Lease with respect to the Premises that Port would have had, had there been no such Transfer

(e) **Mortgaging of Leasehold**. Notwithstanding anything herein to the contrary, at any time during the Term, Tenant has the right, without Port's consent, to sell, assign, encumber or transfer its interest in this Lease to a Lender or other purchaser in connection with the exercise of remedies under the provisions of a Mortgage, subject to the limitations, rights and conditions set forth in ***Article 40*** hereof.

(f) **Limitation on Liability**. From and after an Assignment of all of the transferor's interest in this Lease or Leasehold Estate, the transferor will be released from all obligations and liability under this Lease to the extent first arising after the date of such Assignment. In no event will the transferor be liable for a new default first arising after the date of such Assignment. The effectiveness of any Assignment hereunder is not in any way to be construed to relieve the transferor tenant of any liability arising out of or with regard to the performance of any covenants or obligations to be performed by the transferor tenant hereunder before the date of such Assignment.

(g) **Notice of Significant Changes; Reports to Port**. Tenant will promptly notify Port of any and all Significant Changes. At such time or times as Port may reasonably request, Tenant must furnish Port with a statement, certified as true and correct by an officer of Tenant, setting forth all of the constituent members of Tenant and the extent of their respective holdings, and in the event any other Persons have a beneficial interest in Tenant, their names and the extent of such interest.

(h) **Assignment to Accommodate Sale of Low-Income Housing Tax Credits**. Notwithstanding anything to the contrary set forth herein, Port's consent will not be required in the event of a Transfer to an entity solely for the purpose of taking advantage of the Low Income Housing Tax Credit, as applicable, subject to all of the following conditions: (i) at least thirty (30) days prior to such Transfer, Tenant furnishes Port with the name of the proposed assignee, together with evidence reasonably satisfactory to Port indicating that the proposed Transfer is solely for the purpose of taking advantage of the Low Income Housing Tax Credit, as applicable; and (ii) the conditions set forth in ***Sections 18.1(b)(i)—18.1(b)(viii), and 18.1(b)(x)*** have all been met.

(i) Transfers Not Requiring Port Consent Before Certificate of Completion. Notwithstanding anything to the contrary set forth herein, Port's consent will not be required in the event of a Transfer to a Tenant Affiliate or a Significant Change in which there is no change of the Managing Party of Tenant, subject to all of the following conditions: (i) at least five (5) business days prior to such Transfer, Tenant provides notice thereof to Port; and (ii) the conditions set forth in ***Section 18.1(b)(i)—18.1(b)(viii) and 18.1(b)(x)*** have all been met.

18.2. ***Assignment of Rents.*** Tenant hereby assigns to Port all rents and other payments of any kind, due or to become due from any present or future Subtenant as security for Tenant's obligations hereunder prior to actual receipt thereof by Tenant; provided, however, the foregoing assignment will be subject and subordinate to any assignment made to a Lender under ***Article 40*** until such time as Port has terminated this Lease (subject to the Port's agreement to enter into a New Lease with Lender and all other provisions of this Lease protecting Lender's interests in this Lease), at which time the rights of Port in all rents and other payments assigned pursuant to this ***Section 18.2*** will become prior and superior in right; provided, further, any rents collected by any Lender from any Subtenants pursuant to any assignment of rents or subleases made in its favor will promptly remit to Port the rents so collected (less the actual cost of collection) to the extent necessary to pay Port any Rent, including any and all Additional Rent, through the date of termination of this Lease.

18.3. ***Subletting by Tenant.***

(a) Qualifying Subleases. Tenant has the right to sublet all or any portion of the Improvements to one or more Subtenants by written Subleases from time to time without the necessity of obtaining the prior written consent of Port for each applicable Sublease upon satisfaction of all the conditions set forth in this ***Section 18.3(a)***

(i) The Sublease (and any further sub-subleases of the Sublease Space) are all subject to the terms and conditions of this Lease and the terms and conditions of the Sublease and further sub-subleases are consistent with the provisions of this Lease, provided that Subtenants need not be obligated for Restoration, and, provided further that the Subtenant need not be obligated to undertake any obligations with respect to the Subleased Space that is Tenant's obligation under such Sublease; and

(ii) The term of the Sublease does not extend beyond the Term; and.

(iii) The Sublease rental rates reflect an arms-length transaction at fair market rents for subleases as reasonably determined by Tenant, taking into account, among other things, market conditions, vacancy rates, tenant mix, preferred amenities, creditworthiness of the subtenant and other factors that prudent institutional landlords of buildings of comparable age, size, type and use located in San Francisco would use to determine Sublease rental rates; and

(iv) If the Sublease is for property management services at the Premises, (including to a Tenant Affiliate without regard to the provisions of ***Section 18.3(b)***, then the size of the Sublease space is comparable to the size of property management offices for buildings of institutional landlords that are of comparable age, size, type and use located in San Francisco, and the Sublease rental rates reflect an arms-length transaction at fair market rents as reasonably determined by Tenant; and

(v) The Sublease contains an Indemnification and waiver of claims provision benefitting Port that is substantially and materially the same as ***Article 19*** except that the term "**Tenant**" in such provision means "**Subtenant**" and Subtenant's obligation to Indemnify Port from any Losses arising outside the Premises will be limited to Losses arising from the acts or omissions of Subtenant or its Agents;

(vi) The Sublease requires that under all liability and other insurance policies, "**THE CITY AND COUNTY OF SAN FRANCISCO, THE SAN FRANCISCO PORT COMMISSION AND THEIR OFFICERS, AGENTS, EMPLOYEES AND**

REPRESENTATIVES" are additional insureds by written endorsement and acknowledging Port's rights to demand increased coverage to normal amounts consistent with the Subtenant's business activities on the Premises; and

(vii) Subject to the rights of any Lender, the Sublease requires Subtenant to pay the Sublease rent and other sums due under the Sublease directly to Port upon receiving written notice from Port that a Tenant Event of Default has occurred; and

(viii) The Sublease requires the Subtenant to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease; and

(ix) The Sublease contains a provision similar to ***Article 39*** (Right to Enter) requiring Subtenant to permit Port to enter its Subleased Space for the purposes specified in ***Article 39***; and

(x) The Sublease contains a provision similar to ***Article 31*** (Tenant Estoppel)) requiring Subtenant, from time to time, to provide Port an estoppel certificate substantially similar to the form attached hereto as ***Exhibit XX***; and

(xi) The Sublease requires Subtenant to comply with the City and Port Requirements set forth in ***Article 45***;

(xii) The Sublease contains a provision that if for any reason whatsoever this Lease is terminated, unless Port has agreed otherwise in a Non-Disturbance Agreement between Port and the Subtenant, such termination will result in the automatic termination of the Sublease and any existing subleases for the Subleased Space; and

(xiii) **[Note: Applicable only where there is Required Use]** Entering into the applicable Sublease would not cause Tenant to fall below the Minimum Public Benefit Area or prevent the use of the Premises for the Required Use.

(b) **Sublease with Tenant Affiliate Requires Port Approval**. All Subleases (i) with a Tenant Affiliate; (ii) Controlled by Tenant or a Tenant Affiliate; or (iii) owned either directly or indirectly by Tenant or a Tenant Affiliate, require the prior written consent of Port, which consent may not be unreasonably if the Sublease is on rental rates that reflect an arms' length transaction at fair market rents, as reasonably determined by Port.

(c) **Required Sublease Information**. Within fifteen (15) days of executing any Sublease, Tenant must provide Port with all information related to such Sublease necessary for Port to comply with Administrative Code Sections 23.38 and 23.39 (or any successor statute).

18.4. ***Non-Disturbance of Subtenants and Attornment.***

(a) **Generally**. Subject to the provisions of this ***Section 18.4***, from time to time upon the request of Tenant, Port will enter into agreements with Subtenants providing generally, with regard to a given Sublease, that in the event of any termination of this Lease resulting from a Tenant Event of Default, Port will not terminate or otherwise disturb the rights of the Subtenant under such Sublease, but will instead honor such Sublease as if such agreement had been entered into directly between Port and such Subtenant ("**Non-Disturbance Agreements**").

(b) **Conditions for Issuance of Non-Disturbance Agreements**. Port will enter into a Non-Disturbance Agreement with a particular Subtenant if all of the following conditions are satisfied:

(i) The applicable Sublease is for a term of at least five (5) years (not including any renewal terms);

(ii) The applicable Sublease Space is comprised of at least 10,000 rentable square feet;

(iii) The performance by Tenant of its obligations under such Sublease will not cause an Event of Default to occur under this Lease;

(iv) The applicable Sublease term, including options, does not extend beyond the scheduled Term;

(v) The applicable Sublease complies with all the conditions of ***Section 18.3(a)***;

(vi) The Subtenant agrees that in the event this Lease expires, terminates or is canceled during the term of the Sublease, the Subtenant will attorn to Port (provided Port agrees not to disturb the occupancy or other rights of the Subtenant and to be bound by the terms of the Sublease, except as otherwise set forth in the Non-Disturbance Agreement), and the Sublease will be deemed a direct lease between the Subtenant and Port, except that any subleases entered into by Subtenant (or its subtenants) for the Sublease Space will be terminated and Port will not be:

(1) liable to the Subtenant for any security deposit or prepaid rent or other charges previously paid by such Subtenant to Tenant unless such deposits, rent or charges are transferred to Port;

(2) bound by any indemnification obligations or any waivers and releases made by the sublandlord in the Sublease for the benefit of Subtenant or any other party;

(3) bound by any requirement or obligation of the sublandlord under the Sublease to pay any (A) unpaid or unreimbursed tenant improvement allowance (provided, however, if the Subtenant incurs costs after termination of this Lease that are reimbursable from any remaining and unpaid tenant allowance (**"Reimbursable Subtenant Costs"**), then so long as Subtenant is not in default under the Sublease, Subtenant may receive a rent credit of up to fifty percent (50%) of the monthly base rent then payable until the Reimbursable Subtenant Costs are fully reimbursed, as further refined and agreed to between the parties in the Non-Disturbance Agreement), or (B) liquidated damages;

(4) bound by any Subtenant right of first offer to purchase, first negotiation to purchase or first refusal to purchase Tenant's interest in the Subleased Premises;

(5) bound by any Sublease term, including options to renew, that extend beyond the expiration date of this Lease;

(6) liable to Subtenant for any indirect, consequential, incidental, punitive or special damages;

(7) bound by any limitation on Subtenant's obligation to indemnify any sublandlord parties based on Subtenant's insurance coverage;

(8) bound by any limitation on sublandlord's ability to transfer its interest in the Sublease (including any requirement to deliver prior notice to Subtenant or obtain Subtenant's prior approval); and

(9) bound by any requirement or obligation to keep records or documents confidential that violates the Public Records Act or the City's Sunshine Ordinance.

(vii) During the continuance of any Tenant Event of Default, Port may, in its sole discretion, withhold or condition its agreement to provide a Non-Disturbance Agreement on the cure of such default as Port may specify either in a notice of default given under ***Section 24.1*** or in a notice withholding or conditioning its agreement to provide a Non-Disturbance Agreement; and

(viii) Concurrently with its request for a Non-Disturbance Agreement from Port, Tenant will submit to Port:

(1) an electronic copy of the Sublease in the form to be executed in Microsoft Word format (or other comparable format),

(2) a summary of basic terms of the Sublease,

(3) an electronic draft of a Non-Disturbance Agreement in Microsoft Word format (or other comparable format), redlined against the form required by ***Section 18.4(d),***

(4) a statement certifying that the Sublease satisfies all the conditions and requirements set forth in ***Section 18.3(a)*** including that the Sublease rental rates reflect an arms-length transaction at fair market rents as reasonably determined by Tenant, and the proposed Non-Disturbance Agreement complies with all the conditions and requirements set forth in ***Section 18.4(b)***, and

(5) an executed Tenant estoppel certificate substantially in the form attached hereto as ***Exhibit XX***, and Tenant will certify as of the effective date of the Non-Disturbance Agreement that the certifications made by Tenant in the estoppel certificate remains unchanged; and **[Note: estoppel certificate must have Tenant certify that attached Sublease and summary of basic terms is true, correct and complete and that there have been no changes in the executed Sublease and summary from the electronic copies previously delivered to Port.]**

(6) all relevant information requested by Port including reasonable financial information establishing the ability of the proposed Subtenant to perform its contemplated obligations under such Sublease, and relevant information concerning the business character and operating history of the proposed Subtenant; provided however, in lieu of submitting the Subtenant's financial information to Port, Tenant may make such information available for review (but not duplication) at Port's office or at Tenant's office in the City of San Francisco.

(ix) Tenant deposits sufficient funds to reimburse Port for its Attorneys' Fees and Costs to review the proposed Non-Disturbance Agreement (which, for avoidance of doubt, includes any additional administrative fees, or outside counsel or contractors engaged by Port to review such request for a Non-Disturbance Agreement);

(x) Subtenant agrees that notwithstanding any Non-Disturbance Agreement, the Sublease will terminate as of the Lease termination date (1) if the Lease terminates (A) as a result of Tenant exercising its Termination Option due to change in Laws, as further described in ***Section 7.3***, or (B) in the event of Casualty or Condemnation, as further described in ***Articles 14 and 15***, or (C) as a result of Tenant exercising its termination option for certain Remediation obligations during the last ten (10) years of the Term, as further described in ***Section 21.4(d)***; or (2) if there is an uncured Subtenant event of default, giving effect to any notice and cure period provided therein (which agreement will be evidenced by acceptance of a Non-Disturbance Agreement reflecting the matters described in this clause (x)); and

(xi) If a guarantor guaranties any Subtenant obligation under the Sublease, Port will be named as an additional beneficiary to such guaranty; provided, however, Port's rights under such guaranty will not be effective until termination of this Lease; and

(xii) The applicable Sublease will provide that the Subtenant will deliver to Port as of the Master Lease termination date or promptly following request by Port an executed estoppel certificate, substantially in the form attached hereto as ***Exhibit XX*** certifying as of the Lease termination date, among other things: (A) that the Sublease, including all amendments, is attached thereto and is unmodified, except for such attached amendments, and is in full force and effect, as so amended, or if such Sublease is not in full force and effect, so stating, (B) which amendments, if any, to the Sublease have been previously approved by Port in writing, including the dates of approval, (C) the dates, if any, to which any rent and other sums

payable thereunder have been paid, (D) that the Subtenant is not aware of any Tenant defaults under the Sublease which have not been cured, except as to defaults specified in said certificate, and (E) that the Subtenant is not aware of any Subtenant defaults which have not been cured.

(c) **Copy of Sublease**. To the extent a Sublease has been provided to Port in connection with a request for a Non-Disturbance Agreement, Tenant will provide Port a true and complete copy of the executed Sublease and summary of the Sublease basic terms attached to the Tenant estoppel certificate, in accordance with ***Section 18.4(b)(viii)(5)*** within five (5) business days after the execution thereof, which Sublease will contain substantially the same (or more favorable to the landlord) business terms as in the form of Sublease, statement, and other information previously provided to Port.

(d) **Form of Non-Disturbance Agreement**. Each Non-Disturbance Agreement will be substantially in the form of ***Exhibit XX*** and, if not in such form, will be in form and substance agreed upon by Tenant and Port, not to be unreasonably withheld by either party. With each request for a Non-Disturbance Agreement, Tenant will submit a copy of the form, showing any requested interlineations or deletions.

(e) **Response Period**.

(i) Port will respond to any request for a Non-Disturbance Agreement within fifteen (15) business days after receipt of all the materials described in ***Section 18.4(b)(viii)***; provided, however, if Tenant requests three (3) or more Non-Disturbance Agreements whose response time overlaps at any given time, (1) Port will have an additional five (5) business days to respond for each Non-Disturbance Agreement, and (2) Tenant will pay to Port an additional administrative processing fee of One Thousand Dollars ($1,000) for every overlapping Non-Disturbance Agreement request above two (2), which amount will be increased by Five Hundred Dollars ($500) on the tenth (10th) Anniversary Date and every ten (10) years thereafter.

(ii) If Port fails to respond to such request within such fifteen (15) business day period (or twenty (20) business days if so extended), then Tenant will deliver to Port a second notice requesting Port's response ("**Second NDA Notice**"). The Second NDA Notice must display prominently on the envelope enclosing such notice and the first page of such notice, substantially the following: "**APPROVAL REQUEST FOR [INSERT ADDRESS OF LEASED PREMISES]/MISSION ROCK SUBLEASE MATTERS. IMMEDIATE ATTENTION REQUIRED; FAILURE TO RESPOND WITHIN FIVE (5) BUSINESS DAYS WILL RESULT IN THE REQUEST BEING DEEMED APPROVED**." If Port fails to respond within five (5) business days after Port's receipt of the Second NDA Notice, then such non-response will be deemed to be approval of such Non-Disturbance Agreement and the applicable Subtenant will be entitled to rely on the terms of the applicable Non-Disturbance Agreement, provided, however, if there are any conflicts between the provisions in the Sublease and the deemed approved Non-Disturbance Agreement, on the one hand, and ***Sections 18.3*** and ***18.4(b)*** on the other hand, ***Sections 18.3*** and ***18.4(b)*** will control.

18.5. ***No Further Amendment or Consent Implied***. Port's consent to any amendment of a Sublease subject to an effective Non-Disturbance Agreement will not be required if the amendment conforms all of the requirements of ***Section 18.3*** and ***Section 18.4(b)***. Consent to one Sublease or amendment, as applicable, will not be construed as consent to a subsequent Sublease or amendment, as applicable.

18.6. ***No Release of Tenant***. The acceptance by Port of Rent or other payment from any other person will not be deemed to be a waiver by Port of any provision of this Lease or to be a release of Tenant from any obligation under this Lease. Except as set forth in ***Section 18.2***, no Transfer or Sublease will in any way diminish, impair or release any of the liabilities and obligations of Tenant, any guarantor or any other person liable for all or any portion of Tenant's obligations under this Lease.

18.7. ***Acknowledgement.*** Tenant acknowledges and agrees that each of the rights of Port set forth in this ***Article 18*** is a reasonable limitation on Tenant's right to assign or sublet for purposes of California Civil Code Section 1951.4.

19. INDEMNIFICATION OF PORT.

19.1. ***General Indemnification of the Indemnified Parties.*** Subject to ***Section 19.4***, Tenant agrees to and will Indemnify the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any such Indemnified Parties in connection with the occurrence or existence of any of the following:

(a) any accident, injury to or death of Persons or loss or destruction of or damage to property occurring in, on, or under, the Premises or any part thereof and which may be directly or indirectly caused by any acts done in, on, or under, the Premises, or any acts or omissions of Tenant, its Agents, Subtenants, or Invitees, or their respective Agents and Invitees in, on, or under the Premises;

(b) any use, non-use, possession, occupation, operation, maintenance, management, or condition of the Premises or any part thereof by Tenant, its Agents, Subtenants, or Invitees, or their respective Agents and Invitees;

(c) any latent, design, construction or structural defect relating to the Improvements, any other Subsequent Construction, or any other matters relating to the condition of the Premises caused directly or indirectly by Tenant or any of its Agents, Invitees, or Subtenants;

(d) any failure on the part of Tenant or its Agents, Invitees, or Subtenants, as applicable, to perform or comply with any of the terms, covenants, or conditions of this Lease or with applicable Laws;

(e) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof by Tenant or any of its Agents or Subtenants;

(f) any acts, omissions, or negligence of Tenant, its Agents, Invitees, or Subtenants; and

(g) any civil rights actions or other legal actions or suits initiated by any user or occupant of the Premises to the extent it relates to such use or occupancy.

19.2. ***Hazardous Materials Indemnification.***

(a) In addition to its obligations under ***Section 19.1*** (General Indemnity) and subject to ***Section 19.4***, Tenant agrees to Indemnify the Indemnified Parties and the State Lands Indemnified Parties from any and all Losses and Hazardous Materials Claims that arise as a result of any of the following:

(i) any Hazardous Material Condition existing or occurring during the Term;

(ii) any Handling, Release or Exacerbation of Hazardous Materials in, on, or under the Premises during the Term;

(iii) **[Add if Tenant responsible for Deferred Infrastructure:]** without limiting Tenant's Indemnification obligations in this ***Section 19.2(a)***, any Handling, Release, or Exacerbation of Hazardous Materials in, on, or under any area outside the Premises boundary used by Tenant or its Agents to perform the Deferred Infrastructure, ("**Deferred Infrastructure Area**") at any time prior to Acceptance of such Deferred Infrastructure; or

(iv) without limiting Tenant's Indemnification obligations in ***Sections 19.2(a)(ii) or 19.2(a)(iii)***, any Handling, Release, or Exacerbation of Hazardous

Materials outside of the Premises, but in, on, or under the Mission Rock Site, by Tenant or any Related Third Party during the Term. "**Related Third Party**" means Tenant's Agent, Subtenant, or their respective Agent; or

(v) failure by Tenant or any Related Third Party to comply with the Mission Rock Risk Management Plan; or

(vi) claims by Tenant or any Related Third Party for exposure occurring during the Term to Pre-Existing Hazardous Materials or New Hazardous Materials in, on, or under the Mission Rock Site.

(b) Tenant's obligations under ***Section 19.2(a)*** includes: (i) actual costs incurred in connection with any Investigation or Remediation requested by Port or required by any Environmental Regulatory Agency and to restore the affected area to its condition before the Release; (ii) actual damages for diminution in the value of the Premises or the Facility; (iii) actual damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises; (iv) actual damages arising from any adverse impact on marketing the space; (v) sums actually paid in settlement of Claims, Hazardous Materials Claims, Environmental Regulatory Actions, including fines and penalties; (vi) actual natural resource damages; and (vii) Attorneys' Fees and Costs, consultant fees, expert fees, court costs, and all other actual litigation, administrative or other judicial or quasi-judicial proceeding expenses. If Port actually incurs any damage and/or pays any costs within the scope of this section, Tenant must reimburse Port for Port's costs, plus interest at the Interest Rate from the date Port incurs each cost until paid, within five (5) business days after receipt of Port's payment demand and reasonable supporting evidence of the cost or damage actually incurred.

(c) Tenant understands and agrees that its liability to the Indemnified Parties and the State Lands Indemnified Parties under this ***Section 19.2*** subject to ***Section 19.4,*** arises upon the earlier to occur of

(i) discovery of any such Hazardous Materials (other than Pre-Existing Hazardous Materials) in, on, or under the Premises, **[Add if Tenant responsible for Deferred Infrastructure:** and the Deferred Infrastructure Area;]

(ii) the Handling, Release, or Exacerbation of Hazardous Materials in, on, or under the Premises **[Add if Tenant responsible for Deferred Infrastructure:** the Deferred Infrastructure Area;]

(iii) the Handling, Release, or Exacerbation of Hazardous Materials in, on, or under outside the Premises but within the Mission Rock Site caused by Tenant or a Related Third Party;

(iv) any occurrence of a Hazardous Materials Condition during the Term, or

(v) the institution of any Hazardous Materials Claim with respect to such Hazardous Materials, and not upon the realization of loss or damage.

19.3. ***Scope of Indemnities; Obligation to Defend.*** Except as otherwise provided in ***Section 19.4***, Tenant's Indemnification obligations under this Lease are enforceable regardless of the active or passive negligence of the Indemnified Parties, and regardless of whether liability without fault is imposed or sought to be imposed on the Indemnified Parties. Tenant specifically acknowledges that it has an immediate and independent obligation to defend the Indemnified Parties from any Loss that actually or potentially falls within the Indemnification obligations of Tenant, even if such allegations are or may be groundless, false, or fraudulent, which arises at the time such claim is tendered to Tenant and continues at all times thereafter until finally resolved. Tenant's Indemnification obligations under this Lease are in addition to, and in no way will be construed to limit or replace, any other obligations or liabilities which Tenant may have to Port in this Lease, at common law or otherwise. All Losses incurred by the Indemnified Parties

subject to Indemnification by Tenant constitute Additional Rent owing from Tenant to Port hereunder and are due and payable from time to time immediately upon Port's request, as incurred.

19.4. ***Exclusions from Indemnifications, Waivers and Releases.***

(a) Nothing in this ***Article 19*** (Indemnities) relieves the Indemnified Parties or the State Lands Indemnified Parties from liability, nor will the Indemnities set forth in ***Section 19.1***, (General Indemnification of Indemnified Parties), ***19.2*** (Hazardous Materials Indemnification), or the defense obligations set forth in ***Sections 19.3*** (Scope of Indemnities) and ***Section 19.6***, (Defense), extend to Losses:

(i) to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties; or

(ii) from third parties' claims for exposure to Hazardous Materials prior to the Commencement Date; or

(b) If it is reasonable for an Indemnified Party or a State Lands Indemnified Party to assert that a claim for Indemnification under this ***Section 19.4*** is covered by a pollution liability insurance policy, pursuant to which such Indemnified Party or State Lands Indemnified Party is an insured party or a potential claimant, then Port will reasonably cooperate with Tenant in asserting a claim or claims under such insurance policy but without waiving any of its rights under this ***Section 19.4***. Notwithstanding the foregoing, if an Indemnified Party or State Lands Indemnified Party is a named insured on a pollution liability insurance policy obtained by Tenant, the Indemnification from Tenant under this ***Section 19.4*** will not be effective unless such Indemnified Party or State Lands Indemnified Party has asserted and diligently pursued a claim for insurance under such policy and until any limits from the policy are exhausted, on condition that (i) Tenant pays any self-insured retention amount required under the policy, and (ii) nothing in this sentence requires any Indemnified Party or State Lands Indemnified Party to pursue a claim for insurance through litigation prior to seeking indemnification from Tenant.

19.5. ***Survival.*** Tenant's Indemnification obligations under this Lease and the provisions of this ***Article 19*** survive the expiration or earlier termination of this Lease.

19.6. ***Defense.*** Tenant will, at its option but subject to Approval by Port, be entitled to control the defense, compromise or settlement of any such matter through counsel of Tenant's choice; provided, that in all cases Port will be entitled to participate in such defense, compromise or settlement at its own expense. If Tenant fails, however, in Port's reasonable judgment, within a reasonable time following notice from the Port alleging such failure, to take reasonable and appropriate action to defend, compromise or settle such suit or claim, Port has the right promptly to use the City Attorney or hire outside counsel, at Tenant's sole expense, to carry out such defense, compromise or settlement, which expense is due and payable to Port within fifteen (15) days after receipt by Tenant of a detailed invoice for such expense.

19.7. ***Waiver.*** As a material part of the consideration of this Lease, Tenant hereby assumes the risk of, and waives, discharges, and releases and will include in any contract with Related Third Parties an assumption of the risk of, and waiver, discharge and release of, any and all claims against the Indemnified Parties and the State Lands Indemnified Parties from any Losses arising out of this Lease or relating to the Premises, including: (a) damages by death of or injury to any Person, or to property of any kind whatsoever and to whomever belonging; (b) goodwill; (c) business opportunities; (d) any act or omission of persons occupying adjoining premises; (e) theft; (f) explosion, fire, steam, oil, electricity, water, gas or rain, pollution or contamination; (g) Building defects (including stopped, leaking or defective Material Systems); (h) inability to use all or any portion of the Premises due to sea level rise or flooding or seismic events; and (i) any other acts, omissions or causes arising at any time and from any cause, in, on, or under the Premises **[Add if Tenant responsible for Deferred Infrastructure:** and the Deferred Infrastructure Area.], including all claims arising from the joint, concurrent, active or passive

negligence of any of Indemnified Parties. The foregoing waiver, discharge and release does not include Losses arising from the Indemnified Parties' willful misconduct or gross negligence.

Tenant expressly acknowledges and agrees that the amount payable by Tenant hereunder does not take into account any potential liability of the Indemnified Parties or the State Lands Indemnified Parties for any consequential, incidental or punitive damages. Port would not be willing to enter into this Lease in the absence of a complete waiver of liability for consequential, incidental or punitive damages due to the acts or omissions of the Indemnified Parties or the State Lands Indemnified Parties, and Tenant expressly assumes the risk with respect thereto. Accordingly, without limiting any Indemnification obligations of Tenant or other waivers or releases contained in this Lease and as a material part of the consideration of this Lease, Tenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against the Indemnified Parties or the State Lands Indemnified Parties for consequential, incidental and punitive damages (including, without limitation, lost profits) and covenants not to sue or to pay the Attorneys' Fees and Costs of any party to sue for such damages, the Indemnified Parties or the State Lands Indemnified Parties arising out of this Lease or the uses authorized hereunder, including, any interference with uses conducted by Tenant pursuant to this Lease regardless of the cause, and whether or not due to the negligence of the Indemnified Parties.

Tenant understands and expressly accepts and assumes the risk that any facts concerning the claims released in this Lease might be found later to be other than or different from the facts now believed to be true, and agrees that the waivers and releases in this Lease will remain effective. Therefore, with respect to the claims released in this Lease, Tenant waives any rights or benefits provided by California Civil Code, Section 1542, which reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

By placing its initials below, Tenant specifically acknowledges and confirms the validity of the waivers and releases made above and the fact that Tenant was represented by counsel who explained the consequences of the waivers and releases at the time this Lease was made, or that Tenant had the opportunity to consult with counsel, but declined to do so.

Tenant's Initials: _____

Tenant acknowledges that the waivers and releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims for consequential, incidental or punitive damages. Tenant realizes and acknowledges that it has agreed upon this Lease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect.

20. INSURANCE.

Tenant will comply with the insurance requirements set forth in ***Exhibit XX*** attached hereto throughout the Term.

21. HAZARDOUS MATERIALS.

21.1. ***Compliance with Environmental Laws.*** Tenant will comply and cause its Subtenants, their respective Agents and Invitees, , while in, on, or under the Premises, to comply with all Environmental Laws, Operations Plans (if any), the Mission Rock Risk Management Plan, and prudent business practices, including, without limitation, any deed restrictions, regulatory agreements, deed notices, soils management plans or certification reports required in connection with the approvals of any regulatory agencies in connection with the Project.

Without limiting the generality of the foregoing, Tenant covenants and agrees that it will not, without the prior written consent of Port, which consent will not be unreasonably delayed or withheld, Handle, nor permit the Handling of, Hazardous Materials in, on, or under the Premises, except for (a) standard building materials and equipment that do not contain asbestos or asbestos-containing materials, lead or polychlorinated biphenyl (PCBs), (b) any Hazardous Materials which do not require a permit or license from, or that need not be reported to, a governmental agency and are used in compliance with all applicable laws and any reasonable conditions or limitations required by Port, (c) janitorial or office supplies or materials in such amounts as are customarily used for general office, residential, or commercial purposes so long as such Handling is at all times in compliance with all Environmental Laws, and (d) Pre-Existing Hazardous Materials that are Handled for Remediation purposes under the jurisdiction of an Environmental Regulatory Agency (collectively, "**Excepted Hazardous Material.**")

21.2. ***Tenant Responsibility***. Tenant agrees to protect its Agents and Invitees in its operations on the Premises from hazards associated with Hazardous Materials by complying with all Environmental Laws and occupational health and safety Laws and also agrees, for itself and on behalf of its Agents and Invitees, that during the Term:

(a) Other than the Pre-Existing Hazardous Materials, will not permit any Hazardous Materials to be present in, on, or under the Premises except as permitted under ***Section 21.1***;

(b) Will not cause or permit any Hazardous Material Condition; and

(c) Will comply with all Environmental Laws relating to the Premises and any Hazardous Material Condition and any investigation, construction, operations, use or any other activities conducted in, on, or under the Premises, and will not engage in or permit any activity at the Premises, or in the operation of any vehicles used in connection with the Premises in violation of any Environmental Laws;

(d) Tenant will be the "**Generator**" of any waste, including hazardous waste, resulting from investigation, construction, operations, use or any other activities conducted in, on, or under the Premises;

(e) Will comply with all provisions of the Mission Rock Risk Management Plan with respect to the Premises, at its sole cost and expense, including requirements to notify site users, comply with risk management measures during construction, and inspect, document and report site conditions to Port annually and

(f) Will comply, and will cause all of its Subtenants that are subject to an Operations Plan, to comply with the Operations Plan applicable to Tenant or such Subtenant.

21.3. ***Tenant's Environmental Condition Notification Requirements***. The following requirements are in addition to the notification requirements specified in the (i) Operations Plan(s), if any, (ii) the Mission Rock Risk Management Plan, and (iii) Environmental Laws:

(a) Tenant must notify Port as soon as practicable, orally or by other means that will transmit the earliest possible notice to Port staff, of and when Tenant learns or has reason to believe Hazardous Materials were Released or, except as allowed under ***Section 21.1***, Handled, in, on, or under the Premises or the environment, or from any vehicles Tenant, or its Agents and Invitees use during the Term whether or not the Release or Handling is in quantities that would be required under Environmental Laws to be reported to an Environmental Regulatory Agency. In addition to Tenant's notice to Port by oral or other means, Tenant must provide Port written notice of any such Release or Handling within twenty-four (24) hours following such Release or Handling.

(b) Tenant must notify Port as soon as practicable, orally or by other means that will transmit the earliest possible notice to Port staff of Tenant's receipt or knowledge of any

of the following, and contemporaneously provide Port with an electronic copy within twenty-four (24) hours following Tenant's receipt of any of the following, of:

(i) Any notice of the Release or Handling of Hazardous Materials, in, on, or under the Premises or the environment during the Term, or from any vehicles Tenant, or its Agents and Invitees use during the Term that Tenant or its Agents or Invitees provide to an Environmental Regulatory Agency;

(ii) Any notice of a violation, or a potential or alleged violation, of any Environmental Law that Tenant or its Agents or Invitees receive from any Environmental Regulatory Agency;

(iii) Any other Environmental Regulatory Action that is instituted or threatened by any Environmental Regulatory Agency against Tenant or its Agents or Invitees and that relates to the Release or Handling of Hazardous Materials, in, on, or under the Premises during the Term or the environment, or from any vehicles Tenant, or its Agents and Invitees use during the Term;

(iv) Any Hazardous Materials Claim that is instituted or threatened by any third party against Tenant or its Agents or Invitees and that relates to the Release or Handling of Hazardous Materials, in, on, or under the Premises or the environment, or from any vehicles Tenant or its Agents and Invitees use in, on, or under the Premises during the Term; and

(v) Other than any Environmental Regulatory Approvals issued by the Department of Public Health and the Hazardous Materials Unified Program Agency, any notice of the termination, expiration, or substantial amendment of any Environmental Regulatory Approval needed by Tenant or its Agents or Invitees for their operations at the Premises.

(c) Tenant must notify Port of any meeting, whether conducted face-to-face or telephonically, between Tenant and any Environmental Regulatory Agency regarding an Environmental Regulatory Action concerning the Premises or Tenant's or its Agents' or Invitees' operations at the Premises. Port will be entitled to participate in any such meetings at its sole election.

(d) Tenant must notify Port of any Environmental Regulatory Agency's issuance of an Environmental Regulatory Approval concerning the Premises or Tenant's or its Agents' or Invitees' operations at the Premises. Tenant's notice to Port must state the name of the issuing entity, the Environmental Regulatory Approval identification number, and the dates of issuance and expiration of the Environmental Regulatory Approval. In addition, Tenant must provide Port with a list of any plan or procedure required to be prepared and/or filed with any Environmental Regulatory Agency for operations on the Premises. Tenant must provide Port with copies of any of the documents within the scope of this Section 22.4(d) upon Port's request.

(e) Tenant must provide Port with copies of all non-privileged communications with Environmental Regulatory Agencies, copies of investigation reports conducted by Environmental Regulatory Agencies, and all non-privileged communications with other persons regarding actual Hazardous Materials Claims arising from Tenant's or its Agents' or Invitees' operations at the Premises.

(f) Port may from time to time request, and Tenant will be obligated to provide, available information reasonably adequate for Port to determine whether any and all Hazardous Materials are being Handled in a manner that complies with all Environmental Laws.

21.4. ***Remediation Requirement.***

(a) After notifying Port in accordance with ***Section 21.3*** and subject to ***Section 21.4(f)***, Tenant must Remediate, at its sole cost and in compliance with all Environmental Laws and this Lease, any Hazardous Material Condition occurring during the Term; provided Tenant must take all necessary immediate actions to the extent practicable to

address an emergent Hazardous Material Condition to confine or limit the extent or impact of such Hazardous Material Condition, and will then provide such notice to Port in accordance with ***Section 21.3***. Except as provided in the previous sentence, Tenant must obtain Port's approval, which approval will not be unreasonably withheld, conditioned or delayed, of a Remediation work plan whether or not such plan is required under Environmental Laws, then begin Remediation actions immediately following Port's approval of the work plan and continue diligently until Remediation is complete.

(b) In addition to its obligations under ***Section 21.4(a)***, before this Lease terminates for any reason, Tenant must Remediate, at its sole cost and in compliance with all Environmental Laws and this Lease any Hazardous Material Condition caused by Tenant's or its Agents' or Invitees' Handling, Release or Exacerbation of Hazardous Materials during the Term.

(c) In addition to its obligations under ***Section 21.4(a)***, but subject to ***Section 21.4(d)*** before this Lease terminates for any reason, Tenant must Remediate, at its sole cost and in compliance with all Environmental Laws and this Lease any Hazardous Material Condition discovered during the Term that is required to be Remediated by any Regulatory Agency if Remediation would not have been required but for Tenant's use of the Premises, or due to Subsequent Construction or construction of the Initial Improvements.

(d) If the Hazardous Material Condition requiring Remediation described in ***Section 21.4(c)*** was not caused by Tenant, its Agents, Subtenants or Invitees and such discovery of such Hazardous Material Condition first occurring during the last ten (10) years of the Term, Tenant will have the option, but not the obligation, to terminate this Lease upon satisfaction of all of the following conditions: (i) provide Port not less than one hundred twenty (120) days prior notice of its intent to terminate; and (ii) pay Port before the effective date of termination of this Lease, a termination fee equal to the annual Base Rent and Mello-Roos Taxes payable during the twenty-four (24) month period immediately following the effective termination date (the "**Early Termination Fee**"). If Tenant elects to terminate this Lease in accordance with this Section 21.4(d) and pays Port the Early Termination Fee, Tenant will have no Remediation obligation or any Indemnity obligations relating to such Hazardous Material Condition first occurring during the last ten (10) years of the Term.

(e) In all situations relating to Handling or Remediating Hazardous Materials, Tenant must take actions that are reasonably necessary in Port's reasonable judgment to protect the value of the Premises, such as obtaining Environmental Regulatory Approvals related to Hazardous Materials and taking measures to remedy any deterioration in the condition or diminution of the value of any portion of the Premises.

(f) Unless Tenant or its Subtenants or Agents or Invitees Exacerbate the Hazardous Material Condition or Handle or Release Pre-Existing Hazardous Materials in, on, under, around or about the Premises, Tenant will not be obligated to Remediate any Hazardous Material Condition existing before the Commencement Date.

21.5. ***Pesticide Prohibition***. Tenant will comply with the provisions of Chapter 3 of the San Francisco Environment Code (the "**Pesticide Ordinance**") which (i) prohibit the use of certain pesticides on City property and (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage, as further described in ***Section XX*** [**Note: Insert relevant section in Special City/Port Requirements Exhibit**].

21.6. ***Additional Definitions***.

"**Environmental Laws**" means all present and future federal, State and local Laws, statutes, rules, regulations, ordinances, standards, directives, and conditions of approval, all administrative or judicial orders or decrees and all permits, licenses, approvals or other entitlements, or rules of common law pertaining to Hazardous Materials (including the Handling, Release, or Remediation thereof), industrial hygiene or environmental conditions in the environment, including structures, soil, air, air quality, water, water quality and groundwater

conditions, any environmental mitigation measure adopted under Environmental Laws affecting any portion of the Premises, the protection of the environment, natural resources, wildlife, human health or safety, or employee safety or community right-to-know requirements related to the work being performed under this Lease. "**Environmental Laws**" include the City's Pesticide Ordinance (Chapter 39 of the San Francisco Administrative Code), Section 20 of the San Francisco Public Works Code (Analyzing Soils for Hazardous Waste), the FOG Ordinance, the [Mission Rock Risk Management Plan] and [insert any additional applicable references].

"**Environmental Regulatory Action**" when used with respect to Hazardous Materials means any inquiry, Investigation, enforcement, Remediation, agreement, order, consent decree, compromise, or other action that is threatened, instituted, filed, or completed by an Environmental Regulatory Agency in relation to a Release of Hazardous Materials, including both administrative and judicial proceedings.

"**Environmental Regulatory Agency**" means the United States Environmental Protection Agency, OSHA, any California Environmental Protection Agency board, department, or office, including the Department of Toxic Substances Control and the RWQCB, Cal-OSHA, the Bay Area Air Quality Management District, the San Francisco Department of Public Health, the San Francisco Fire Department, the SFPUC, Port, or any other Regulatory Agency now or later authorized to regulate Hazardous Materials.

"**Environmental Regulatory Approval**" means any approval, license, registration, permit, or other authorization required or issued by any Environmental Regulatory Agency, including any hazardous waste generator identification numbers relating to operations on the Premises and any closure permit.

"**Exacerbate**" or "**Exacerbating**" when used with respect to Hazardous Materials means any act or omission that increases the quantity or concentration or potential for human exposure of Hazardous Materials in the affected area, causes the increased migration of a plume of Hazardous Materials in soil, groundwater, or bay water, causes a Release of Hazardous Materials that had been contained until the act or omission, or otherwise requires Investigation or Remediation that would not have been required but for the act or omission, it being understood that the mere discovery of Hazardous Materials does not cause "**Exacerbation**". "**Exacerbate**" also includes the disturbance, removal or generation of Hazardous Materials in the course of Tenant's operations, Investigations, maintenance, repair, construction of Improvements and Alterations under this Lease. "**Exacerbate**" also means failure to comply with the Mission Rock Risk Management Plan. "**Exacerbation**" has a correlative meaning.

"**Handle**" when used with reference to Hazardous Materials means to use, generate, move, handle, manufacture, process, produce, package, treat, transport, store, emit, discharge or dispose of any Hazardous Material. "**Handling**" has a correlative meaning.

"**Hazardous Material**" means any material, waste, chemical, compound, substance, mixture, or byproduct that is identified, defined, designated, listed, restricted or otherwise regulated under Environmental Laws as a "hazardous constituent", "hazardous substance", "hazardous waste constituent", "infectious waste", "medical waste", "biohazardous waste", "extremely hazardous waste", "pollutant", "toxic pollutant", or "contaminant", or any other designation intended to classify substances by reason of properties that are deleterious to the environment, natural resources, wildlife, or human health or safety, including, without limitation, ignitability, infectiousness, corrosiveness, radioactivity, carcinogenicity, toxicity, and reproductive toxicity. Hazardous Material includes, without limitation, any form of natural gas, petroleum products or any fraction thereof, asbestos, asbestos-containing materials, polychlorinated biphenyls ("**PCBs**"), PCB-containing materials, and any substance that, due to its characteristics or interaction with one or more other materials, wastes, chemicals, compounds, substances, mixtures or byproducts, damages or threatens to damage the environment, natural resources, wildlife or human health or safety. "**Hazardous Materials**" also includes any chemical identified in the Mission Rock Risk Management Plan.

"**Hazardous Material Claim**" means any Environmental Regulatory Action or any claim made or threatened by any third party against the Indemnified Parties or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from the Release or Exacerbation of any Hazardous Materials, including Losses based in common law. Hazardous Materials Claims include Investigation and Remediation costs, fines, natural resource damages, damages for decrease in value of the Premises or other Port property, the loss or restriction of the use or any amenity of the Premises or other Port property, Attorneys' Fees and Costs and fees and costs of consultants and experts.

"**Hazardous Material Condition**" means the Release or Exacerbation, or threatened Release or Exacerbation of Hazardous Materials in, on, or under the Premises or the environment, or from any vehicles Tenant or its Agents and Invitees use in, on, or under the Premises during the Term.

"**Investigate**" or "**Investigation**" when used with reference to Hazardous Material means any activity undertaken to determine the nature and extent of Hazardous Material that may be located in, on, or under the Premises, any Improvements or any portion of the site or the Improvements or which have been, are being, or threaten to be Released into the environment. Investigation will include preparation of site history reports and sampling and analysis of environmental conditions in, on, or under the Premises or any Improvements.

"**Mission Rock Risk Management Plan**" means the that certain Mission Rock Risk Management Plan dated as of XXXX and prepared by XXXX.

"**New Hazardous Material**" means a Hazardous Material that is not a Pre-Existing Hazardous Material.

"**Pre-Existing Hazardous Materials**" means any Hazardous Material existing in, on, or under the Premises as of the Effective Date and identified in [insert reference to relevant environmental documents], or the Mission Rock Risk Management Plan.

"**Release**" means when used with respect to Hazardous Materials, any accidental, actual, imminent, or intentional spilling, introduction, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the air, soil, gas, land, surface water, groundwater or environment (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Material).

"**Remediate**" or "**Remediation**" when used with reference to Hazardous Materials means any activities undertaken to clean up, abate, remove, transport, dispose, contain, treat, stabilize, monitor, remediate, or otherwise control Hazardous Materials located in, on, under or about the Premises or which have been, are being, or threaten to be Released into the environment or to restore the affected area to the standard required by the applicable Environmental Regulatory Agency in accordance with application Environmental Laws and any additional Port requirements. Remediation includes, without limitation, those actions included within the definition of "**remedy**" or "**remedial action**" in California Health and Safety Code Section 25322 and "remove" or "removal" in California Health and Safety Code Section 25323.

"**State Lands Indemnified Parties**" means the State of California, the California State Lands Commission, and all of their respective heirs, legal representatives, successors and assigns, and all other Persons acting on their behalf.

22. DELAY DUE TO FORCE MAJEURE.

For all purposes of this Lease, a Party whose performance of its obligations hereunder is hindered or affected by events of Force Majeure will not be considered in breach of or in default in its obligations hereunder to the extent of any delay resulting from Force Majeure, provided, however, that the provisions of this ***Article 22*** will not apply to Tenant's obligation to pay Rent. A Party seeking an extension of time pursuant to the provisions of this section will give notice to the other Party describing with reasonable particularity (to the extent known) the facts and

circumstances constituting Force Majeure within (a) a reasonable time (but not more than fifteen (15) days) after knowledge of the beginning of such enforced delay or (b) promptly after the other Party's demand for performance.

23. PORT'S RIGHT TO PAY SUMS OWED BY TENANT.

23.1. ***Port May Pay Sums Owed by Tenant Following Tenant's Failure to Pay.*** Without limiting any other provision of this Lease, and in addition to any other rights or remedies available to Port for any Tenant Event of Default, if at any time Tenant fails to pay any sum required to be paid by Tenant pursuant to this Lease to any Person other than Port (other than any Imposition, mechanics' lien or encumbrance with respect to which the provisions of ***Article 6*** apply), or any other sum required to be paid by Tenant which Tenant is contesting in good faith and with due diligence, and which would not become a lien on the Property). Port may, at its sole option, but will not be obligated to, upon ten (10) days prior notice to Tenant, pay such sum for and on behalf of Tenant.

23.2. ***Tenant's Obligation to Reimburse Port.*** If pursuant to ***Section 23.1***, Port pays any sum required to be paid by Tenant hereunder, Tenant will reimburse Port as Additional Rent, the sum so paid. All such sums paid by Port are due from Tenant to Port at the time the sum is paid, and if paid by Tenant at a later date, will bear interest at the lesser of the Default Rate or the maximum non-usurious rate Port is permitted by Law to charge from the date such sum is paid by Port until Port is reimbursed in full by Tenant. Port's rights under this ***Article 23*** are in addition to its rights under any other provision of this Lease or under applicable Laws. The provisions of this ***Section 23.2*** will survive the expiration or earlier termination of this Lease.

24. EVENTS OF DEFAULT.

24.1. ***Events of Default.*** Subject to the provisions of ***Section 24.2***, the occurrence of any one or more of the following events which remain uncured after the passage of time set forth pursuant to this ***Article 24*** will constitute an "**Event of Default**" under the terms of this Lease:

(a) Tenant fails to pay any Rent or Imposition when due; provided, however, with respect to any non-recurring Rent only (i.e. not Base Rent nor Percentage Rent), Tenant fails to pay non-recurring Rent which failure continues for five (5) business days following written notice from Port; provided, further, Port will not be required to give such notice on more than two (2) occasions during any calendar year, and failure to pay any non-recurring Rent thereafter when due will be deemed a Tenant Event of Default without need for further notice;

(b) Tenant fails to maintain any insurance required to be maintained by Tenant under this Lease, which failure continues without cure for five (5) business days after written notice from Port;

(c) [Intentionally blank];

(d) Prior to the issuance of a Certificate of Completion, a Developer Event of Default (as such term is defined in the Vertical DDA) occurs under the Vertical DDA and remains uncured but such Tenant Event of Default under this Lease will be deemed cured if the Developer Event of Default is cured pursuant thereto;

(e) Tenant abandons the Premises, within the meaning of California Civil Code Section 1951.2, which abandonment is not cured within thirty (30) days after notice from Port of Port's belief of abandonment;

(f) The Premises are used for Prohibited Uses, as determined by Port in its reasonable discretion, and such Prohibited Use(s) continues for a period of twenty-four (24) hours following written notice from Port; provided, however, if such default cannot reasonably be cured within such twenty-four (24) hours, Tenant will not be in default of this Lease if Tenant commences to cure the default within such twenty-four (24) hours and diligently and in good faith continues to cure the default;

(g) [**Note: Applicable for certain leases**] Tenant fails to use the Minimum Public Benefit Area for the Required Uses, except as otherwise set forth in ***Section 3.7*** [or Tenant fails to provide the [Public Benefits]]*.

(h) Tenant fails to comply with the provisions of ***Section 10.1*** within five (5) days following written notice from Port; provided, however, if such default cannot reasonably be cured within such five (5) day period, Tenant will not be in default of this Lease if Tenant commences to cure the default within such five (5) day period and diligently and in good faith continues to cure the default provided, however, without limitation of the foregoing, the Parties agree that Tenant's internal meetings to determine the path to cure such default will be deemed to be a commencement of cure;

(i) Tenant fails to restore the Improvements after an event of Casualty in accordance with and within the time frame set forth in ***Section 14.2*** and such failure continues for a period of fifteen (15) days following written notice from Port; provided, however, if such default cannot reasonably be cured within such fifteen (15) days period, Tenant will not be in default of this Lease if Tenant commences to cure the default within such fifteen (15) day period and diligently and in good faith continues to cure the default;

(j) Tenant fails to comply with the provisions of ***Sections 21.1—21.5*** and such failure continues for a period of one (1) business day following written notice from Port; provided, however, if such default cannot reasonably be cured within such one (1) business day period, Tenant will not be in default of this Lease if Tenant commences to cure the default within such one (1) business day period and diligently and in good faith continues to cure the default; provided, further that the Parties agree that Tenant's internal meetings to determine the path to cure such default will be deemed to be a commencement of cure;

(k) Tenant files a petition for relief, or an order for relief is entered against Tenant, in any case under applicable bankruptcy or insolvency Law, or any comparable Law that is now or hereafter may be in effect, whether for liquidation or reorganization, which proceedings if filed against Tenant are not dismissed or stayed within one hundred eighty (180) days;

(l) A writ of execution is levied on the Leasehold Estate which is not released within one hundred eighty (180) days, or a receiver, trustee or custodian is appointed to take custody of all or any material part of the property of Tenant, which appointment is not dismissed within one hundred eighty (180) days; provided, however, that the exercise by a Lender of any of its remedies under its Mortgage will not, in and of itself, constitute a default under this ***Section 24.1(l)***;

(m) Tenant makes a general assignment for the benefit of its creditors; [or]

(n) Tenant violates any other covenant, or fails to perform any other obligation to be performed by Tenant under this Lease (including, but not limited to, any Mitigation and Improvement Measures that Tenant is required to comply with) at the time such performance is due, and such violation or failure continues without cure for more than thirty (30) days after written notice from Port specifying the nature of such violation or failure, or, if such cure cannot reasonably be completed within such thirty (30) day period, if Tenant does not within such thirty (30) day period commence such cure, or having so commenced, does not prosecute such cure with diligence and dispatch to completion within a reasonable time thereafter.

24.2. ***Courtesy Notice of Default to Mezzanine Lender and Mezzanine Lender Rights to Cure..***

(a) Port will (a) provide a copy of a notice of an Event of Default to Lender in accordance with ***Section 40***; (b) provide a courtesy copy of an Event of Default to any then current Mezzanine Lender that has requested a copy of an Event of Default notice in accordance

with ***Section 24.2(b)***, provided Port will not be in default for any failure or delay in providing any courtesy copy of such notice to any then current Mezzanine Lender. Mezzanine Lender will have the right (but not the obligation), at its option, to commence to cure or cause to be cured any Event of Default, within the same period afforded to Tenant. Port will also accept a cure of an Event of Default by any Tenant investor or Mezzanine Lender with the same force and effect as if performed by Tenant.

(b) Each Mezzanine Lender that has delivered a notice to Port in substantially the following form is entitled to receive a courtesy notice of an Event of Default in accordance with ***Section 24.2(a)***:

"The undersigned does hereby certify that it is a Mezzanine Lender, as such term is defined in that certain lease entered into by and between the City and County of San Francisco, operating by and through the San Francisco Port Commission, as landlord, and [insert name of Tenant], as tenant (the "**Lease**"). Mezzanine Lender has a security interest in the partnership/membership interest of Tenant. The undersigned hereby requests that a courtesy copy of an Event of Default notice given under the Lease to tenant by Port be sent to the undersigned at the following address: _____." The undersigned acknowledges that it has no claims against Port nor will Port be liable to the undersigned, for any Port failure to deliver a courtesy copy of any Event of Default notice to the undersigned.

25. REMEDIES. [NOTE: POTENTIALLY ADD BONDHOLDER RIGHTS PROVISIONS.]

25.1. ***Port's Remedies Generally***. Upon the occurrence and during the continuance of an Event of Default under this Lease, Port has all rights and remedies provided in this Lease or available at Law or in equity (including the right to seek injunctive relief or an order for specific performance, where appropriate), including the right to self-help to the extent provided for herein; provided, however, notwithstanding anything to the contrary in this Lease, any right to cure and any remedy available to Port regarding any Event of Default under the Workforce Development Plan, is limited to those rights and remedies provided in the applicable Law for such applicable Special City and Port Provisions; provided, further, Port's right to terminate this Lease for an Event of Default will be limited to Events of Default described in ***Sections 24.1(a) and 24.1(d)—24.1(m)***.

All of Port's rights and remedies are cumulative, and except as may be otherwise provided by applicable Law, the exercise of any one or more rights will not preclude the exercise of any other.

25.2. ***Right to Keep Lease in Effect.***

(a) **Continuation of Lease**. Port has the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations) under which Port may continue this Lease in full force and effect following the occurrence of an Event of Default. In the event Port elects this remedy, Port has the right to enforce by suit or otherwise, all covenants and conditions hereof to be performed or complied with by Tenant and exercise all of Port's rights, including the right to collect Rent when due. Upon the occurrence of an Event of Default, Port may, following written notice to Tenant, enter the Premises without terminating this Lease and relet them, or any part of them, to third parties for Tenant's account. Tenant will be liable immediately to Port for all reasonable costs Port incurs in reletting the Premises, including Attorneys' Fees and Costs, brokers' fees or commissions, expenses of remodeling the Premises required by the reletting and similar costs. Reletting can be for a period shorter or longer than the remaining Term, at such rents and on such other terms and conditions as Port determines in its sole discretion.

(b) **No Termination Without Notice**. No act by Port allowed by this ***Section 25.2***, nor any appointment of a receiver upon Port's initiative to protect its interest under

this Lease, will terminate this Lease, unless and until Port notifies Tenant in writing that Port elects to terminate this Lease.

(c) **Application of Proceeds of Reletting**. If Port elects to relet the Premises as provided in ***Section 25.2(a)***, the rent that Port receives from reletting will be applied to the payment of:

(i) First, all costs incurred by Port in enforcing this Lease, whether or not any action or proceeding is commenced, including Attorneys' Fees and Costs, brokers' fees or commissions, the costs of removing and storing Personal Property, costs in connection with reletting the Premises, or any portion thereof, altering, installing, modifying and constructing tenant improvements required for a new tenant, and costs of repairing, securing and maintaining the Premises to the standards set forth in this Lease or any portion thereof;

(ii) Second, the payments of any Imposition or any other indebtedness other than Rent due and unpaid hereunder from Tenant to Port;

(iii) Third, Rent due and unpaid under this Lease;

(iv) After deducting the payments referred to in this ***Section 25.2(c)***, any sum remaining from the rent Port receives from reletting will be held by Port and applied to monthly installments of future Rent as such amounts become due under this Lease. In no event will Tenant be entitled to any excess rent received by Port. If on a date Rent or other amount is due under the Lease, the rent received by Port as of such date from any reletting is less than the Rent or other amount due on that date, or if any costs incurred by Port in reletting, remain after applying the rent received from such reletting, Tenant will pay to Port such deficiency. Such deficiency will be calculated and paid monthly.

(d) **Payment of Rent**. Tenant will pay to Port Rent on the dates the Rent is due, less the rent Port has received from any reletting which exceeds all costs and expenses described in ***Section 25.2(c)***.

25.3. ***Port's Right to Cure Tenant's Default***. Port, at any time after Tenant commits an Event of Default, may, at Port's sole option, cure the default at Tenant's cost. If Port at any time following an Event of Default, by reason of Tenant's default, undertakes any act to cure or attempt to cure such default that requires the payment of any sums, or otherwise incurs any costs, damages, or liabilities (including without limitation, Attorneys' Fees and Costs), all such sums, costs, damages or liabilities paid by Port will be due immediately from Tenant to Port at the time the sum is paid, and if paid by Tenant at a later date will bear interest at the lesser of the Default Rate or the maximum non-usurious rate Port is permitted by Law to charge from the date such sum is paid by Port until Port is reimbursed by Tenant.

25.4. ***Termination of Tenant's Right to Possession***.

(a) Before exercising any right to terminate this Lease as a result of Tenant's failure to timely commence Construction of the Initial Improvements as described in ***Section 11.2***, which failure also results in a Developer Event of Default under the DDA, Tenant will have thirty (30) days following Port's delivery of a notice of such default to cure.

(b) Before exercising any right to terminate this Lease and Tenant's right to possession of the Premises for the following Events of Default, Port will provide Tenant with a second written notice ("**Second Default Notice**") and the additional cure period set forth below:

(i) For an Event of Default under ***Section 24.1(a)***, Tenant will have five (5) business days following delivery of the Second Default Notice to cure;

(ii) For an Event of Default under ***Sections 24.1(d), 24.1(e), 24.1(h), or 24.1(i)***, Tenant will have ten (10) days following delivery of the Second Default Notice to cure; provided, however, if such default cannot reasonably be cured within such ten (10) day

period, then Port will not exercise its termination right if Tenant is diligently and in good faith continues to cure the default to completion;

(iii) For an Event of Default under ***Sections 24.1(f), 24.1(g), or 24.1(j)***, Tenant will have one (1) business day following delivery of the Second Default Notice to cure; provided, however, if such default cannot reasonably be cured within such one (1) business day period, then Port will not exercise its termination right if Tenant is diligently and in good faith continues to cure the default to completion;

(iv) For an Event of Default under ***Sections 24.1(k), 24.1(l), or 24.1(m)***, Tenant will have thirty (30) days following delivery of the Second Default Notice to cure, which may include a dismissal or stay, as applicable;

(c) Port may terminate this Lease and Tenant's right to possession of the Premises for the Events of Default described in ***Sections 25.4(a) or 25.4(b)*** at any time following expiration of the applicable cure periods set forth in ***Sections 25.4(a) and 25.4(b)*** for the applicable Event of Default by providing Tenant with a written notice of termination.

(d) Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Port's initiative to protect Port's interest under this Lease will not constitute a termination of Tenant's right to possession.

(e) If Port elects to terminate this Lease, Port has the rights and remedies provided by California Civil Code Section 1951.2, including the right to recover from Tenant the following:

(i) The worth at the time of award of the unpaid Rent which had been earned at the time of termination; plus

(ii) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could be reasonably avoided; plus

(iv) Any other amounts necessary to compensate Port for the detriment proximately caused by Tenant's default, or which, in the ordinary course of events, would likely result therefrom. Efforts by Port to mitigate the damages caused by Tenant's breach of this Lease do not waive Port's rights to recover damages upon termination.

The "**worth at the time of award**" of the amounts referred to in ***Sections 25.4(e)(i)*** and ***25.4(e)(ii) above*** will be computed by allowing interest at an annual rate equal to the lesser of the Interest Rate or the maximum non-usurious rate Port is permitted by Law to charge. The "**worth at the time of award**" of the amount referred to in ***Section 25.4 above*** will be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

25.5. ***Continuation of Subleases and Other Agreements***. Port has the right, at its sole option, to assume any and all Subleases and agreements by Tenant for the maintenance or operation of the Premises (to the extent assignable) following an Event of Default and termination of Tenant's interest in this Lease. Tenant hereby further covenants that, upon request of Port following an Event of Default and termination of Tenant's interest in this Lease, Tenant will execute, acknowledge and deliver to Port such further instruments as may be necessary or desirable to vest or confirm or ratify vesting in Port the then existing Subleases and other agreements then in force, as above specified.

25.6. ***Appointment of Receiver***. During the continuance of an Event of Default, Port has the right to have a receiver appointed to collect Rent and conduct Tenant's business. Neither

the filing of a petition for the appointment of a receiver nor the appointment itself will constitute an election by Port to terminate this Lease.

25.7. ***Waiver of Redemption.*** Tenant hereby waives, for itself and all Persons claiming by and under Tenant, redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 and 1179, or under any other pertinent present or future Law, in the event Tenant is evicted or Port takes possession of the Premises by reason of any Event of Default.

25.8. ***Liquidated Damages for Repeat Prohibited Uses.*** In addition to the other remedies available to Port under this Lease for an Event of Default under ***Section 24.1(f)***, if Tenant uses the Premises for the same type of Prohibited Use more than two (2) times within a six (6) month period, then Tenant will pay Port the Prohibited Use Charge as further described in ***Section 3.3***.

25.9. ***Horizontal Developer Right to Perform Deferred Infrastructure.*** If Tenant fails to complete the Deferred Infrastructure within the time frame set forth in the VCA, then Tenant will grant Horizontal Developer access to the Premises to complete the same. **[Note: Move to VDDA instead. Provision applicable only for development parcels where Tenant has obligation to complete Deferred Infrastructure.]**

25.10. ***Remedies Not Exclusive.*** The remedies set forth in this ***Article 25*** are not exclusive; they are cumulative and in addition to any and all other rights or remedies of Port now or later allowed by other terms and provisions of this Lease, Law or in equity. Tenant's obligations hereunder will survive any termination of this Lease.

26. EQUITABLE RELIEF.

In addition to the other remedies provided in this Lease, either Party is entitled at any time after a default or threatened default by the other Party to seek injunctive relief or an order for specific performance, where appropriate to the circumstances of such default. In addition, after the occurrence of an event of default by the other Party, the non-defaulting Party is entitled to any other equitable relief which may be appropriate to the circumstances of such event of default.

27. NO WAIVER.

27.1. ***No Waiver by Port or Tenant.*** No failure by Port or Tenant to insist upon the strict performance of any term of this Lease or to exercise any right, power or remedy consequent upon a breach of any such term, will be deemed to imply any waiver of any such breach or of any such term unless clearly expressed in writing by the Party against which waiver is being asserted. No waiver of any breach will affect or alter this Lease, which will continue in full force and effect, or the respective rights of Port or Tenant with respect to any other then existing or subsequent breach.

27.2. ***No Accord or Satisfaction.*** No submission by Tenant or acceptance by Port of full or partial Rent or other sums during the continuance of any failure by Tenant to perform its obligations hereunder will waive any of Port's rights or remedies hereunder or constitute an accord or satisfaction, whether or not Port had knowledge of any such failure except with respect to the Rent so paid. No endorsement or statement on any check or remittance by or for Tenant or in any communication accompanying or relating to such payment will operate as a compromise or accord or satisfaction unless the same is approved as such in writing by Port. Port may accept such check, remittance or payment and retain the proceeds thereof, without prejudice to its rights to recover the balance of any Rent, including any and all Additional Rent, due from Tenant and to pursue any right or remedy provided for or permitted under this Lease or in law or at equity. No payment by Tenant of any amount claimed by Port to be due as Rent hereunder (including any amount claimed to be due as Additional Rent) will be deemed to waive any claim which Tenant may be entitled to assert with regard to the making of such payment or the amount

thereof, and all such payments will be without prejudice to any rights Tenant may have with respect thereto, whether or not such payment is identified as having been made "under protest" (or words of similar import).

28. DEFAULT BY PORT; TENANT'S REMEDIES.

28.1. ***Default by Port***. Port will be deemed to be in default hereunder only if Port fails to perform or comply with any obligation on its part hereunder, and (i) such failure continues for more than the time of any cure period provided herein, or, (ii) if no cure period is provided herein, for more than sixty (60) days after written notice thereof from Tenant (provided that, Port will use reasonable efforts to cure such default within a thirty (30) day period) after receipt of such written notice from Tenant, or, (iii) if such default cannot reasonably be cured within such sixty (60) day period, Port does not within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, thereafter fails or neglects to prosecute or complete with diligence and dispatch the curing of such default.

28.2. ***Tenant's Exclusive Remedies***. Upon the occurrence of default by Port described above, which default substantially and materially interferes with the ability of Tenant to conduct the use on the Premises provided for hereunder or materially obstructs the realization of the Project, Tenant has the exclusive right (a) to offset or deduct only from the Rent becoming due hereunder, or if no Rent is due hereunder, then the amount of the damage award will be amortized over a ten (10) year period and payable by Port on a monthly basis, but in either event only after obtaining a final, unappealable judgment in a court of competent jurisdiction for such damages in accordance with applicable Law and the provisions of this Lease, or (b) to seek equitable relief in accordance with applicable Laws and the provisions of this Lease where appropriate and where such relief does not impose personal liability on Port or its Agents; provided, however, (x) in no event will Tenant be entitled to offset from all or any portion of the Rent becoming due hereunder or to otherwise recover or obtain from Port or its Agents any damages (including, without limitation, any indirect or consequential, incidental, punitive or special damages proximately arising out of a default by Port hereunder) or Losses other than Tenant's actual damages as described in the foregoing clause (a), (y) Tenant agrees that, notwithstanding anything to the contrary herein or pursuant to any applicable Laws, Tenant's remedies hereunder constitutes Tenant's sole and absolute right and remedy for a default by Port hereunder, and (z) Tenant has no remedy of self-help.

29. TENANT'S RECOURSE AGAINST PORT.

29.1. ***No Recourse Beyond Value of Property Except as Specified***. Tenant agrees that notwithstanding any other term or provision of this Lease, (a) Tenant will have no recourse with respect to, and Port will not be liable for, any obligation of Port under this Lease, or for any claim based upon this Lease, except to the extent of the fair market value of Port's fee interest in the Premises (as encumbered by this Lease) and (b) neither Port nor the Indemnified Parties will be liable under any circumstances for injury or damage to, or interference with Tenant's business, including loss or profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring. By Tenant's execution and delivery hereof and as part of the consideration for Port's obligations hereunder Tenant expressly waives all such liability.

29.2. ***No Recourse Against Specified Persons***. No commissioner, officer or employee of Port or City will be personally liable to Tenant, or any successor in interest, for any Event of Default by Port, and Tenant agrees that it will have no recourse with respect to any obligation of Port under this Lease, or for any amount which may become due Tenant or any successor or for any obligation or claim based upon this Lease, against any such Person.

29.3. ***Nonliability of Tenant's Members, Partners, Shareholders, Directors, Officers and Employees***. No member, officer, partner, shareholder, director, board member, agent, or employee of Tenant will be personally liable to Port, and Port will have no recourse against any

of the foregoing, in an Event of Default by Tenant or for any amount which may become due to Port or on any obligations under the terms of this Lease or any claim based upon this Lease.

30. LIMITATIONS ON LIABILITY.

30.1. ***Waiver of Indirect or Consequential, Incidental, Punitive or Special Damages.*** As a material part of the consideration for this Lease, neither Party (including the Indemnified Parties) will be liable for, and each Party hereby waives any claims against the other Party for any indirect or consequential, incidental, punitive, special damages.

30.2. ***Limitation on Port's Liability Upon Transfer.*** In the event of any transfer of Port's interest in and to the Premises, Port (and in case of any subsequent transfers, the then transferor) will automatically be relieved from and after the date of such transfer of all liability with regard to the performance of any covenants or obligations contained in this Lease thereafter to be performed on the part of Port (or such transferor, as the case may be), but not from liability incurred by Port (or such transferor, as the case may be) on account of covenants or obligations to be performed by Port (or such transferor, as the case may be) hereunder before the date of such transfer; provided, however, that Port (or such subsequent transferor) has transferred to the transferee any funds in Port's (or in the possession of such subsequent transferor) in which Port (or such subsequent transferor) has an interest, in trust, for application pursuant to the provisions hereof, and such transferee has assumed all liability for all such funds so received by such transferee from Port (or such subsequent transferor).

31. ESTOPPEL CERTIFICATES BY TENANT AND SUBTENANT.

(a) Tenant will execute, acknowledge and deliver to Port (or at Port's request, to a prospective purchaser or mortgagee of Port's interest in the Premises, within fifteen (15) business days after a request, a certificate substantially in the form attached hereto as ***Exhibit XX*** stating to the best of Tenant's actual knowledge after diligent inquiry (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the modifications or, if this Lease is not in full force and effect, so stating), (b) the dates, if any, to which any Rent and other sums payable hereunder have been paid, (c) that no notice has been received by Tenant of any default hereunder which has not been cured, except as to defaults specified in such certificate and (d) any other matter actually known to Tenant, directly related to this Lease and reasonably requested by Port. [**Note: May be expanded for assignments.**]

(b) Unless otherwise requested, Tenant will attach to such certificate a copy of this Lease, and any amendments thereto, and include in such certificate a statement by Tenant that, to the best of Tenant's knowledge, such attachment is a true, correct and complete copy of this Lease, as applicable, including all modifications thereto.

(c) Any such certificate may be relied upon by any Port, any successor agency, and any prospective purchaser or mortgagee of the Premises or any part of Port's interest therein.

(d) Tenant will insert a provision similar to this Section into each Sublease, requiring Subtenants under Subleases to execute, acknowledge and deliver to Port, within twenty (20) business days after request, an estoppel certificate substantially in the form attached hereto as ***Exhibit XX***, covering, among other things, the matters described in clauses (a), (b), (c) and (d) above with respect to such Sublease, along with a true and correct copy of the applicable Sublease and all amendments thereto.

32. ESTOPPEL CERTIFICATES BY PORT.

Port will execute, acknowledge and deliver to Tenant (or at Tenant's request, to any prospective Subtenant that is entitled to obtain a Non-Disturbance Agreement from Port in accordance with ***Section 18.4(b)***, prospective Lender meeting the requirements of ***Article 40***, any Mezzanine Lender that has requested a copy of an Event of Default in accordance with

Section 24.2(b) or a prospective Mezzanine Lender, prospective purchaser, or other prospective transferee of Tenant's interest under this Lease), within fifteen (15) business days after a request, a certificate substantially in the form attached hereto as ***Exhibit XX*** stating to Port's actual knowledge after diligent inquiry (or with respect to any estoppel certificates being provided to Mezzanine Lenders, to the actual knowledge of Port's project manager for this Lease without diligent inquiry) (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and stating the modifications or if this Lease is not in full force and effect, so stating), (b) the dates, if any, to which Rent and other sums payable hereunder have been paid, (c) whether or not, to the knowledge of Port, there are then existing any defaults under this Lease (and if so, specifying the same) and (d) any other matter actually known to Port, directly related to this Lease and reasonably requested by the requesting Party. In addition, if requested, Port will attach to such certificate a copy of this Lease and any amendments thereto, and include in such certificate a statement by Port that, to the best of its knowledge, such attachment is a true, correct and complete copy of this Lease, including all modifications thereto. Any such certificate may be relied upon by Tenant or any prospective Subtenant, Lender, prospective Lender, prospective purchaser, or other prospective transferee of Tenant's interest under this Lease.

33. APPROVALS BY PORT; STANDARD OF REVIEW; FEES FOR REVIEW.

33.1. ***Approvals by Port.*** The Port's Executive Director or his or her designee, is authorized to execute on behalf of Port any closing or similar documents and any contracts, agreements, memoranda or similar documents with State, regional or local authorities or other Persons that are necessary or proper to achieve the purposes and objectives of this Lease and do not materially increase the obligations of Port hereunder, if the Executive Director reasonably determines, after consultation with, and approval as to form by, the City Attorney, that the document is necessary or proper and in Port's best interests. The Port Executive Director's signature of any such documents will conclusively evidence such a determination by him or her. Wherever this Lease requires or permits the giving by Port of its consent or approval, or whenever an amendment, waiver, notice, or other instrument or document is to be executed by or on behalf of Port, the Executive Director, or his or her designee, is authorized to execute such instrument on behalf of Port, except as otherwise provided by applicable Law, including the City's Charter to the extent applicable, or if the Executive Director determines, in his or her sole discretion, that Port Commission action approving execution of such instrument is necessary.

33.2. ***Standard of Review.*** Except as expressly provided otherwise or when Port is acting in its regulatory capacity, the following standards will apply to the Parties' conduct under this Lease.

(a) **Advance Writings Required**. Whenever a Party's approval or waiver is required: (i) the approval or waiver must be obtained in advance and in writing; and (ii) the Party whose approval or waiver is sought may not unreasonably withhold, condition, or delay its approval or waiver, as applicable.

(b) **Commercial Reasonableness**. Whenever a Party is permitted to make a judgment, form an opinion, judge the sufficiency of the other Party's performance, exercise discretion in taking (or refraining from taking) any action or making any determination, or grant or withhold its approval or consent, unless otherwise stated in this Lease, that Party must employ commercially reasonable standards in doing so. In general, the Parties' conduct in implementing this Lease, including construction of Improvements, disapprovals, demands for performance, requests for additional information, and any exercise of an election or option, must be commercially reasonable.

33.3. ***Fees for Review.*** Unless a different time period is required in this Lease, within thirty (30) days after Port's written request, Tenant will pay Port, as Additional Rent, Port's reasonable costs, including, without limitation, Attorneys' Fees and Costs and costs for Port staff time incurred in connection with the review, investigation, processing, documentation and/or

approval of any proposed Transfer, Sale, Mortgage, estoppel certificate, Non-Disturbance Agreement, Refinancing, other certificate, or Subsequent Construction (excluding any such costs incurred by Port's regulatory capacity, which costs will be paid separately by Tenant to the extent required in connection with the review or processing of such regulatory request). Tenant will pay such costs regardless of whether or not Port consents to such proposal.

34. NO MERGER OF TITLE.

There will be no merger of the Leasehold Estate with the fee estate in the Premises by reason of the fact that the same Person may own or hold (a) the Leasehold Estate or any interest in such Leasehold Estate, and (b) any interest in such fee estate. No such merger will occur unless and until all Persons having any interest in the Leasehold Estate and the fee estate in the Premises join in and record a written instrument effecting such merger.

35. QUIET ENJOYMENT.

Subject to the Permitted Title Exceptions, the terms and conditions of this Lease, the Vertical DDA (while in effect), and applicable Laws, Port agrees that Tenant, upon paying the Rent and observing and keeping all of the covenants under this Lease on its part to be kept, will lawfully and quietly hold, occupy and enjoy the Premises during the Term without hindrance or molestation by Port. Notwithstanding the foregoing, Port has no liability to Tenant in the event any defect exists in the title of Port as of the Commencement Date, whether or not such defect affects Tenant's rights of quiet enjoyment (unless such defect is due to City's willful misconduct). Tenant's sole remedy with respect to any such existing title defect is to obtain compensation by pursuing its rights against any title insurance company or companies issuing title insurance policies to Tenant.

36. SURRENDER OF PREMISES.

36.1. ***Condition of Premises.*** Except as set forth in ***Section 36.2***, upon the expiration or earlier termination of this Lease, Tenant will quit and surrender to Port the Premises (i) in good order and condition consistent with the requirements of ***Section 10.1***, reasonable wear and tear excepted to the extent the same is consistent with maintenance of the Premises in the condition required hereunder; (ii) clean, free of debris, waste, and Hazardous Materials (other than any Pre-Existing Hazardous Materials that have not been Handled, Released, or Exacerbated), and (iii) free and clear of all liens and encumbrances other than the Permitted Title Exceptions and other licenses, easements or access rights approved or consented to by Port in accordance with ***Section 3.5***. If it is determined by Port that the condition of all or any portion of the Premises is not in compliance with the provisions of this Lease with respect to Hazardous Materials at the expiration or earlier termination of this Lease, then at Port's sole option, Port may require Tenant to hold over possession of the Premises until Tenant can surrender the Premises to Port in the condition required herein. Except as set forth in ***Section 36.2***, the Premises will be surrendered with all Improvements, repairs, alterations, additions, substitutions and replacements thereto. Tenant hereby agrees to execute all documents as Port may deem necessary to evidence or confirm any such other termination.

36.2. ***Demolition of Improvements.***

(a) **Notice**. At the expiration or earlier termination of this Lease, at Port's sole election ("**Demolition Option**"), Port may require Tenant, at Tenant's sole cost, to Demolish and Remove the Improvements and surrender the Premises as a vacant parcel of unimproved real property. Port will notify Tenant of Port's election to exercise the Demolition Option (i) no later than twenty-four (24) months prior to the expiration of this Lease, (ii) within ninety (90) days following Tenant's election to terminate this Lease in accordance with ***Section 7.3*** (Termination for Cost Associated with Change in Laws), ***Section 14.3(a)*** (Termination for Major Casualty), or ***Article 15*** (Condemnation), or (iii) upon termination of this Lease due to an Event of Default described in ***Section 25.4***.

(b) **Access After Termination**. If Port exercises the Demolition Option in accordance with ***Section 36.2(a)***, then if Port agrees that Tenant will complete the Demolition and Removal after the expiration or earlier termination of this Lease (or promptly thereafter if the Lease is terminated due to an Event of Default described in ***Section 25.4***), Port and Tenant will enter into Port's standard license granting Tenant non-possessory access to the Premises in order for Tenant to perform the Demolition and Repair following the expiration or earlier termination of this Lease; provided, however, Tenant will perform the Demolition and Removal in compliance with ***Article 12*** (Construction) and Port may require insurance, bond, guaranty, Indemnification, and other requirements that exceed the coverage amounts or licensee obligations set forth in Port's standard license, that Port determines are reasonably appropriate to protect its interest in light of the risks and liabilities associated with the Demolition and Removal.

(c) **Period to Complete**. Tenant must commence and complete the Demolition and Removal in a timely manner, with due diligence and care, and complete the same within the time period agreed to between the Parties, but in no event shall Tenant commence such Demolition and Removal later than six (6) months following the expiration or earlier termination of this Lease. The provisions of this ***Section 36.2*** will survive the expiration or earlier termination of this Lease.

36.3. ***Personal Property***. On or before expiration or earlier termination of this Lease, Tenant will remove, and will cause all Subtenants to remove (other than any Subtenants that are permitted to remain on the Premises beyond the termination of this Lease in accordance with a Non-Disturbance Agreement previously entered into between the applicable Subtenant and Port), all of their respective Personal Property and Signs within the Premises. If the removal of such Personal Property causes damage to the Premises, Tenant must promptly repair such damage, at no cost to Port. Any items not removed by Tenant as required herein will be deemed abandoned and may be stored, removed, and disposed of by Port at Tenant's sole cost and expense, and Tenant waives all claims against Port for any Losses resulting from Port's retention, removal or disposition of such Personal Property; provided, however, that Tenant will be liable to Port for all costs incurred in storing, removing and disposing of such abandoned property or repairing any damage to the Premises resulting from such removal.

36.4. ***Quitclaim***. Upon the expiration or earlier termination of this Lease, the Premises will automatically, and without further act or conveyance on the part of Tenant or Port, become the property of Port, free and clear of all liens and without payment therefore by Port and will be surrendered to Port upon such date. Upon or at any time after the expiration or earlier termination of this Lease, if requested by Port, Tenant will promptly deliver to Port, without charge, a quitclaim deed to the Premises and any other instrument reasonably requested by Port to evidence or otherwise effectuate the termination of the Leasehold Estate and to effectuate such transfer or vesting of title to the Premises, the Improvements and Personal Property that Port agrees are to remain within the Premises.

37. HOLD OVER.

Any holding over by Tenant after the expiration or termination of this Lease will not constitute a renewal hereof but will be deemed a month-to-month tenancy and will be upon each and every one of the other terms, conditions and covenants of this Lease, except that Base Rent payable for the applicable month will be equal to the higher of: (i) twenty percent (20%) of the average Adjusted Gross Income for the three (3) Lease Years immediately prior to the Expiration Date, or (ii) eight hundred percent (800%) of the monthly Base Rent payable for the month immediately preceding the Expiration Date. Either Party may cancel said month-to-month tenancy upon thirty (30) days written notice to the other party.

38. NOTICES.

38.1. ***Notices.*** All notices, demands, consents, and requests which may or are to be given by any Party to the other must be in writing, except as otherwise provided herein. All notices, demands, consents and requests to be provided hereunder will be deemed to have been properly given on the date of receipt if served personally on a day that is a business day (or on the next business day if served personally on a day that is not a business day), or, if mailed, on the date that is two (2) days after the date when deposited with the U.S. Postal Service for delivery by United States registered or certified mail, postage prepaid, in either case, addressed as follows:

To Port:	Port of San Francisco Pier 1 San Francisco, CA 94111 Attention: Deputy Director of Real Estate and Development (Reference: [Insert Address of Premises/Mission Rock] Telephone: (415) 274-0400
With a copy to:	Port of San Francisco Pier 1 San Francisco, CA 94111 Attention: Port General Counsel (Reference: [Insert Address of Premises/Mission Rock] Telephone: (415) 274-0400
To Tenant:	
With a copy to:	

or at such other place or places in the United States as each such Party may from time to time designate by written notice to the other in accordance with the provisions hereof. For convenience of the Parties, copies of notices may also be given by electronic-mail to the electronic-mail address set forth above (or such other number or address as may be provided from time to time by notice given in the manner required hereunder); however, neither Party may give official or binding notice by electronic-mail.

38.2. ***Form and Effect of Notice.*** Every notice given to a Party or other Person under this Section must state (or accompanied by a cover letter that states):

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

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

In no event will a recipient's approval of or consent to the subject matter of a notice be deemed to have been given by its failure to object thereto if such notice (or the accompanying cover letter) does not comply with the requirements of this ***Section 38.2***.

39. ACCESS TO THE PREMISES BY PORT.

39.1. ***Entry by Port.*** Port and its authorized Agents have the right to enter the Premises without notice at any time during normal business hours of generally recognized business days, provided that Tenant or Tenant's Agents are present on the Premises (except in the event of an emergency), for the purpose of inspecting the Premises to determine whether the Premises is in good condition and whether Tenant is complying with its obligations under this Lease.

39.2. ***General Entry.*** In addition to its rights pursuant to ***Section 39.3***, subject to the rights of any Subtenants, Port and its authorized Agents will have the right to enter the Premises at all reasonable times and upon reasonable notice as stated below for any of the following purposes:

(1) To perform any necessary maintenance, repairs or restoration to the Premises or to perform any services which Port has the right or obligation to perform in accordance with ***Section 10.1*** or***25.2***;

(2) To serve, post, or keep posted any notices required or allowed under the provisions of this Lease;

(3) To post "**For Sale**" signs at any time during the Term; to post "**For Lease**" signs during the last six (6) months of the Term or during any period in which an Event of Default is continuing;

(4) On an occasional basis, at all reasonable times after giving Tenant reasonable advance written or oral notice, to show the Premises to prospective tenants or other interested parties during the last eighteen (18) months of the Term; and

(5) To obtain environmental samples and perform equipment and facility testing.

Port agrees to give Tenant reasonable prior notice of Port's entering on the Premises except in an emergency for the purposes set forth above. Such notice will be not less than three (3) business days' prior notice. Tenant will have the right to have a representative of Tenant accompany Port or its Agents on any entry into the Premises. Notwithstanding the foregoing, no notice will be required for Port's entry onto public areas of the Premises during regular business hours unless such entry is for the purposes set forth in ***Section 39.2***.

39.3. ***Emergency Entry.*** Port may enter the Premises at any time, without notice, in the event of an emergency. Port will have the right to use any and all means which Port may deem proper in such an emergency in order to obtain entry to the Premises. Entry to the Premises by any of these means, or otherwise, will not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion of the Premises.

39.4. ***No Liability.*** Port will not be liable in any manner, and Tenant hereby waives any claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, including without limitation any abatement or reduction in Rent, arising out of Port's entry onto the Premises as provided in ***Article 41*** or performance of any necessary or required work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, except damage resulting solely from the willful misconduct or gross negligence of Port or its authorized representatives.

39.5. ***Non-Disturbance.*** Port will use its commercially reasonable efforts to conduct its activities on the Premises as allowed in this ***Article 39*** in a manner which, to the extent reasonably practicable, will minimize annoyance or disturbance to Tenant.

39.6. ***Subtenant Agreement.*** Tenant will require each Subtenant to permit Port to enter its premises for the purposes specified in ***Section 39.1*** through ***Section 39.3***.

40. MORTGAGES. [UNDER CONTINUED DISCUSSION BY PARTIES]

40.1. *Mortgages.*

(a) **Right to Grant Mortgages**. Tenant has the right during the Term, to grant a mortgage, deed of trust or other security instrument (each a "**Mortgage**") encumbering (i) all or a portion of the Leasehold Estate in all or a portion of the Premises, (ii) Borrower's interest in any permitted Subleases thereon, (iii) any Personal Property of Borrower, (iv) products and proceeds of the foregoing, and (v) any other rights and interests of Borrower arising under this Lease for the benefit of a Bona Fide Institutional Lender (together with its successors in interest, a "**Lender**") as security for one or more loans related solely to the Project or the Property, the proceeds from which are used to pay or reimburse costs incurred in connection with the Project and/or the Property, subject to the terms and conditions contained in this *Article 40*.

"**Bona Fide Institutional Lender**" means any one or more of the following, whether acting in its own interest and capacity or in an agency or a fiduciary capacity for one or more Persons none of which need be Bona Fide Institutional Lenders: (i) a savings bank, a savings and loan association, a commercial bank or trust company or branch thereof, an insurance company, a licensed California finance lender, any agency or instrumentality of the United States government or any state or City governmental authority, a pension fund, an investment banking or merchant banking firm, or any entity directly or indirectly sponsored or managed by any of the foregoing, or other lender, all of which, at the time a Mortgage is recorded in favor of such entity, owns or manages assets of at least Five Hundred Million Dollars ($500,000,000) in the aggregate (or the equivalent in foreign currency), or (ii) a Low Income Housing Credit investor or Affiliate thereof that has given a loan to Tenant to optimize or utilize effectively the Low Income Housing Tax Credits.

(b) **Restrictions on Financing**. No Mortgage will be granted to secure obligations unrelated to the Project and/or the Property or to provide compensation or rights to a Lender in return for matters unrelated to the Project and/or the Property.

(c) **Leasehold Mortgages Subject to this Lease**. With the exception of the rights expressly granted to Lenders in this *Article 40*, the execution and delivery of a Mortgage will not give or be deemed to give a Lender any greater rights than those granted to Tenant hereunder.

(d) **Transfer by Lenders**. A Lender may transfer or assign all or any part of or interest in any Mortgage to a Bona Fide Institutional Lender without the consent of or notice to any Party; provided, however, that Port will have no obligations under this Agreement to a Lender unless Port is notified of such Lender. Furthermore, Port's receipt of notice of a Lender following Port's delivery of a notice or demand to Tenant or to one or more Lenders under *Section 40.4* will not result in an extension of any of the time periods in this *Article 40*, including the cure periods specified in *Section 40.5*.

(e) **No Subordination of Fee Interest or Rent**. Under no circumstance whatsoever will a Lender place or suffer to be placed any lien or encumbrance on Port's fee interest in the Land in connection with any financing permitted hereunder, or otherwise. Port will not subordinate its interest in the Premises, nor its right to receive Rent, to any Lender.

(f) **Violation of Covenant**. Any Mortgage not permitted by this *Article 40* will be deemed to be a violation of this covenant on the date of its execution or filing of record regardless of whether or when it is foreclosed or otherwise enforced.

40.2. *Copy of Notice of Default to Lender.*

(a) **Copy to Lender**. Whenever Port delivers any notice or demand to Tenant for any breach or default by Tenant in its obligations or covenants under this Lease, Port will at the same time forward a copy of such notice or demand to each Lender that has previously made

a written request to Port for a copy of any such notices in accordance with ***Section 40.2(b)***. A delay or failure by Port to provide such notice or demand to any Lender that has previously made a written request therefor will extend, by the number of days until notice is given, the time allowed to such Lender to cure.

(b) **Notice from Lender to Port**. Each Lender is entitled to receive notices in accordance with ***Section 40.2(a)*** provided such Lender has delivered a notice to Port in substantially the following form:

"The undersigned does hereby certify that it is a Lender, as such term is defined in that certain lease entered into by and between the City and County of San Francisco, operating by and through the San Francisco Port Commission, as landlord, and [insert name of Tenant], as tenant (the "**Lease**"), of tenant's interest in the Lease demising the property, a legal description of which is attached hereto as ***Exhibit A*** and made a part hereof by this reference. The undersigned hereby requests that copies of any and all notices from time to time given under the Lease to tenant by Port be sent to the undersigned at the following address:

_____."

If Lender desires to have Port acknowledge receipt of Lender's name and address delivered to Port pursuant to this ***Section 40.2(b)***, then such request must be made in bold, underlined and in capitalized letters.

40.3. ***Lender's Option to Cure Defaults.***

(a) Before or after receiving any notice of failure to cure referred to in ***Section 40.2***, Lender will have the right (but not the obligation), at its option, to commence to cure or cause to be cured any Event of Default, within the same period afforded to Tenant hereunder plus an additional period of (a) fifteen (15) days with respect to a monetary Event of Default and (b) forty-five (45) days with respect to a non-monetary Event of Default that is susceptible of cure by such Lender without obtaining title to the applicable property subject to the applicable Mortgage or acquiring the ownership interests in Tenant, as applicable.

(b) If a non-monetary Event of Default cannot be cured by Lender without obtaining title to the Leasehold Estate, or applicable portion thereof, Port will refrain from exercising its right to terminate this Lease and will permit the cure by a Lender of such Event of Default if, within the cure period set forth in ***Section 40.3(a)***: (i) such Lender notifies Port in writing that such Lender intends to proceed with due diligence to foreclose the Mortgage or otherwise obtain title to the subject property or ownership interests, as applicable; (ii) such Lender commences foreclosure proceedings whether by non-judicial foreclosure, judicial foreclosure, by appointment of a receiver, or deed (or assignment) in lieu of foreclosure, within sixty (60) days after giving such notice, and diligently pursues such proceedings to completion; and (iii) after obtaining title, such Lender, subject to ***Section 40.4***, diligently proceeds to cure those Events of Default that are susceptible of cure by such Lender. The period from the date Lender so notifies Port until a Lender acquires and succeeds to the interest of Tenant under this Lease or some other party acquires such interest through Foreclosure is herein called the "**Foreclosure Period.**"

(c) Nothing in this ***Article 40*** will preclude Port from exercising any rights or remedies under this Lease against Tenant (other than a termination of this Lease) with respect to any other Events of Default during the Foreclosure Period.

(d) Notwithstanding the foregoing, no Lender will be required to cure any non-monetary Event of Default that is specific or personal to Tenant which cannot be cured by Lender (by way of example and not limitation, Tenant bankruptcy, or the failure to submit required information in the possession of Tenant). Lender's acquisition of title to the Leasehold Estate, or the completion of a foreclosure (or assignment in lieu thereof), as applicable, will be deemed to be a cure of such Events of Default specific or personal to Tenant. The foregoing will not excuse a Lender's failure to cure any continuing default that is curable by Lender.

40.4. ***Lender's Obligations with Respect to the Property.***

(a) **Rights and Obligations upon Lender Acquisition**. Except as set forth in this *Article 40*, no Lender will have any obligations or other liabilities under this Lease unless and until it acquires title by any method to the Leasehold Estate (referred to as "**Foreclosed Property**"). Except as otherwise provided herein (including, without limitation, *Sections 40.4(b)—(d)*, a Lender (or its designee, successor or assign) or other winning bidder at a foreclosure sale (collectively, a "**Successor Owner**") that acquires title to any Foreclosed Property (a "**Lender Acquisition**") will take title subject to all of the terms and conditions of this Lease to the extent applicable to the Foreclosed Property, including any claims for payment or performance of obligations that are due as a condition to enjoying the benefits under this Lease from and after the Lender Acquisition. Upon completion of a Lender Acquisition, Port will recognize the Successor Owner as Tenant under this Agreement. Such recognition will be effective and self-operative without the execution of any further instruments; provided, upon request, at no cost to Port, Port will execute a written agreement recognizing Successor Owner. A Successor Owner, upon a Lender Acquisition, will be required promptly to cure all monetary defaults and all other defaults then reasonably susceptible of being cured by such Lender to the extent not cured prior to completion of the Lender Acquisition. The foregoing obligation includes any obligation to Restore, except as set forth in *Section 40.4(c)*.

(b) **Obligations by Lender Prior to Lender Acquisition**. Prior to a Lender Acquisition, Port will have no right to enforce any obligation under this Lease against any Lender unless such Lender expressly assumes and agrees to be bound by this Lease in a form reasonably approved in writing by Lender and Port, which form will be consistent with the terms of this Lease (for the avoidance of doubt, the foregoing will not limit Port's rights and remedies against Tenant notwithstanding any interest Lender may have in Tenant or any right against any successor owner of the Property for a continuing default, as set forth in and subject to the limitations of this *Article 40*). However, Lender agrees to comply during a Foreclosure Period with the terms, conditions and covenants of this Lease that are reasonably susceptible of being complied with by Lender, including the payment of all Impositions and any other sums due and owing hereunder.

(c) **No Obligation to Restore**. Subject to *Sections 40.4(d)* and *(e)*, Lender, including any Lender who obtains title to Foreclosed Property through a Lender Acquisition will not be obligated by the provisions of this Lease to Restore any damage or destruction to the Improvements beyond the extent necessary to preserve or protect the Improvements already made, to remove any debris and to perform other reasonable measures to protect the public; provided, however, any other Person who thereafter obtains title to the Leasehold Estate, or any interest therein from or through such Lender (or its designee), or any other Successor Owner (other than such Lender) will be obligated to Restore any damage or destruction to the Improvements in accordance with this Lease, except that any time period for such Restoration shall be reset as if the applicable casualty or condemnation occurred as of the date of the Mortgagee Acquisition.

(d) **Obligation to Sell If Not Restore**. In the event that Lender acquires the Foreclosed Property through a Lender Acquisition and chooses not to complete or Restore the Improvements, it will notify Port in writing of its election within [XX] days following the Lender Acquisition and will sell its interest with reasonable diligence to a purchaser that will be obligated to Restore the Improvements, but in any event Lender will use good faith efforts to cause such sale to occur within [XX] months following Lender's written notice to Port of its election not to Restore (the "**Sale Period**").

(e) **Lender Agreement to Complete or Restore**. If Lender fails to sell its interest in the Leasehold Estate within the Sale Period, such failure will not constitute a default hereunder but Lender will be obligated to Restore the Improvements to the extent this Lease obligates Tenant to so Restore. In the event Lender agrees, or is deemed to have agreed, to

Restore the Improvements, all such work will be performed in accordance with all the requirements set forth in this Lease, and Lender must submit evidence reasonably satisfactory to Port that it has the qualifications and financial responsibility necessary to perform such obligations.

40.5. ***Provisions of Any Mortgage.*** Each Mortgage must provide that Lender will during the Term, (i) promptly provide Port by registered or certified mail a copy of any notice delivered by Lender to Tenant of a borrower default under the Mortgage, and (ii) give Port prior notice before Lender initiates any Mortgage foreclosure action with respect to the Property or the Project. The exercise by a Lender of any of its remedies under its Mortgage will not, in and of itself, constitute a default under this Lease.

40.6. ***No Impairment of Mortgage.*** No default by Tenant under this Lease will invalidate or defeat the lien of any Lender. Neither a breach of any obligation in a Mortgage, nor a foreclosure under any Mortgage will defeat, diminish, render invalid or unenforceable or otherwise impair Tenant's rights or obligations under this Lease or constitute, by itself, a default under this Lease.

40.7. ***Multiple Mortgages.***

(a) If at any time there is more than one Mortgage constituting a lien on a single portion of the Property or any interest therein, the lien of Lender prior in time to all others (the "**Senior Lender**") will be vested with the rights under ***Sections 40.3, 40.10, 40.13***, and ***40.14*** to the exclusion of the holder of any other Mortgage except if the Senior Lender fails to exercise the rights set forth in ***Sections 40.3*** and ***40.10***, as applicable, then the holder of a junior Mortgage that has provided notice to Port in accordance with ***Section 40.2*** will succeed to the rights set forth in ***Sections 40.3*** and ***40.10***, as applicable, only if the holders of all Mortgages senior to it have failed to exercise the rights set forth in ***Sections 40.3*** and ***40.10***, as applicable.

(b) A Senior Lender's failure to exercise its rights under ***Sections 40.3, 40.10, 40.13, or 40.14***, as applicable, or any delay in the response of any Lender to any notice by Port will not extend (i) any cure period, (ii) period to enter into a New Lease, or (iii) Tenant's or any Lender's rights under this ***Article 40***. For purposes of this ***Section 40.7***, in the absence of an order of a court of competent jurisdiction that is served on Port, a title report prepared by a reputable title company licensed to do business in the State of California and having an office in the City, setting forth the order of priorities of the liens of Mortgages on real property, may be relied upon by Port as conclusive evidence of priority.

40.8. ***Cured Defaults.*** Port will accept performance by a Lender with the same force and effect as if performed by Tenant. No such performance on behalf of Tenant in and of itself will cause Lender to become a "mortgagee in possession" or otherwise cause it to be bound by or liable under this Lease.

40.9. ***Limitation on Liability of Lender.*** No Lender will become liable under the provisions of this Lease unless and until such time as it becomes the owner of the Leasehold Estate and then only for so long as it remains the owner of the Leasehold Estate and only with respect to the obligations arising during such period of ownership.

If a Lender becomes the owner of the Leasehold Estate under this Lease or under a New Lease, (i) except as set forth in ***Sections 40.4(c)*** and ***40.4(d)***, such Lender will be liable to Port for the obligations of Tenant hereunder only to the extent such obligations arise during the period that such Lender remains the owner of the Leasehold Estate, and (ii) in no event will Lender have personal liability under this Lease or New Lease, as applicable, greater than Lender's interest in this Lease or such New Lease, and Port will have no recourse against Lender's assets other than its interest herein or therein.

40.10. ***New Lease.*** In the event of the termination of this Lease before the expiration of the Term, including, without limitation, the rejection of this Lease by a trustee of Tenant in

bankruptcy or by Tenant as a debtor-in-possession, except (i) by Total Condemnation, (ii) as the result of damage or destruction as provided in ***Article 14***, or (iii) as a result of Tenant exercising its option to terminate this Lease due to change in Laws as provided in ***Section 7.3***, Port will serve upon Lender written notice that this Lease has been terminated, together with a statement of any and all sums which would at that time be due under this Lease but for such termination, and of all other defaults, if any, under this Lease then known to Port. The Senior Lender will thereupon have the option to obtain a new lease in accordance with and upon the following terms and conditions ("**New Lease**"):

(i) Upon the written request of Lender, within thirty (30) days after service of such notice that this Lease has been terminated ("**New Lease Execution Period**"), Port will enter into a New Lease of the Premises with the most senior Lender giving notice within such period or its designee, provided that Lender assumes Tenant's obligations as Sublandlord under any Subleases then in effect; and

(ii) Such New Lease will be entered into at the Lender's cost, will be effective as of the date of termination of this Lease, and will be for the remainder of the Term and at the Rent and upon all the agreements, terms, covenants and conditions hereof, including any applicable rights of renewal and in substantially the same form as this Lease (except for any requirements or conditions which Tenant has satisfied prior to the termination). The New Lease will have the same priority as this Lease, including priority over any mortgage or other lien, charge or encumbrance on the title to the Premises. The New Lease will require Lender to perform any unfulfilled monetary obligation of Tenant under this Lease that would, at the time of the execution of the New Lease, be due under this Lease if this Lease had not been terminated and to perform as soon as reasonably practicable any unfulfilled non-monetary obligation which is continuing and is reasonably susceptible of being performed by such Lender, including any obligation to Restore. If Lender elects not to Restore, then it will follow the procedures set forth in ***Sections 40.4(d)*** and ***(e)***. Upon the execution of the New Lease, Lender will pay any and all sums which would at the time of the execution thereof be due under this Lease but for such termination, and will pay all expenses, including reasonable Attorneys' Fees and Costs incurred by Port in connection with such defaults and termination, the recovery of possession of the Premises, and the preparation, execution and delivery of such New Lease. The provisions of this ***Section 40.10(ii)*** will survive any termination of this Lease (except as otherwise expressly set out in the first sentence of ***40.10***), and will constitute a separate agreement by Port for the benefit of and enforceable by Lender.

40.11. ***Nominee***. Any rights of a Lender under this ***Article 40***, as amended hereby, may be exercised by or through its nominee or designee (other than Tenant) which is an Affiliate of Lender; provided, however, no Lender will acquire title to the Lease through a nominee or designee which is not a Person otherwise permitted to become Tenant hereunder; provided, further that a Lender may acquire title to the Lease through a wholly owned (directly or indirectly) subsidiary of Lender.

40.12. ***Subleases and Other Property Agreements***. Effective upon the commencement of the term of any New Lease executed pursuant to ***Subsection 40.10***, any Sublease then in effect will be assigned and transferred without recourse by Port to Lender. Between the date of termination of this Lease and expiration of the New Lease Execution Period, Port will not (1) enter into any new management agreements or agreements for the maintenance of the Premises or the supplies therefor (collectively, "**Other Property Agreements**") or Subleases which would be binding upon Lender if Lender enters into a New Lease, (2) cancel or materially modify any of the existing Subleases, management agreements or agreements for the maintenance of the Premises or the supplies therefor or any other agreements affecting the Premises, or (3) accept any cancellation, termination or surrender of any Subleases which were not automatically terminated upon termination of the Lease as a result of the absence of a Non-Disturbance Agreement with the Subtenant of such Sublease (unless all the conditions to Port's recognition of the Sublease under the Non-Disturbance Agreement have not been met) or Other

Property Agreement without the written consent of Lender, which consent will not be unreasonably withheld or delayed; provided, however Lender's prior approval will not be required for any Other Property Agreement entered into, cancelled, or modified by Port due to an emergency. Effective upon the commencement of the term of the New Lease, Port will also quitclaim to Lender, its designee or nominee (other than Tenant), without recourse, all of Tenant's Personal Property remaining on the Premises.

40.13. ***Consent of Lender***. Port will not (i) modify this Lease in a manner that increases base rent or percentage rent owed to Port, decreases the Term or otherwise amends the terms of this Lease in a manner that creates a material adverse effect upon Senior Lender, or (ii) terminate or cancel this Lease without Senior Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed. Any such modification, termination or cancellation of this Lease without Senior Lender's consent will be effective against Senior Lender.

No merger of this Lease and the fee estate in the Premises will occur on account of the acquisition by the same or related parties of the leasehold estate created by this Lease and the fee estate in the Premises without the prior written consent of Lender.

40.14. ***Cooperation***. Port, through its Executive Director, and Tenant will cooperate in including in this Lease by suitable written amendment or agreement from time to time any provision which may be reasonably requested by the Senior Lender and customarily included in such amendment or agreement to implement the provisions and intent of this ***Article 40***, provided, however, that any such amendment or agreement will not adversely affect in any material respect any of Port's rights and remedies under this Lease. Port's execution of any such amendment or agreement is conditioned on Port's receipt of its share of Net Refinancing Proceeds (if any), and Attorneys' Fees and Costs incurred in connection with the review and negotiation of such document.

41. NO JOINT VENTURE.

Nothing contained in this Lease will be deemed or construed as creating a partnership or joint venture between Port and Tenant or between Port and any other Person, or cause Port to be responsible in any way for the debts or obligations of Tenant. The subject of this Lease is a lease with neither Party acting as the Agent of the other Party in any respect.

42. ECONOMIC ACCESS.

Tenant will comply with the Workforce Development Plan attached hereto as ***Exhibit XX*** (collectively, the "**Workforce Development Plan**"). The Workforce Development Plan is designed to afford opportunities for San Francisco residents to participate in the construction and operation of the Initial Improvements. Tenant will comply with the Workforce Development Plan with respect to the operation and leasing of the Premises, and will include in its Subleases, applicable provisions of the Workforce Development Plan in accordance with the same.

43. REPRESENTATIONS AND WARRANTIES.

Tenant represents, warrants and covenants to Port as follows, as of the date hereof and as of the Commencement Date:

(a) **Valid Existence; Good Standing**. Tenant is a [ ] duly organized and validly existing under the laws of the State of [ ]. Tenant has the requisite power and authority to own its property and conduct its business as presently conducted. Tenant is in good standing in the State of California.

(b) **Port**. Tenant has the requisite power and authority to execute and deliver this Lease and the agreements contemplated hereby and to carry out and perform all of the terms and covenants of this Lease and the agreements contemplated hereby to be performed by Tenant.

(c) **No Limitation on Ability to Perform**. Neither Tenant's articles of organization or operating agreement, nor any applicable Law, prohibits Tenant's entry into this Lease or its performance hereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other Person is required for the due execution and delivery of this Lease by Tenant and Tenant's performance hereunder, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made. Except as may otherwise have been disclosed to Port in writing, there are no undischarged judgments pending against Tenant, and Tenant has not received notice of the filing of any pending suit or proceedings against Tenant before any court, governmental agency, or arbitrator, which might materially adversely affect the enforceability of this Lease or the business, operations, assets or condition of Tenant.

(d) **Valid Execution**. The execution and delivery of this Lease and the performance by Tenant hereunder have been duly and validly authorized. When executed and delivered by Port and Tenant, this Lease will be a legal, valid and binding obligation of Tenant.

(e) **Defaults**. The execution, delivery and performance of this Lease (i) do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default by Tenant under (A) any agreement, document or instrument to which Tenant is a party or by which Tenant is bound, (B) any law, statute, ordinance, or regulation applicable to Tenant or its business, or (C) the articles of organization or the operating agreement of Tenant, and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of Tenant, except as contemplated hereby.

(f) **Financial Matters**. Except to the extent disclosed to Port in writing, (i) Tenant is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) Tenant has not filed a petition for relief under any chapter of the U.S. Bankruptcy Code, (iii) there has been no event that has materially adversely affected Tenant's ability to meet its Lease obligations hereunder, and (iv) to Tenant's knowledge, no involuntary petition naming Tenant as debtor has been filed under any chapter of the U.S. Bankruptcy Code.

The representations and warranties herein will survive any termination of this Lease to the extent specified in this Lease.

44. MITIGATION AND IMPROVEMENTS MEASURES.

In order to mitigate the significant environmental impacts of this Lease and operation of the Premises, Tenant agrees that the operation of the Project will be in accordance with the Mitigation and Improvement Measures attached to this Lease as ***Exhibit XX***, which are those Mitigation and Improvement Measures applicable to the Premises. As appropriate, Tenant will incorporate such Mitigation and Improvement Measures into any contract for the operation of the Improvements.

45. PORT AND CITY SPECIAL PROVISIONS.

Tenant will comply with the Port and City Special Provisions attached hereto as ***Exhibit XX***.

46. GENERAL

46.1. *Time of Performance.*

(a) **Expiration**. All performance dates (including cure dates) expire at 5:00 p.m., San Francisco, California time, on the performance or cure date.

(b) **Weekend or Holiday**. A performance date which falls on a Saturday, Sunday or City holiday is deemed extended to 5:00 p.m. the next working day.

(c) **Days for Performance**. All periods for performance or notices specified herein in terms of days will be calendar days, and not business days, unless otherwise provided herein.

(d) **Time of the Essence**. Time is of the essence with respect to each provision of this Lease, including, but not limited, the provisions for the exercise of any option on the part of Tenant hereunder and the provisions for the payment of Rent and any other sums due hereunder, subject to the provisions of ***Article 21*** relating to Force Majeure.

46.2. ***Interpretation of Agreement.***

(a) **Exhibits and Schedule**. Whenever an "**Exhibit**" or "**Schedule**" is referenced, it means an attachment to this Lease unless otherwise specifically identified. All such exhibits and schedules are incorporated herein by reference.

(b) **Captions**. Whenever a section, article or paragraph is referenced, it refers to this Lease unless otherwise specifically identified. The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference only. Such captions will not define or limit the scope or intent of any provision of this Lease.

(c) **Words of Inclusion**. The use of the term "**include**", "**including**", "**such as**", or words of similar import, when following any general term, statement or matter will not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used with reference thereto. Rather, such terms will be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) **No Presumption Against Drafter**. This Lease has been negotiated at arm's length and between Persons sophisticated and knowledgeable in the matters dealt with herein. In addition, experienced and knowledgeable legal counsel has represented each Party. Accordingly, this Lease will be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Lease (including California Civil Code Section 1654).

(e) **Fees and Costs**. The Party on which any obligation is imposed in this Lease will be solely responsible for paying all costs and expenses incurred in the performance thereof, unless the provision imposing such obligation specifically provides to the contrary.

(f) **Lease References**. Wherever reference is made to any provision, term or matter "**in this Lease,**" "**herein**" or "**hereof,**" or words of similar import, the reference will be deemed to refer to any and all provisions of this Lease reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered article, section or paragraph of this Lease or any specific subdivision thereof.

(g) **Approvals**. Unless otherwise specifically stated in this Lease, wherever a Party hereto has a right of approval or consent, such approval or consent will not be unreasonably withheld, conditioned or delayed and such approval or consent will be given in writing.

(h) **Legal References**. Wherever reference is made to a specific code or section of a specific Law, the reference will be deemed to include any amendment, restatement or replacement.

46.3. ***Successors and Assigns***. This Lease is binding upon and will inure to the benefit of the successors and assigns of Port, Tenant, and any Lender. Where the term "**Tenant,**" "**Port,**" "**Lender**" is used in this Lease, it means and includes their respective successors and assigns, including, as to any Lender, any transferee and any successor or assign of such transferee. Whenever this Lease specifies or implies Port as a Party or the holder of the right or obligation to

give approvals or consents, if Port or an entity which has succeeded to Port's rights and obligations no longer exists, then the City will be deemed to be the successor and assign of Port for purposes of this Lease.

46.4. ***No Third-Party Beneficiaries.*** This Lease is for the exclusive benefit of the Parties hereto and not for the benefit of any other Person and will not be deemed to have conferred any rights, express or implied, upon any other Person, except as provided in ***Article 40*** with regard to Lenders.

46.5. ***Real Estate Commissions.*** Port is not liable for any real estate commissions, brokerage fees or finder's fees which may arise from this Lease or any Sublease. Tenant and Port each represents that neither has engaged any broker, agent or finder in connection with this transaction and this Lease.

46.6. ***Counterparts.*** This Lease may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument.

46.7. ***Entire Agreement.*** This Lease (including the Exhibits) constitute the entire agreement between the Parties with respect to the subject matter set forth therein, and supersede all negotiations or previous agreements between the Parties with respect to all or any part of the terms and conditions mentioned herein or incidental hereto. No parol evidence of any prior or other agreement will be permitted to contradict or vary the terms of this Lease.

46.8. ***Amendment.*** Neither this Lease nor any of the terms hereof may be terminated, amended or modified except by a written instrument executed by the Parties.

46.9. ***Governing Law; Selection of Forum.*** This Lease will be governed by, and interpreted in accordance with, the laws of the State of California. As part of the consideration for Port's entering into this Lease, Tenant agrees that all actions or proceedings arising directly or indirectly under this Lease may, at the sole option of Port, be litigated in courts having situs within the State of California, and Tenant consents to the jurisdiction of any such local, state or federal court, and consents that any service of process in such action or proceeding may be made by personal service upon Tenant wherever Tenant may then be located, or by certified or registered mail directed to Tenant at the address set forth herein for the delivery of notices.

46.10. ***Recordation.*** This Lease will not be recorded by either Party. The Parties agree to execute and record in the Official Records a Memorandum of Lease in the form attached hereto as ***Exhibit XX***. Promptly upon Port's request following the expiration of the Term or any other termination of this Lease, Tenant will deliver to Port a duly executed and acknowledged quitclaim deed suitable for recordation in the Official Records and in form and content satisfactory to Port and the City Attorney, for the purpose of evidencing in the public records the termination of Tenant's interest under this Lease. Port may record such quitclaim deed at any time on or after the termination of this Lease, without the need for any approval or further act of Tenant.

46.11. ***Attorneys' Fees.*** The Prevailing Party in any action or proceeding (including any cross-complaint, counterclaim, or bankruptcy proceeding) against the other party by reason of a claimed default, or otherwise arising out of a party's performance or alleged non-performance under this Lease, will be entitled to recover from the other party its costs and expenses of suit, including but not limited to Attorneys' Fees and Costs, which will be payable whether or not such action is prosecuted to judgment. "**Prevailing party**" within the meaning of this Section includes, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense. Attorneys' Fees and Costs under this Section includes attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal.

For purposes of this Lease, reasonable fees of attorneys of the City's Office of the City Attorney will be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

46.12. ***Effective Date.*** This Lease will become effective on the date (the "**Effective Date**") the Parties duly execute and deliver this Lease. The Effective Date will be inserted by Port on the cover page and on page 1 hereof, provided, however, that either Party's failure to insert the Effective Date will not invalidate this Lease. Where used in this Lease or in any of its exhibits, references to "the date of this Lease," the "reference date of this Lease," "Lease Date" or "Effective Date" will mean the Effective Date determined as set forth above and shown on the first page hereof.

46.13. ***Severability.*** If any provision of this Lease, or its application to any Person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision will not affect any other provision of this Lease or the application of such provision to any other Person or circumstance, and the remaining portions of this Lease will continue in full force and effect, unless enforcement of this Lease as so modified by and in response to such invalidation would be grossly inequitable under all of the circumstances, or would frustrate the fundamental purposes of this Lease.

47. DEFINITIONS OF CERTAIN TERMS.

For purposes of this Lease, initially capitalized terms will have the meanings ascribed to them in this Section [to be cross-checked and finalized with final lease drafts]:

"Additional Rent" means any and all sums (other than Base Rent and Percentage Rent) that may become due or be payable by Tenant under this Lease.

"Affiliate" means any Person directly or indirectly Controlling, Controlled by or under Common Control with the other Person in question.

"Agents" means, when used with reference to either Party to this Lease, the members, officers, directors, commissioners, employees, agents and contractors of such Party, and their respective heirs, legal representatives, successors and assigns.

"**Anniversary Date**" means each anniversary date of the Commencement Date; provided, however, that if the Commencement Date is other than the first day of a month, then the first Anniversary Date will be the first day of the thirteenth (13th) month thereafter.

"Annual Development Cost Statement" means

"As Is With All Faults" is defined in ***Section 1.1(g)***.

"**Assessor's Office**" means the Office of the Assessor-Recorder in the City and County of San Francisco, or any successor agency responsible for assessing real property in the City and County of San Francisco.

"**Assignment**" is defined in ***Section 18.1(a).***

"Assignment and Assumption Agreement" is defined in ***Section 18.1(b)(i).***

"Attorneys' Fees and Costs" means reasonable attorneys' fees, costs, expenses and disbursements, including, but not limited to, expert witness fees and costs, travel time and associated costs, transcript preparation fees and costs, document copying, exhibit preparation, courier, postage, facsimile, long-distance and communications expenses, court costs and other reasonable costs and fees associated with any other legal, administrative or alternative dispute resolution proceeding, including such fees and costs associated with execution upon any judgment or order, and costs on appeal.

"Award" means all compensation, sums or value paid, awarded or received for a Condemnation, whether pursuant to judgment, agreement, settlement or otherwise.

"Bona Fide Institutional Lender" is defined in ***Section 40.1(a)***.

"Bond" is defined in the Basic Lease Information.

"Books and Records" is defined in [***Section XX*** of ***Exhibit XX***].

"Capital Items" is defined in ***Section 10.2(a).***

"Capital Reserves" is defined in ***Section 10.2(a).***

"Capital Reserve Deposits" is defined in ***Section 10.2(a).***

"CASp" is defined in ***Section 1.1(c)***.

"Casualty" is defined in ***Section 14.1***.

"Casualty Notice" is defined in ***Section 14.1(a)***.

"Certificate of Completion" is defined in the Vertical DDA"

"CFD Assessment" means the Mello-Roos Taxes to be levied on the Land (and other property in the [SWL 337 Project area]) in accordance with the terms and conditions of the "Rate and Method of Apportionment of Special Tax" applicable to the Infrastructure CFD. **[add reference to any other CFDs that might be in place]***

"City" means the City and County of San Francisco, a municipal corporation.

"City Fiscal Year" means the period beginning on July 1 of any year and ending on the following June 30.

"Commencement Date" is defined in the Basic Lease Information.

"Common Control" means that two Persons are both Controlled by the same other Person.

"Completion" means completion of construction of all or any applicable portion of the Initial Improvements, in accordance with the terms hereof, as conclusively evidenced by the issuance of a temporary certificate of occupancy. **"Complete"** has a correlative meaning.

"Condemnation" means the taking or damaging, including severance damage, of all or any part of any property, or the right of possession thereof, by eminent domain, inverse condemnation, or for any public or quasi-public use under the law. Condemnation may occur pursuant to the recording of a final order of condemnation, or by a voluntary sale of all or any part of any property to any Person having the power of eminent domain (or to a designee of any such Person), provided that the property or such part thereof is then under the threat of condemnation or such sale occurs by way of settlement of a condemnation action.

"Condemnation Date" means the earlier of: (a) the date when the right of possession of the condemned property is taken by the condemning authority; or (b) the date when title to the condemned property (or any part thereof) vests in the condemning authority.

"Condemned Land Value" is defined in ***Section 15.4(iii)***.

"Construction" is defined in ***Section 12.1(a).***

"Construction Impacts" is defined in ***Section 4.1***.

"Control" is defined in ***Section 18.1(a)***. **"Controlled"** and **"Controlling"** have correlative meanings.

"DDA" is defined in ***Recital C***.

"Default Rate" is defined in ***Section XXX***.

"**Demolish and Remove**" means the demolition of the Improvements and the removal and disposal of all debris in accordance with all Laws. "**Demolition and Removal**" has a correlative meaning.

"**Demolition Option**" is defined in ***Section 36.2(a)***.

"**Design Controls**" means the Design for Development for Mission Rock that the Port Commission and the Planning Commission approved.

"**Development Agreement**" means that certain Development Agreement between [_____] and [_____], dated as of _____, 20xx, as may be amended from time to time.

"**Development Documents**" means (i) the SUD; (ii) the Design for Development (including the Green Building Specifications); (iii) the Port Plans and Policies; and (iv) the Development Agreement. [**TBC**]

"**Development Projects**" is defined in ***Section 4.1***.

"**Disabled Access Laws**" means all Laws related to access for persons with disabilities including, without limitation, the Americans with Disabilities Act, 42 U.S.C.S. Section 12101 et seq. and disabled access laws under the Port's building code.

"**Economically Infeasible Termination Notice**" is defined in ***Section 7.3***.

"**Effective Date**" is defined in ***Section 46.12***.

"**Encroachment Area**" is defined in ***Section 1.1(e)(i)***.

"**Encroachment Area Charge**" is defined in ***Section 1.1(e)(i)***.

"**Environmental Financial Performance Deposit**" is defined in ***Section 17.2***.

"**Environmental Laws**" is defined in ***Section 21.6***.

"**Environmental Notice**" is defined in ***Section 17.3(b)***.

"**Environmental Oversight Deposit**" is defined in ***Section 17.3(a)***.

"**Environmental Regulatory Action**" is defined in ***Section 21.6***.

"**Environmental Regulatory Agency**" is defined in ***Section 21.6***.

"**Event of Default**" is defined in ***Section 24.1***.

"**Exacerbate**" or "**Exacerbating**" is defined in ***Section 21.6***.

"**Exempt Parcel**" means, depending on the context: (i) any assessor's parcel of a real property interest that is exempt from property taxation under California law; and (ii) any assessor's parcel of a real property interest that is exempt from Mellor-Roos Taxes under an RMA. "Exempt Parcel" excludes any parcel that: (1) the Port or any other Regulatory Agency acquires by gift, devise, negotiated transaction, or foreclosure; (2) the Port acquires under the DDA; or (3) is in private use for taxable purposes.

"**Excepted Hazardous Materials**" is defined in ***Section 21.1***.

"**Excluded Transfer**" is defined in ***Section 18.1(a)***.

"**Executive Director**" means the Executive Director of the Port or his or her designee.

"**Facilities Condition Report**" is defined in ***Section 10.2(b)***.

"**FCR Date**" is defined in ***Section 10.2(a)***.

"**Final Construction Documents**" means plans and specifications sufficient for the processing of an application for a building permit in accordance with applicable Laws.

"**Final Map**" means a final Subdivision Map meeting the requirements of the Subdivision Code and the Map Act, subject to amendments made by the DA Ordinance.

"**Flagpoles**" is defined in ***Section 9.5.***

"**FOG Ordinance**" means Sections 140-140.7 of Article 4.1 of the San Francisco Public Works Code, or any subsequent amendment or replacement of the same that sets forth prohibitions, limitations and requirements for the discharge of fats, oils and grease into the City's sewer system by food service establishments.

"Force Majeure" means events which result in delays in a Party's performance of its obligations hereunder due to causes beyond such Party's control and not caused by the acts or omissions of such Party, including, but not restricted to, acts of nature or of the public enemy, fires, floods, earthquakes, tidal waves, strikes, freight embargoes, and unusually severe weather. Force Majeure does not include (i) failure to obtain financing or failure to have adequate funds, (ii) sea level rise, (iii) flooding as a result of curbless streets and/or sidewalks, or (iv) any event that does not cause an actual delay. The delay caused by Force Majeure includes not only the period of time during which performance of an act is hindered, but also such additional time thereafter as may reasonably be required to make additional repairs or obtain additional Regulatory Approvals that would not have otherwise been required but for the Force Majeure Event.

"**Foreclosed Property**" is defined in ***Section 40.4(a)***.

"Foreclosure" means a foreclosure of a Mortgage or other proceedings in the nature of foreclosure (whether conducted pursuant to court order or pursuant to a power of sale contained in the Mortgage), deed or voluntary assignment or other conveyance in lieu thereof.

"**Foreclosure Period**" is defined in ***Section 40.3(b).***

"**Generator**" is described in ***Section 21.2(d)***

"**graffiti**" is defined in ***Section 9.6***.

"Gross Income" is defined in [***Section XX*** in ***Exhibit XX***].

"Handle" is defined in ***Section 21.6***.

"**Hard costs**" is defined in ***Section 10.5***.

"**Hazardous Material**" is defined in ***Section 21.6***.

"**Hazardous Material Claim**" is defined in ***Section 21.6.***

"**Hazardous Material Condition**" is defined in ***Section 21.6.***

"**Impositions**" is defined in ***Section 5.1(b)***.

"Improvements" means all buildings, structures, fixtures and other improvements erected, built, placed, installed, constructed, renovated, or Restored, located upon or within the Premises on or after the Commencement Date, including, but not limited to, the Initial Improvements and any Subsequent Construction.

"Indemnified Parties" means City, including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, including, without limitation, the Port; all of the Agents of the City, including its Port, and all of their respective heirs, legal representatives, successors and assigns, all other Person acting on their behalf, and each of them.

"Indemnify" means indemnify, protect and hold harmless.

"Index" is defined in ***Section XX*** [of ***Exhibit D***].

"Infrastructure CFD" means the City and County of San Francisco Community Facilities District No. [__] (Mission Rock Public Improvements).

"Initial Improvements" means all Improvements to be built on the Premises or portion(s) thereof **[Note: add if included in VCA]** [including the Deferred Infrastructure] in accordance with the Vertical DDA, Scope of Development, and SUD.

"**Investigate**" or "**Investigation** is defined in ***Section 21.6.***

"Invitees" when used with respect to Tenant means the customers, patrons, invitees, guests, members, licensees, assignees and Subtenants of Tenant and the customers, patrons, invitees, guests, members, licensees, assignees and sub-tenants of Subtenants.

"**Land**" is defined in Basic Lease Information.

"Late Charge" is defined in ***Section XX.***

"Law" or **"Laws"** means any one or more present and future laws, (including Environmental Laws) ordinances, rules, regulations, permits, authorizations, orders and requirements, to the extent applicable to the Parties or to the Premises or any portion thereof, whether or not in the present contemplation of the Parties, including, without limitation, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, authorities, boards of officers, any national or local board of fire underwriters, or any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Premises or any part thereof, including, without limitation, any subsurface area, the use thereof and of the buildings and Improvements thereon.

"Lease" means this lease, as it may be amended from time to time.

"Leasehold" or **"Leasehold Estate"** means Tenant's leasehold estate created by this Lease.

"**Leasing Activity Report**" is defined in ***Section 9.3***.

"**Leasing Agent**" is defined in ***Section 9.2***.

"**Lease Year**" is defined in ***Exhibit D***.

"Lender Acquisition" is defined in ***Section 40.4(a)***.

"Lender" means the holder or holders of a Mortgage in compliance with ***Article 40*** and, if the Mortgage is held by or for the benefit of a trustee, agent or representative of one or more financial institutions, the financial institutions on whose behalf the Mortgage is being held. Multiple financial institutions participating in a single financing secured by a single Mortgage will be deemed a single Lender for purposes of this Lease.

"Loss" or **"Losses"** when used with reference to any Indemnity means any and all claims, demands, losses, liabilities (including direct or vicarious liabilities), damages (including foreseeable and unforeseeable, incidental and consequential damages), liens, obligations, interest, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, (including, without limitation, reasonable Attorneys' Fees and Costs and consultants' fees and costs) of whatever kind or nature, known or unknown, contingent or otherwise.

"**Low Income Housing Tax Credit**" means a tax credit obtained in accordance with 26 U.S. Code §42 (as amended from time to time), or an equivalent federal or state tax credit program for affordable housing.

"**Maintenance Notice**" is defined in ***Section 10.5***.

"Major Casualty" means damage to or destruction of all or any portion of the Premises to the extent that the hard costs of Restoration will exceed thirty percent (30%) of the hard costs to replace the Premises in their entirety. The calculation of such percentage will be based upon

replacement costs and requirements of applicable Laws in effect as of the date of the event causing such Major Casualty.

"**Managing Party**" is defined in ***Section 18.1(a)***.

"**Master Developer**" is defined in ***Recital C***.

"**Master Lease**" is defined in ***Recital C***.

"**Master Signage Program**" means XXX.

"**Material Systems**" is defined in ***Section 10.5***.

"**Mello-Roos Taxes**" means special taxes that the City levies in a City Fiscal Year on Taxable Parcels in the Mission Rock CFD in accordance with the RMA, including delinquent special taxes collected at any time by payment or through foreclosure.

"**Memorandum of Lease**" means the Memorandum of this Lease, between Port and Tenant, recorded in the Official Records, in the form of ***Exhibit XX*** attached hereto.

"**Minimum Net Worth Amount**" is defined in ***Section 18.1(a)***.

"**Minimum Public Benefit Area**" is defined in the Basic Lease Information.

"**Mission Rock**" is defined in XXX

"**Mission Rock Agreements**" is defined in XXX

"**Mission Rock CFD**" is a term used to refer to CFD No. XXXX, if and when formed.

"**Mission Rock Project**" is defined in XXX

"**Mission Rock Risk Management Plan**" is defined in XXX

"**Mission Rock Site Project**" is defined in XXX

"**Mitigation Monitoring and Reporting Program**" means the Mitigation Monitoring and Reporting Program described in ***Exhibit XX***.

"**Mortgage**" means a mortgage, deed of trust, assignment of rents, fixture filing, security agreement or similar security instrument or assignment of the Leasehold Estate recorded in the Official Records.

"**Net Awards and Payments**" is defined in ***Section 15.4***.

"**Net Worth Guarantor**" is defined in ***Section 18.1(a)***.

"**Net Worth Guaranty**" is defined in ***Section 18.1(a)***.

"**Net Worth Requirement**" is defined in ***Section 18.1(a)***.

"**New Hazardous Material**" is defined in ***Section 21.6***.

"**New Lease**" is defined in ***Section 40.10***.

"**New Lease Execution Period**" is defined in ***Section 40.10(i)***.

"**Non-Disturbance Agreements**" is defined in ***Section 18.4(a)***.

"**Notice of Special Tax**" is defined in ***Section 5.2(a)***.

"**Notice to Vacate**" is defined in ***Section1.1(e)(i)***.

"**Official Records**" means, with respect to the recordation of Mortgages and other documents and instruments, the Official Records of the City and County of San Francisco.

"**Other Property Agreements**" is defined in ***Section 40.12***.

"**Partial Condemnation**" is defined in ***Section 15.3(b)***.

"**Party**" means Port or Tenant, as a party to this Lease; "**Parties**" means both Port and Tenant, as Parties to this Lease.

"**PCBs**" is defined in ***Section 21.6.***

"**Percentage Rent**" is defined in ***Exhibit D***.

"**Permitted Title Exceptions**" is defined in ***Section 1.1(b)***.

"**Permitted Uses**" is defined in ***Section 3.1***.

"**Person**" means any individual, partnership, corporation (including, but not limited to, any business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or any other entity or association, the United States, or a federal, state or political subdivision thereof.

"**Personal Property**" means all fixtures, furniture, furnishings, equipment, machinery, supplies, software and other tangible personal property that is incident to the ownership, development or operation of the Improvements and/or the Premises, whether now or hereafter located in, upon or about the Premises, belonging to Tenant and/or in which Tenant has or may hereafter acquire an ownership interest, together with all present and future attachments, accessions, replacements, substitutions and additions thereto or therefor.

"**Pesticide Ordinance**" is described in ***Section 21.5***.

"**Phase**" means one of the integrated stages of horizontal and vertical development for the Project Site as shown in the Phasing Plan.

"**Phase Area**" means the Development Parcels and other land in the Project Site that are to be developed in a Phase.

"**Phasing Plan**" means DDA Exh A4, which shows the order of development of the Phases and the Development Parcels in each Phase Area, subject to revision under DDA art. 3 (Phase Approval).

"**Port**" means the San Francisco Port Commission.

"**Port Environmental Risk Policy**" is defined in ***Section 17.2***.

"**Port's Repair Notice**" is defined in ***Section 10.5***.

"**Pre-Existing Hazardous Materials**" means any Hazardous Material existing on the Premises as of the Effective Date and identified in the [_____], or Mission Rock Risk Management Plan.

"**Premises**" is defined in ***Section 1.1(a)***

"**Prevailing party**" is defined in ***Section 46.11***.

"**Prime Rate**" means the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks, as published by the Wall Street Journal, or if the Wall Street Journal has ceased to publish the Prime Rate, then such other equivalent recognized source.

"**Prohibited Use**" is defined in ***Section 3.2***.

"**Prohibited Use Charge**" is defined in ***Section 3.3***.

"**Project**" means the project described in the Scope of Development attached hereto as ***Exhibit C***, including all Improvements.

"**Project Approvals**" is defined in the Basic Lease Information.

"**Property**" is defined in Basic Lease Information.

"**public work**" is defined in ***Section 12.4(g)***.

"**Qualified Transferee**" is defined in ***Section 18.1(a)***.

"**reasonable wear and tear**" is defined in ***Section 10.1***.

"**Record Drawings**" is defined in ***Section 12.6(a)***.

"**Refinancing Proceeds**" is defined in XXX.

"**Refinancing**" is defined in XXX.

"**Regulatory Approval**" means any authorization, approval or permit required by any governmental agency having jurisdiction over the Premises, including, but not limited to, the City, RWQCB, SFPW, the Army Corps of Engineers, and any Environmental Regulatory Agency.

"**Reimbursable Subtenant Costs**" is defined in ***Section 18.4(b)(vi)(3)***.

"**Release**" is defined in ***Section 21.6***.

"**Remediate**" or "**Remediation**" is defined in ***Section 21.6***.

"**Rent**" means the sum of Base Rent (including all adjustments), Percentage Rent, Sale Proceeds, Refinancing Proceeds, Additional Rent and all other sums payable by Tenant to Port hereunder, including any Late Charges and interest assessed at the Default Rate.

"**Replacement Notice**" is defined in ***Section 9.5***.

["**Required Uses**" is defined in the Basic Lease Information.]

"**Restoration**" means the restoration, replacement, or rebuilding of the Improvements (or the relevant portion thereof) in accordance with all Laws then applicable. All Restoration will be conducted in accordance with the provisions of ***Section 12***. "**Restore**" and "**Restored**" have correlative meanings.

"**RMA**" is an acronym for the Rate and Method of Apportionment.

"**RWQCB**" will mean the San Francisco Bay Regional Water Quality Control Board of Cal/EPA, a state agency.

"**Sale**" is defined in XXX.

"**Sale period**" is defined in ***Section 40.4(d)***.

"**Sales Proceeds**" is defined in XXX.

"**Second NDA Notice**" is defined in ***Section 18.4(e)(ii)***.

"**Security Deposit**" is defined in ***Section 17.4(a)***.

"**Senior Lender**" is defined in ***Section 40.7(a)***.

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

"**SFPW**" means San Francisco Public Works.

"**Sign**" is defined in ***Section 3.4***.

"**Significant Change**" is defined in ***Section 18.1(a)***.

"**Significant Change Certificate**" is defined in ***Section 18.1(b)(ii)***.

"**Special City and Port Provisions**" is defined in ***Section 25.1***.

"**State**" means the State of California.

"**State Lands Indemnified Parties**" means the State of California, the California State Lands Commission, all of its heirs, legal representatives, successors and assigns, and all other Persons acting on its behalf.

"**Sublease**" means any lease, sublease, license, concession or other agreement (including, without limitation, a Sublease to Port) by which Tenant leases, subleases, demises, licenses or otherwise grants to any Person in conformity with the provisions of this Lease, the right to occupy or use any portion of the Premises (whether in common with or to the exclusion of other Persons), and any amendment, modification or supplement thereto.

"**Subleased Space**" means the portion of the Premises subject to a Sublease.

"**Subsequent Construction**" means all repairs to and reconstruction, replacement, addition, expansion, Restoration, alteration or modification of any Improvements, or any construction of additional Improvements, following completion of the Initial Improvements.

"**Substantial Condemnation**" is defined in ***Section 15.3(a)***.

"**Subtenant**" means any Person leasing, using, occupying or having the right to occupy any portion of the Premises under and by virtue of a Sublease.

"**SUD**" means Planning Code Section 249.XX establishing the [Mission Rock] Special Use District, as it may be amended from time to time.

"**Taxable Parcel**" means an assessor's parcel of real property or other real estate interest created by each Phase Final Map that is not an Exempt Parcel, which may include leased space occupied for private use in an Exempt Parcel.

"**Tenant**" is defined in the Basic Lease Information, and its permitted successors and assigns.

"**Term**" is defined in ***Section 1.2***.

"**Termination Notice for Change in Laws**" is defined in ***Section 7.3***.

"**Termination Option**" is defined in ***Section 7.3***.

"**Total Condemnation** is defined in ***Section 15.2***.

"**Transportation Demand Management Plan**" means the Transportation Demand Management Plan attached hereto as ***Exhibit XX***.

"**Transfer**" is defined in ***Section 18.1(a)***.

"**Uninsured Casualty**" is defined in ***Section 14.3***.

"**Unmatured Event of Default**" means any default that, with the giving of notice or the passage of time, or both, would constitute an Event of Default.

"**VCA**" means the Vertical Cooperation Agreement dated [_____] between Tenant and Master Developer that is attached as ***Exhibit [XX]*** to the Vertical DDA.

"**Vertical DDA**" means the Vertical Disposition and Development Agreement between Port and [Tenant, as developer,] dated as of [_____].

"**Work**" is defined in ***Section 12.5***.

"**Workforce Development Plan**" is defined in ***Article 42***.

"**worth at the time of award**" is defined in ***Section 25.4***.

[Signature Page Follows]

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

Tenant:	By: Name: Title:
Port:	**CITY AND COUNTY OF SAN FRANCISCO,** operating by and through the **SAN FRANCISCO PORT COMMISSION** By: Name: Title:
APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney By: Name: Title:	

Port Commission Resolution No. [_____] adopted on [_____]

Board of Supervisors Resolution No. [_____] adopted on [_____]

EXHIBIT D

ARTICLE 3

RENT

3. Rent.

3.1 Prepaid Rent.

The Parties acknowledge that this Lease is a **[Fully Pre-paid] [Hybrid Lease]**, as that term is defined in the Financing Plan attached as Exhibit XX to the DDA. On or before the Commencement Date, Tenant will pay to Port the **[Pre-Paid Amount]** or **[Hybrid Amount]**, as set forth in the Basic Lease Information.

3.2 Tenant's Covenant to Pay Rent.

During the Term, Tenant will pay Rent for the Premises to Port at the times and in the manner provided in this Article 3.

3.3 [Note: include this section for Hybrid Leases only] Base Rent.

From and after the Commencement Date and continuing thereafter throughout the Term, Tenant will pay to Port, in advance on the first day of each calendar month during the Term, without further notice or demand and, except as expressly set forth in ***Section 28.2*** without abatement, offset, rebate, credit or deduction for any reason whatsoever, monthly installments of rent equal to _____ Dollars ($_____.00) (the **"Base Rent"**). Base Rent will be further adjusted after the Commencement Date in accordance with Section 3.4.

3.4 [Note: include this section for all leases other than fully pre-paid leases] Adjustments to Base Rent.

(a) Definitions

"Adjustment Date" means the first day of the eleventh (11th) Lease Year and every ten (10) years thereafter.

"Lease Year" means each calendar year starting on January 1 and ending December 31.

(b) Adjustment to Base Rent. On each Adjustment Date, the annual Base Rent payable under this Lease will be adjusted to equal eighty-five percent (85%) of the annual average of the sum of Base Rent and Percentage Rent for the thirty-six (36) month period immediately prior to the applicable Adjustment Date.

3.5 Percentage Rent.

(a) Definitions.

(i) "**Adjusted Gross Income**" means Gross Income less Adjustments.

(ii) **"Adjustments"** means the following items (without duplication):

(1) all Impositions paid by Tenant and allocated on a straight-line basis during the Lease Year in which the applicable Imposition was paid;

(2) all charges and bills for utilities, including, without limitation, charges for water, gas, oil, sanitary and storm sewer, and electricity paid by Tenant; and

(3) insurance premiums for insuring the Improvements in compliance with ***Section 20*** and allocated on a straight-line basis during the Lease Year in which the applicable insurance premium was paid.

(iii) **"Gross Income"** means for each Lease Year or portion thereof, the following: all payments, revenues, fees or amounts received by Tenant or by any other party for the account of Tenant from any Person for any Person's use or occupancy of any portion of the Premises (excluding security or other deposits to be returned to such Person upon the termination of such use or occupancy), or from any other sales, advertising, concessions, licensing or programming generated from the Premises, including, without limitation, all base rent, percentage rent, payments made to Tenant from any Subtenant to reimburse Tenant for operating expenses, common area maintenance expenses, insurance expenses, Impositions, or, in the case of tenant improvements and finishes to prepare portions of the Premises for occupancy or use by such Subtenant (other than as set forth below with respect to tenant improvements), license fees, parking charges, advertising revenues, event or promotional fees, charges and permit fees. Without limiting the foregoing, "**Gross Income**" also includes any and all payments made to Tenant from the Business Interruption or delayed opening insurance proceeds. "**Gross Income**" does not include any of the following: (i) proceeds from any sale, transfer, hypothecation or condemnation of all or any part of Tenant's interest in the Lease, (ii) any Refinancing Proceeds or any other capital proceeds, (iii) insurance proceeds arising from a Casualty at the Premises (provided that if such insurance proceeds exceed the actual cost incurred by Tenant to repair and restore the Premises, then the difference will be included in the calculation of Gross Income); (iv) payments from any Subtenant to Tenant to reimburse Tenant for actual costs paid by Tenant to an operator of a parking garage or surface parking lot within the Mission Rock Site for the number of parking spaces paid by such Subtenant; or (v) payments from any Subtenant to reimburse Tenant for Tenant's actual out-of-pocket costs related to materials, labor, and non-affiliated general contractor fees for tenant improvement work performed by Tenant on behalf of Subtenant.

(b) Payment of Percentage Rent.

(i) Tenant will pay to Port percentage rent (**"Percentage Rent"**) in accordance with this ***Section 3.5***. Tenant will pay to Port Percentage Rent on a quarterly basis equal to [(i)] XX percent (XXX%) of Adjusted Gross Income generated at or from the Premises for the applicable quarter, [**Note: following applicable only for parcels that are publicly offered**]: (ii) XXX percent (XX%) of Gross Income payable to Tenant from any Subleases for retail use or

space [**Note: percentage may vary by use**]; and (iii) XX percent (XX%) of [housing/commercial rent/revenues]]

(ii) Tenant will determine the actual Percentage Rent payable for each calendar quarter during the Term by the twentieth (20th) day of the immediately following calendar quarter. In the event this Lease expires or terminates on a day other than the last day of a calendar quarter, Percentage Rent for such fractional part of the calendar quarter preceding such expiration or termination date will be prorated to account for the partial calendar quarter and paid within twenty (20) days after such expiration or termination date, but if this Lease terminates as a result of a Tenant Event of Default, any amounts due hereunder will be payable immediately upon termination.

(c) Reporting of Percentage Rent.

(i) Tenant will deliver to Port a complete statement setting forth in reasonable detail its Adjusted Gross Income for each calendar quarter, including an itemized list of all Adjustments from Gross Income that Tenant claims and which are expressly permitted under this Lease, and a computation of the Percentage Rent for each calendar quarter (the **"Quarterly Percentage Rent Statement"**) substantially in the form of ***Exhibit XX***, by the twentieth (20th) day of the immediately following calendar quarter. In addition, Tenant will furnish to Port, within sixty (60) days after the expiration of each Lease Year, a complete statement, showing the computation of Gross Income, Adjusted Gross Income, including an itemized list of all Adjustments from Gross Income that Tenant claims and which are expressly permitted under this Lease, and the Percentage Rent for each calendar quarter in the immediately preceding Lease Year ("**Annual Percentage Rent Statement**;" together with the Quarterly Percentage Rent Statement, "**Percentage Rent Statement**") substantially in the form of ***Exhibit XX***.

(ii) Tenant will substantiate actual Adjustments with proof of expenditure, which may include: (i) copies of canceled checks, (ii) bills, contracts and invoices marked "Paid", and (iii) and such other proofs of expenditure as may be reasonably approved by Port. All actual Adjustments will be documented no later than in the applicable Annual Percentage Rent Statement.

(iii) A financial officer or other accountant employed by Tenant who is authorized and competent to prepare such Quarterly Percentage Rent Statement must certify each Quarterly Percentage Rent Statement as accurate, complete and current. Each Quarterly Percentage Rent Statement will be certified as accurate, complete and current by a financial officer or other accountant employed by Tenant who is authorized and competent to make such Quarterly Percentage Rent Statement. Each Annual Percentage Rent Statement will be certified as accurate, complete and current by an independent certified public accounting firm, the following of which are pre-approved by Port: Deloitte & Touche, Ernst & Young, Arthur Andersen, KPMG and Price Waterhouse Coopers. Tenant must obtain Port's prior approval, not to be unreasonably withheld, for all other certified public accounting firms certifying each Annual Percentage Rent Statement.

(iv) If Port receives the Percentage Rent payment but does not receive the applicable Percentage Rent Statement by the twentieth (20th) day of the immediately following

calendar quarter for Quarterly Rent Statements and the sixtieth (60th) day of the immediately following Lease Year, such failure, until cured, will be treated as a late payment of Percentage Rent, subject to a Late Charge.

(v) If Tenant fails to deliver any Percentage Rent Statement within the time period set forth in this Section 3.5(c) (irrespective of whether any Percentage Rent is actually paid or payable by Tenant to Port) and such failure continues for thirty (30) days after the date Port delivers to Tenant written notice of such failure, Port will have the right, among its other remedies under this Lease, to have a Port Representative examine Tenant's Books and Records (and, to the extent permitted by the applicable Sublease, the Books and Records of any other occupant of the Premises) as may be necessary to determine the amount of Percentage Rent due to Port for the period in question. The determination made by Port Representative will be binding upon Tenant, absent manifest error, and Tenant will promptly pay to Port the total cost of the examination, together with the full amount of Percentage Rent due and payable for the period in question, including any Late Charge and interest at the Default Rate.

(vi) If the Annual Percentage Rent Statement reflects that the Percentage Rent paid by Tenant during the applicable Lease Year is greater than the Percentage Rent actually due for such period, Tenant must submit payment of the balance owing together with such Annual Percentage Rent Statement showing that Tenant has underpaid Percentage Rent. At Port's option, overpayments may be refunded to Tenant, applied to any other amount then due under this Lease and unpaid, or applied to Rent due at the first opportunity following Tenant's delivery of the Annual Percentage Rent Statement showing an overpayment.

3.6 Port Participation in Sale Proceeds.

(a) **[Note: Applicable only for Horizontal Developer Affiliates]** Distribution of, and Port's Participation in, Net Sale Proceeds before Early Transfer Date.

(i) One Hundred Percent (100%) of Net Sale Proceeds from a Sale occurring at any time prior to the Early Transfer Date, less the following deductions in this ***Section 3.6(a)***, will be deposited into the DRP Fund.

(1) Tenant's Purchase Price;

(2) Port's Attorneys' Fees and Costs associated with Port's review of the Qualifying Early Sale;

(3) Costs of Sale; and

(4) If the work product that is the subject of the Certified Entitlement Cost is purchased by the Transferee and useful in the construction or entitlement of the Vertical Project, Certified Entitlement Costs related to such purchased work product, if any.

(ii) In addition to payment of Port's share of Net Sale Proceeds in accordance with [Section 3.6(a)], Tenant will pay Port a sum equal to Seventy-Five Thousand Dollars ($75,000) for each 12-month period following the Commencement Date until the effective date of the Sale. By way of example only, if the Sale occurs on the last day of the twenty-fourth (24th) month after the Commencement Date, then Tenant will pay Port One Hundred Fifty Thousand Dollars ($150,000). If Sale occurs at any time after the first twelve-month period, then the Seventy-Five Thousand Dollar amount will be pro-rated for such shorter period.

(b) Distribution of, and Port's Participation in, Net Sale Proceeds and Reassessment Events after Early Transfer Date. (i) **Sale**. Tenant will pay Port one and one-half percent (1.5%) of the Net Sale Proceeds from each Sale occurring on or after the Early Transfer Date.

(ii) **Reassessment Event**. . For purposes of calculating Net Sale Proceeds on a Reappraisal Event, Tenant's Sale Proceeds from such Reappraisal Event will be deemed to be an amount equal to (1) the total ownership interests in Tenant after the Reappraisal Event held by the Person causing the Reappraisal Event (expressed as a percentage of total ownership interests in Tenant), multiplied by (2) the value assigned to the Leasehold Estate, as evidenced by (A) the estimated fair market value of the Leasehold Estate provided to the Assessor's Office in connection with the Reappraisal Event, or (B) if no such estimate is provided to the Assessor's Office, the appraised value of the Leasehold Estate established in an Appraisal Report reasonably approved by Port and Tenant.

(c) Manner of Payment. The estimated closing statement will be updated as of the date of closing of the Sale to show the actual (i) Sale Proceeds from such Sale, and (ii) line item description of the deductions and exclusions from Sale Proceeds to arrive at Port's share of Net Sale Proceeds. If escrow is opened for a Sale, then Port's share of the proceeds from such Sale must be distributed through escrow. If no escrow is opened for a Sale, Port's share of proceeds from such Sale must be paid upon the closing of any such Sale.

This provision constitutes notice to Tenant that Port is to be paid in full its share of Net Sale Proceeds through the close of escrow or the closing of the applicable Sale. If Port is not paid full by such closing date, the amount due Port will be subject to a Late Charge and will accrue interest at the Default Rate from and after the closing until paid in full to Port. Port may reference in any estoppel certificate or other representation requested from Port that payment to Port of Port's share of proceeds from a Sale is a material obligation under the Lease, due and owing upon the closing of any Triggering Event, provided, however, failure to reference such obligation will in no way negate Tenant's obligation to pay, and Port's right to receive, Port's share of Net Sale Proceeds.

Within forty-five (45) days after any Sale, transferor Tenant will submit to Port a statement prepared in accordance with sound accounting principles consistently applied, and certified by transferor Tenant's chief executive officer or chief financial officer (or equivalent position), as current, complete and correct, confirming the actual amount of proceeds received; line item description of the deductions and exclusions from proceeds to arrive at Port's share of Net Sale Proceeds. At Port's option, any overpayments may be either refunded to transferor Tenant or applied to any other amount then due and unpaid under the Lease. Tenant will accompany the statement of Net Sale Proceeds with the amount of any underpayments. The statements delivered to Port under this Section are subject to the audit provisions of Section 3.9 for determination of the accuracy of Tenant's reporting of Port's share of Net Sale Proceeds.

(d) Survival. The provisions of this Section 3.6 will survive the earlier termination or expiration of this Lease for Sales occurring prior to such termination or expiration. Additionally, any release by Port of Tenant's obligations under this Lease in connection with any Sale is conditioned on Port's receipt of Port's share of Sale Proceeds.

(e) Additional Definitions. The following definitions apply for purposes of this Section 3.6:

"**Cash Consideration**" means (i) cash, or (ii) cash equivalents.

"**Certified Entitlement Costs**" means Entitlement Costs, as certified in accordance with Attachment 1 to this Exhibit XX.

"**Certified Total Development Costs**" means the Total Development Costs, as certified in accordance with ***Attachment 1 to this Exhibit XX***.

"**CofO Issuance Date**" means the date Port, in its regulatory capacity, issues a certificate of occupancy for the Initial Improvements.

"**Costs of Sale**" means only the following costs incurred by Tenant in connection with a Transfer: (i) brokerage commissions paid to licensed real estate brokers (provided, however, that in the case of brokerage commissions paid to Affiliate brokers, such commissions must be commercially reasonable), (ii) finder's fees (provided that in the case of finder's fees to Affiliates, such finder's fees must be commercially reasonable), (iii) reasonable and customary closing fees and costs including recording fees and transfer taxes, title insurance premiums and survey fees, (iv) reasonable advertising and marketing costs, and (v) reasonable Attorneys' Fees and Costs. "**Costs of Sale**" excludes adjustments to reflect prorations of rents, taxes or other items of income or expense customarily prorated in connection with sales of real property.

"**Early Transfer Date**" means the date that Port issues a site permit and first building permit addendum to allow commencement of construction of the Initial Improvements.

"**Entitlement Costs**" means Tenant's reasonable out-of-pocket costs actually incurred from and after the effective date of the Vertical DDA until the effective date of the Sale and attributable to the following only: designing the Initial Improvements; costs related to all land use approvals and entitlements, including preparation and processing of design review applications under the SUD and the Design Control, subdivision maps specific to the Premises that do not impact the subdivision map recorded on XXXX, in XXXXX, and costs of compliance with all conditions of approval and CEQA mitigation measures legally required by the City, Port or any other Regulatory Authority as a condition to obtaining the entitlements; architectural, engineering, consultants, community outreach, attorney and other professional fees reasonably necessary to obtain the entitlements; financing costs for loans obtained to finance the Entitle Costs; Base Rent and Impositions paid (and not reimbursed by the transferee or adjusted at the closing of the Sale) prior to the effective date of the Sale.

"**Hard Costs**" means reasonable out-of-pocket costs actually incurred by Tenant attributable solely to the cost of labor, materials and construction of the Initial Improvements. "**Hard Costs**" do not include the cost of any improvements for any specific or speculative Subtenant or any costs incurred after the issuance of a Certificate of Completion in accordance with [Article 13] of the VDDA..

"**Initial Tenant**" means **[insert name of initial tenant entity]**.

"**Net Sales Proceeds**" means Sale Proceeds less:

(i) Costs of Sale; and

(ii) Port's Attorneys' Fees and Costs associated with Port's review of the Sale or Reassessment Event; and

(iii) if the transferor Tenant (x) constructed the Initial Improvements, Tenant's Purchase Price (but only if such amount is not included in Certified Total Development Costs) plus the Certified Total Development Costs, or (y) if transferor Tenant did not construct the Initial Improvements, Tenant's Purchase Price; and

(iii) the total amount of any Net Refinancing Proceeds from any Qualifying Refinancing by the transferor Tenant where Port received its share in such proceeds in

accordance with Section 3.7(a) below or any Net Sale Proceeds actually received by Port from any Reassessment Event prior to the last Sale in accordance with Section 3.6(b)(ii).

"**Non-Cash Consideration**" means consideration received by Tenant in connection with a Sale that is not Cash Consideration.

"**Reassessment Event**" means a change in ownership of real property as described in [Cal. Revenue and Taxation Code, [Chapter 2 (Change in Ownership and Purchase), Section 64], as that law is in effect as of [_____, 2017] and attached hereto as Exhibit [XX]].

"**Recapitalization**" means a transfer, in a single transaction or a related series of transactions that results in a change in the Person that had more than fifty percent (50%) of the ownership interest in Tenant (whether shares, partnership interests, membership interest or other equity, and whether one or more classes thereof, and whether direct or indirect).

"**Sale**" means either a Transfer (other than an Excluded Transfer) or Reassessment Event

"**Sale Proceeds**" means all consideration received by or for the account of Tenant in connection with a Sale, including Cash Consideration, the principal amount of any loan made by Tenant to a purchaser as part of the purchase price, or any other Non-Cash Consideration representing a portion of the purchase price. "**Sale Proceeds**" do not include a commitment by an owner (whether direct or indirect) of Tenant to fund its share of future capital calls to construct the Initial Improvements or Capital Items, in and of itself, will not be considered or deemed to be Recapitalization Proceeds.

"**Soft Costs**" means reasonable out-of-pocket costs actually incurred by the Tenant that actually constructs the Initial Improvements and attributable solely to architectural, engineering, consultant, attorney, and other professional fees, regulatory fees, CEQA mitigation measures, community benefits, Impact Fees (as defined in the Horizontal DDA), Port Costs and Other City Costs (as defined in the Vertical DDA), builder's risk insurance, performance and payment bonds, safety and security measures, and thirty party costs to prepare Certified Total Development Costs, in each case in connection with the Initial Improvements described in the Scope of Development. "**Soft Costs**" do not include costs associated with the design or construction any specific or speculative Subtenant improvements or any costs incurred after the issuance of a Certificate of Completion in accordance with [Article 13] of the VDDA.

"**Tenant's Purchase Price**" means (i) in the case of the Initial Tenant, the "**Acquisition Price**" under the Vertical DDA and (ii) in the case of each subsequent tenant following the Initial Tenant, the Sale Proceeds paid by such Tenant to the immediately prior tenant for the Leasehold Estate.

"**Total Development Costs**" means Soft Costs and Hard Costs.

3.7 Port Participation in Refinancing Proceeds.

(a) Port's Participation. In connection with any Qualifying Refinancing, Tenant will pay to Port an amount equal to one and ½ percent (1.5%) of Net Refinancing Proceeds.

(b) Reporting of Refinancing Proceeds. No less than fifteen (15) days prior to the close of escrow for each Refinancing, Tenant will deliver to Port, an estimated closing statement that includes the best estimate of the following items:

(i) Gross proceeds from Refinancing;

(ii) The estimated Net Refinancing Proceeds including a separate line item for each of the costs permitted to be deducted from the gross proceeds from the Refinancing, as applicable to arrive at Net Refinancing Proceeds; and

(iii) The estimated Net Refinancing Proceeds allocated to Port and Tenant.

(c) Manner of Payment. The estimated closing statement will be updated as of the date for close of escrow under the Refinancing to show the actual (i) gross Refinancing Proceeds, (ii) Net Refinancing Proceeds and Port's share thereof, as applicable, and (iii) with respect to any Refinancing, line item description of the deductions and exclusions from Refinancing Proceeds to arrive at Net Refinancing Proceeds. Tenant must pay Port from the close of escrow of any Refinancing, Port's share of the Net Refinancing Proceeds. Port may reference in any estoppel certificate or other representation requested from Port by a Mortgage lender, that payment to Port of Port's share of Net Refinancing Proceeds is a material obligation under the Lease, due and owing at close of escrow of any Refinancing hereunder, provided, however, failure to reference such obligation will in no way negate Tenant's obligation to pay, and Port's right to receive, Port's share of Net Refinancing Proceeds. This provision constitutes notice to Tenant that Port is to be paid in full its share of Refinancing Proceeds through the close of escrow. If Port is not paid full by such closing date, the amount due Port will be subject to a Late Charge and will accrue interest at the Default Rate from and after the closing until paid in full to Port. Within forty-five days (45) after any Refinancing, Tenant will submit to Port a statement, prepared in accordance with sound accounting principles consistently applied, and certified by Tenant's chief executive officer or chief financial officer (or equivalent position) as current, complete and correct, confirming the actual amount of Refinancing Proceeds, disbursed, permitted deductions made from such proceeds, and the amount of Net Refinancing Proceeds due to Port and actually paid to Port. At Port's option, any overpayments will be either refunded to Tenant, applied to any other amount then due and unpaid, or credited against Rent due. Tenant will accompany the statement of Net Refinancing Proceeds with the amount of any underpayments. The statements delivered to Port under this Section 3.7(d) will be subject to the audit provisions of Section 3.9 for determination of the accuracy of Tenant's reporting of Net Refinancing Proceeds.

(d) Survival. The provisions of this Section 3.7 will survive the earlier termination or expiration of this Lease for any Qualifying Refinancing occurring prior to such termination or expiration.

(e) Additional Definitions. The following additional definitions will apply for purposes of this Section.

A **"Capital Items"** means replacements, repairs, and/or improvements to the Premises, the foundation and structural integrity of the Buildings, and all Material Systems serving the Improvements within the Premises that would be deemed capital assets under general accounting principles consistently applied.

B **"Net Refinancing Proceeds"** means all gross principal amounts of any Refinancing occurring after the Effective Date hereof (plus, in the event of secondary financing, the original principal balance of any existing financing that is not repaid as a part of such secondary financing), after subtracting the following:

(1) amounts needed to pay the lenders' actual costs of such Refinancing paid by Tenant including application fees, closing costs, points and other customary lenders' fees such as lenders' Attorneys' Fees and Costs and title insurance costs paid at close of escrow for such Refinancing;

(2) amounts needed to pay Port's Attorneys' Fees and Costs associated with Port's review of the Refinancing; and

(3) amounts needed to pay Tenant's Attorneys' Fees and Costs associated with the Refinancing; and

(4) any portion of the Refinancing Proceeds that will be used for Capital Items approved in accordance with ***Sections 10.2(d) and 12.1***;

(5) brokerage commissions paid to licensed real estate brokers to arrange the Refinancing (provided, however, if commissions are paid to Affiliate brokers, such commissions must be commercially reasonable).

C "**Qualifying Refinancing**" means any Refinancing that results in positive Net Refinancing Proceeds that is not in connection with (1) a Sale; or (2) the first permanent financing following Completion of the Initial Improvements that is secured by Tenant's leasehold interest in this Lease. .

D "**Refinancing**" means any secured debt financing or refinancing incurred by Tenant and secured by any Mortgage, which may include secured financing from an Affiliate of Tenant and any refinancing or replacement of existing debt secured by a Mortgage (including any permanent take-out financing for financing the construction of the Initial Improvements).

E "**Refinancing Proceeds**" means all sums actually disbursed by a lender in connection with a Refinancing.

3.8 Books and Records. Tenant will keep books and records according to generally accepted accounting principles consistently applied or such other method as is reasonably acceptable to Port. "**Books and Records**" means all of Tenant's books, records, and accounting reports or statements relating to this Lease and the operation and maintenance of the Premises, including, without limitation, cash journals, rent rolls, general ledgers, income statements, bank statements, income tax schedules relating to the Property, and any other bookkeeping documents Tenant utilizes in its business operations for the Premises or in connection with any Sale or Refinancing. Tenant will maintain a separate set of accounts, including bank accounts, to allow a determination of expenses incurred and revenues generated directly from the Premises, including proceeds and costs incurred from any Sale and Refinancing. If Tenant operates all or any portion of the Premises through a Subtenant or Agent (other than Port), Tenant will cause such Subtenant or Agent to adhere to the foregoing requirements regarding books, records, accounting principles and the like.

3.9 Audit. Tenant agrees to make its Books and Records (and, to the extent within Tenant's control, the Books and Records of any other person relating to the matters identified in

Section 3.6(b)) available in the City and County of San Francisco to Port, or to any accountant employed or retained by Port or the City who is competent to examine and audit the Books and Records (hereinafter collectively referred to as "**Port Representative**"), for the purpose of examining said Books and Records to determine the accuracy of Tenant's reporting of Gross Income, Adjusted Gross Income, Sale Proceeds, Refinancing Proceeds and Port's share of the foregoing, for a period of five (5) years after the applicable Percentage Rent Statement (or closing statement with respect to a Sale or Refinancing) was delivered to Port. Tenant will reasonably cooperate with Port Representative during the course of any audit; provided however, once commenced, such audit will be diligently pursued to completion by Port within a reasonable time after its commencement. If an audit has commenced and Port claims that errors or omissions have occurred, Tenant will retain the Books and Records and make them available until those matters are resolved.

If an audit reveals that Tenant has understated its Gross Income, Adjusted Gross Income, Sale Proceeds, Net Sale Proceeds, Refinancing Proceeds, or Net Refinancing Proceeds for said audit period, Tenant will pay Port, within fifteen (15) days after receipt of such audit results, the difference between the amount Tenant has paid and the amount it should have paid to Port, plus interest at the Default Rate. If Tenant understates its Gross Income, Sale Proceeds, Refinancing Proceeds, or Port's share of the foregoing proceeds for any audit period by five percent (5%) or more of Tenant's understated amount, Tenant will pay Port's cost of the audit. Any overpayments revealed by an audit will be credited towards Rent payments due subsequent to the audit until credited in full.

3.10 Manner of Payment. Tenant will pay all Rent to Port in lawful money of the United States of America at the address for notices to Port specified in this Lease, or to such other Person or at such other place as Port may from time to time designate by notice to Tenant. Base Rent, Percentage Rent, and Port's share of Sale Proceeds and Refinancing Proceeds are payable without prior notice or demand. Rent is due and payable at the times provided in this Lease, provided that if no date for payment is otherwise specified, or if payment is stated to be due "upon demand," "promptly following notice," "upon receipt of invoice," or the like, then such Additional Rent is due thirty (30) days following the giving by Port and the receipt by Tenant of such demand, notice, invoice or the like to Tenant specifying that such sum is presently due and payable.

3.11 Interest on Delinquent Rent. Rent not paid when due will bear interest from the date due until paid at an annual interest rate equal to the greater of (i) ten percent (10%) or (ii) five percent (5%) in excess of the Prime Rate that is in effect as of the date payment is due (the "**Default Rate**"). However, interest will not be payable on Late Charges incurred by Tenant or to the extent such payment would violate any applicable usury or similar law. Payment of interest will not excuse or cure any default by Tenant.

3.12 Late Charge. Tenant acknowledges and agrees that late payment by Tenant to Port of Rent, or Tenant's failure to provide the Percentage Rent Statement to Port, will cause Port increased costs not contemplated by this Lease. The exact amount of such costs is extremely difficult to ascertain. Such costs include processing and accounting charges. Accordingly, without limiting any of Port's rights or remedies hereunder and regardless of whether such late payment results in a Tenant Event of Default, Tenant will pay a late charge (the "**Late Charge**") equal to the higher of (a) five percent (5%) of all Rent or any portion thereof which remains unpaid more than five (5) days following the date it is due (or with respect to a failure by Tenant

to deliver the Percentage Rent Statement to Port within five (5) days following the date it is due, five percent (5%) of Percentage Rent due for the subject period of the Percentage Rent Statement), or (b) [**Note: Increase following amount by $500 every 5 years after execution of the DDA**: One Thousand Dollars ($1,000)], which amount will be increased by an additional One Thousand Dollars ($1,000) on the tenth (10th) anniversary of the Commencement Date and every ten (10) years thereafter; provided, however, Tenant will not be subject to a Late Charge more than once every calendar year if Tenant pays the unpaid Rent or delivers the Monthly Statement to Port, as applicable, within five (5) days of written notice from Port of such failure. The Parties agree that the Late Charge represents a fair and reasonable estimate of the cost that Port will incur by reason of a late payment by Tenant.

3.13 No Abatement or Setoff. Tenant will pay all Rent at the times and in the manner provided in this Lease without any abatement, setoff, credit, deduction, or counterclaim.

3.14 Net Lease. It is the purpose of this Lease and intent of Port and Tenant that all Rent is absolutely net to Port, so that this Lease yields to Port the full amount of Rent at all times during the Term, without deduction, abatement or offset. Under no circumstances, whether now existing or hereafter arising, and whether or not beyond the present contemplation of the Parties is Port expected or required to incur any expense or make any payment of any kind with respect to this Lease or Tenant's use or occupancy of the Premises. Without limiting the foregoing, Tenant is solely responsible for paying each item of cost or expense of every kind and nature whatsoever, the payment of which Port would otherwise be or become liable by reason of Port's estate or interests in the Premises, any rights or interests of Port in or under this Lease, or the ownership, leasing, operation, management, maintenance, repair, rebuilding, remodeling, use or occupancy of the Premises, or any portion thereof. No occurrence or situation arising during the Term, or any Law, whether foreseen or unforeseen, and however extraordinary, relieves Tenant from its liability to pay all of the sums required by any of the provisions of this Lease, or otherwise relieves Tenant from any of its obligations under this Lease, or except as set forth in this Lease, gives Tenant any right to terminate this Lease in whole or in part. Tenant waives any rights now or hereafter conferred upon it by any Law to terminate this Lease or to receive any abatement, diminution, reduction or suspension of payment of such sums, on account of any such occurrence or situation, provided that such waiver will not affect or impair any right or remedy expressly provided Tenant under this Lease.

3.15 Survival. Tenant's obligation to pay any unpaid Rent due and payable will survive the expiration or earlier termination of this Lease.

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ATTACHMENT 1 TO EXHIBIT D

PROCEDURES TO CERTIFY ENTITLEMENT COSTS AND TOTAL DEVELOPMENT COSTS

1. PORT REPRESENTATIVE.

If Tenant fails to deliver either the Certified Entitlement Cost Statement or the Certified Total Development Cost Statement, as applicable, within the time periods set forth herein, and such failure continues for thirty (30) days after the date Port delivers to Tenant written notice of such failure, Port has the right, among its other remedies under this Lease, to have a Port Representative examine Tenant's books and records as may be necessary to determine all the information required in the Certified Entitlement Cost Statement or Certified Total Development Cost Statement, as applicable. The determination made by Port Representative will be binding upon Tenant, absent manifest error, and Tenant must promptly pay to Port the total cost of the examination.

2. CERTIFIED COST STATEMENT.

(a) Certified Entitlement Cost Statement. Within thirty (30) days prior to a Sale occurring before the Early Transfer Date or sixty (60) days following the Early Transfer Date for the Tenant that constructs the Initial Improvements, as applicable, Tenant will furnish Port with an itemized statement setting forth in detail the Entitlement Cost incurred by Tenant to the Building Permit Date or thirty (30) days prior to a Qualifying Early Sale, as applicable, certified as true, accurate and complete by an independent certified public accountant (the "Certified Entitlement Cost Statement").

(b) Certified Total Development Cost Statement. Within the earlier of one hundred twenty (120) days following the issuance of a Certificate of Completion or thirty (30) days prior to a Sale after the Early Transfer Date, the Tenant that constructed the Initial Improvements will furnish Port with an itemized statement setting forth in detail the Total Development Cost incurred by such Tenant to the CofO Issuance Date, certified as true, accurate and complete by an independent certified public accountant (the "**Certified Total Development Cost Statement**").

(b) Port Review. Port will notify the Tenant within sixty (60) days following Port's receipt of the Certified Entitlement Cost Statement or the Certified Total Development Cost Statement, as applicable, of Port's agreement or disagreement with such statement. If Port disagrees with any such statement, the Parties will meet to resolve the disagreement. If the Parties are unable to resolve their disagreement, either may Party exercise its rights under Section 3 (Audit Rights) of this Attachment 1 to Exhibit D.

3. AUDIT RIGHTS.

If Port disagrees with either the Certified Entitlement Cost Statement or the Certified Total Development Cost Statement, Port may request that such records be audited by an independent certified public accounting firm mutually acceptable to Port and Tenant, or if the Parties are unable to agree, either Party may apply to the Superior Court of the State of California in and for the County of San Francisco for appointment of an auditor meeting the foregoing qualifications. If the court denies or otherwise refuses to act upon such application, either Party may apply to the American Arbitration Association, or any similar provider of professional commercial arbitration services, for appointment in accordance with the rules and procedures of such organization of an independent auditor. Such audit will be binding on the Parties, except in the case of fraud, corruption or undue influence. Port will pay the entire cost of the audit unless the audit discovers that Tenant has overstated the Entitlement Cost or the Total Development Cost, as applicable, by more than three percent (3%) of the lower amount, in which case Tenant will pay the entire cost of the audit.

4. BOOKS AND RECORDS RELATED TO TOTAL DEVELOPMENT COSTS.

Tenant must keep accurate books and records of the Entitlement Costs and Total Development Costs incurred to date, funds expended by Tenant, outstanding Tenant capital, Tenant capital return accrued, and debt or other third-party proceeds received by or on behalf of Initial Tenant in connection with the development of the Initial Improvements, all in accordance with accounting principles generally accepted in the construction industry. Port, including its Agents, has the right to inspect Tenant's books and records regarding the development of the Initial Improvements, the costs incurred in connection therewith, and all other Entitlement Costs and Total Development Costs, including funds expended by Tenant, return accrued on such funds, and debt or other third party proceeds received by or on behalf of Tenant in connection with the development of the Initial Improvements in a location within San Francisco during regular business hours and upon reasonable advance notice.

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EXHIBIT XX

CFD MATTERS

[**Note: To Be Attached.**]

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EXHIBIT XX

INSURANCE REQUIREMENTS

[Note: Insurance requirements for Form of Parcel Lease will be reviewed by City's Risk Manager for adequacy every 5 years from approval of DDA. Increases to insurance limits, if applicable, for all or any of its general liability policies will be made in the reasonable judgment of the City's Risk Manager, consistent with general commercial practice in San Francisco for facilities of comparable size and use to the Premises, with respect to risks comparable to those associated with the uses of the Premises.]

20.1 Property and Liability Coverage.

(a) Required Types and Amounts of Insurance. Except as more specifically provided in this Exhibit N, Tenant will, at no cost to Port, obtain and maintain, and cause to be in effect at all times the types and amounts of insurance detailed below; provided, however, that Tenant reserves the right to utilize an owner controlled insurance program (OCIP) or contractor controlled insurance program (CCIP) to satisfy these insurance requirements. Such insurance shall remain in place from the Commencement Date to the later of (i) the last day of the Term, or (ii) the last day Tenant (A) is in possession of the Premises or (B) has the right of possession of the Premises (except as otherwise specified in this Exhibit N).

(i) Builders Risk Insurance. At all times during construction prior to Substantial Completion of the Initial Improvements [and Deferred Infrastructure], and during any period of Subsequent Construction, Tenant will maintain, or require to be maintained, on a form reasonably approved by Port, builders risk insurance (or its equivalent for any Subsequent Construction, which may include coverage under a property insurance program as referenced under Section 20.1(a)(ii)) in the amount equal to the 100% replacement cost value of any existing structures being rehabilitated or restored, and 100% of all new construction, including all materials and equipment to be used/incorporated on or about the Premises, and in transit or storage off-site (each subject to applicable sub-limits including a sub limit for debris removal including demolition of not less than 25% of construction value), against all risk or "special form" hazards, and earthquake and flood insurance (subject to Section 20.1(a)(ii)) including risks from any and all testing of any equipment, including Tenant as named insureds, with a deductible not to exceed One Hundred Thousand Dollars ($100,000) (except as to earthquake and flood insurance for which the deductible will be in accordance with the requirements of Section 20.1 (a)(ii)). Such builders risk insurance will also extend to cover soft costs and loss of business income for any delayed completion period as caused by any of the perils or hazards set forth in and required to be insured pursuant to Section 20.1(a)(i), for a delay period of not less than two (2) years with a limit of not less than One Million Dollars ($1,000,000); provided however that Tenant may request approval from the Port, which shall not be unreasonably withheld, of a lesser delay period or limit. If available at commercially reasonable rates, such builders risk insurance will also extend to cover the peril of terrorism.

(ii) Property Insurance; Earthquake and Flood Insurance.

(1) Property Insurance. Upon Substantial Completion of the Initial Improvements, and upon completion of Subsequent Construction of any additional Improvements, Tenant will maintain, or require to be maintained, property insurance policies with coverage at least as broad as Insurance Services Office form CP 10 30 06 95 ("Causes of Loss Special Form" (or its replacement)), in an amount not less than 100% of the then-current full replacement cost of the Improvements including any foundations, pilings, excavations and footings, including increased cost of construction and demolition of damaged and undamaged structures due to the enforcement of Laws, (with a deductible not to exceed One Hundred Thousand Dollars, except as to earthquake and flood insurance). If available at commercially reasonable rates, such insurance will extend to cover the peril of terrorism. In addition to the foregoing, Tenant

may insure its Personal Property in such amounts as Tenant deems appropriate; and Port will have no interest in the proceeds of such Personal Property insurance.

(2) Earthquake Insurance.

(A) During Construction, and prior to Substantial Completion, of the Initial Improvements, earthquake insurance will be in an amount equal to at least the lesser of (i) the Probable Maximum Loss to the Initial Improvements or, (ii) the maximum amount that is available at commercially reasonable rates from recognized insurance carriers (with a deductible of up to but not to exceed ten percent (10%)) of the then-current, full replacement cost of the Initial Improvements without sub-limits for excavations and footings; provided that earthquake coverage is available at commercially reasonable rates), except that a greater deductible will be permitted to the extent that such coverage is not available from recognized insurance carriers or at commercially reasonable rates). "Probable Maximum Loss" means the scenario upper loss (SUL) estimate of damage that may occur to the structures with a ninety percent (90%) confidence of non-exceedance as a result of an earthquake with a return period of 224 years as determined prior to Completion of the Initial Improvements and thereafter not less frequently than every ten (10) years by a consultant chosen and paid for by Tenant who is reasonably satisfactory to Port; and

(B) From and after Substantial Completion of the Initial Improvements, earthquake insurance will be in an amount equal to at least the lesser of (i) the Probable Maximum Loss to the Improvements, or (ii) the amount that is available at commercially reasonable rates from recognized insurance carriers, in each case, with a deductible of up to but not to exceed ten percent (10%) of the then-current, full replacement cost of the Initial Improvements, except that a greater deductible will be permitted to the extent that such coverage is not available from recognized insurance carriers or at commercially reasonable rates.

(3) Flood Insurance.

(A) If the Premises is in a designated flood zone as depicted on current Flood Insurance Rate Maps ("FIRMs:) issued by the U.S. Department of Homeland Security's Federal Emergency Management Agency ("FEMA") or its successor, then Tenant will, during construction, and prior to Substantial Completion, of the Initial Improvements or any Subsequent Construction, obtain flood insurance from recognized insurance carriers (or through the National Flood Insurance Program ("NFIP")) equal to at least the lesser of (i) the maximum amount that is available at commercially reasonable rates from recognized insurance carriers or NFIP, or (ii) the then-current, full replacement cost of the Initial Improvements or Subsequent Construction, as applicable, (including building code upgrade coverage and without any deduction being made for depreciation), with a deductible of up to but not to exceed ten percent (10%) of the then-current, full replacement cost of the Initial Improvements, except that a greater deductible will be permitted to the extent that such coverage is not available from recognized insurance carriers or at commercially reasonable rates. Such flood insurance or replacement coverage will remain in full force and effect or be separately produced from and after the Substantial Completion of the Initial Improvements in amount equal to at least the lesser of (i) the maximum amount that is available at commercially reasonable rates from recognized insurance carriers or NFIP, or (ii) the then-current, full replacement cost of the Improvements (including the value of any and all Subsequent Construction) with a deductible of up to but not to exceed ten percent (10%) of the then-current, full replacement cost of the Initial Improvements, except that a greater deductible will be permitted to the extent that such coverage is not available from recognized insurance carriers or at commercially reasonable rates.

(B) If the subject parcel is not in a designated flood zone as depicted on current FIRMs issued by the FEMA or its successor, Tenant will, during construction of the Initial Improvements, obtain flood insurance, to the extent available at commercially reasonable rates from recognized insurance carriers (or through the NFIP), in an amount equal to the

maximum amount of the then-current, full replacement cost of the Initial Improvements (including building code upgrade coverage and without any deduction being made for depreciation), with a deductible of up to but not to exceed ten percent (10%), except that a greater deductible will be permitted to the extent that flood coverage is not available from recognized insurance carriers (or through the NFIP) at commercially reasonable rates; and

From and after Substantial Completion of the Initial Improvements, flood insurance will be in an amount equal to at least the amount available at commercially reasonable rates from recognized insurance carriers or through the NFIP, with a deductible of up to but not to exceed ten percent (10%) of the then-current, full replacement cost of the Initial Improvements, except that a greater deductible will be permitted to the extent that such coverage is not available from recognized insurance carriers or at commercially reasonable rates.

(4) Exceptions for Earthquake and Flood Insurance. If Tenant determines that earthquake or flood insurance should not be carried on the Improvements because it is not (or no longer) available at commercially reasonable rates (or through the NFIP for flood insurance) or, in Tenant's reasonable business judgment, is imprudent, then Tenant will request in writing Port's consent to the absence or deletion thereof. However, with respect to earthquake or flood insurance during the construction of the Initial Improvements, a request for Port's consent to such determination by Tenant need not be submitted and Tenant may make such determination in its sole discretion. Any request for Port's consent required hereunder will include with such request evidence supporting Tenant's determination of commercial unreasonableness or imprudence as to the applicable coverage. Such evidence may include quotes, declinations, and notices of cancellation or non-renewal from leading insurance companies for the required coverage, percentage of overall operating expenses attributable thereto, and then current industry practice for comparable mixed-use/retail/office projects in San Francisco. Port will approve or disapprove the absence or deletion of earthquake or flood insurance within forty-five (45) days after Tenant's request. If Tenant elects not to carry or to discontinue such coverage with Port's approval, and Port later determines that due to changes in the industry or other changed circumstances, earthquake insurance or flood insurance, as applicable, has become commercially available at reasonable rates, then Port may notify Tenant thereof, and Tenant will add such coverage to its policy as soon as reasonably practicable thereafter.

(iii) Commercial General Liability Insurance. Tenant will maintain, or require to be maintained, "Commercial General Liability" insurance insuring against claims for bodily injury (including death), property damage, personal injury and advertising injury, including coverage for premises operations, blanket contractual liability (to the extent possible under the above-referenced policy form or under a separate policy form), broad form property damage, and products and completed operations, with such insurance to afford protection in an amount not less than Fifteen Million Dollars ($15,000,000) per occurrence and annual aggregate, and Fifteen Million Dollars ($15,000,000) products and completed operations aggregate. Tenant's CGL policy shall contain no exclusion for explosion, collapse and underground liability. Tenant shall be responsible for satisfying any and all deductibles or retentions. Within thirty (30) days after the Substantial Completion of the Initial Improvements, or completion of any Subsequent Construction requiring Port's approval under Article 13 and annually for ten years thereafter, Tenant, or its successors and assigns, will provide Port with evidence that Tenant's Commercial General Liability insurance includes completed operations coverage for the Initial Improvements or Subsequent Construction, as applicable.

In addition, if Tenant has (or is required under Laws to have) a liquor license and is selling or distributing alcoholic beverages on the Premises, then Tenant will maintain, or require to be maintained, liquor liability coverage with limits not less than Three Million Dollars ($3,000,000) per occurrence and annual aggregate and Tenant will require any Subtenant or operator who has (or is required under Laws to have) a liquor license and who is selling or distributing alcoholic beverages on the Premises, to maintain such coverage. All liability

insurance may be provided under a combination of primary and umbrella excess policies (including blanket policies) and may be provided under policies with a "claims made" trigger as provided in Section 20.1 (b)(viii).

(iv) Workers' Compensation Insurance. During any period in which Tenant has employees, as defined in the California Labor Code, Tenant will maintain, or require to be maintained, policies of workers' compensation insurance providing statutory limits, including employer's liability coverage with limits not less than One Million Dollars ($1,000,000) each accident and policy limit by disease (except that such insurance in excess of One Hundred Thousand ($100,000) each accident may be covered by a so-called "umbrella" or "excess coverage" policy) covering liability for all persons directly employed by Tenant in connection with the use, operation and maintenance of the Premises and the Improvements.

(v) Boiler and Machinery Insurance. If any of the following exposures are not covered by the insurance required by Section 20.1(a)(ii)(1), Tenant will maintain, or require to be maintained, boiler and machinery insurance covering damage to or loss or destruction of machinery and equipment located in, on, under, around, or about the Premises that is used by Tenant for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment.

(vi) Business Automobile Insurance. Tenant will maintain, or require to be maintained, policies of business automobile liability insurance covering all owned, non-owned or hired motor vehicles to be used by Tenant or their Agents, affording protection for bodily injury (including death) and property damage in the form of Combined Single Limit Bodily Injury and Property Damage with limits of not less than Five Million Dollars ($5,000,000) per accident and annual aggregate.

(vii) Business Income Insurance. If any of the following exposures are not covered by the insurance required by Section 20.1(a)(ii)(1), from and after Completion of the Initial Improvements, Tenant will maintain business income insurance, including loss of rents and extra expense caused by any of the perils or hazards set forth in and required to be insured pursuant to Section 20.1(a)(ii) covering an interruption period of not less than two (2) years, with a limit of not less than twenty-four (24) months' of Gross Income.

(viii) Contractor's Pollution Legal Liability Insurance. Tenant will cause to be maintained during the period of construction of the Initial Improvements [and Deferred Infrastructure] and during any periods of Subsequent Construction that could reasonably be anticipated to involve a Release of Hazardous Materials on or about the Premises, Contractor's Pollution Legal Liability Insurance for Losses caused by pollution conditions, that are sudden, accidental or gradual, resulting from the Contractor's operations, or for which Contractor is legally liable, in connection with the construction of the Initial Improvements [or Deferred Infrastructure] or Subsequent Construction, whether such operations be by the Contractor or subcontractors, consultants or suppliers of the Contractor. The foregoing policy will contain minimum liability limits of 5 Million Dollars ($5,000,000) per occurrence and 5 Million Dollars ($5,000,000) in the aggregate with a deductible not to exceed One Hundred Thousand Dollars ($100,000). The foregoing policy will at a minimum contain coverage for or be specifically endorsed to include coverage for pollution conditions resulting in, arising from or in connection with: (i) bodily injury (including death), property damage and environmental cleanup costs (on-site and off-site) resulting from construction of the Initial Improvements [and Deferred Infrastructure];or Subsequent Construction, if applicable; (ii) the use or operation of motor vehicles (whether owned, non-owned or leased) in connection with construction of the Initial Improvements [and Deferred Infrastructure],or Subsequent Construction, if applicable, including transportation of any Hazardous Materials to or from the project site, including any interim or temporary storage or transfer sites (such transportation coverage will also include loading/unloading of materials); (iii) claims by third parties (other than a disposal site owner)

for bodily injury or property damage arising from any disposal location or facility, both final and temporary, to which any waste that is generated in connection with the construction of the Improvements under the VDDA (if in effect) or any Subsequent Construction for which such coverage is required or in connection with any remediation obligation of Tenant pursuant to Section 21 is delivered; all such disposal locations/facilities, both final and (where commercially available) temporary, will be scheduled to the foregoing policy as Non-Owned Disposal Sites for coverage under such policy. The foregoing policy will be written on an occurrence form and be in effect during the construction periods described above, or, if not available on an occurrence form, then on a claims-made form. If the foregoing policy is written on a claims made form, then the foregoing policy will be maintained for, or contain an extended reporting period of, at least five (5) years. The foregoing policy definition of "Covered Operations" or any other such designation of services or operations performed by the Contractor must include all work or services performed by such Contractor and its subcontractors, consultants, or suppliers as part of the construction of the Initial Improvements [and Deferred Infrastructure]or Subsequent Construction, if applicable.

(ix) Professional Liability. Tenant will maintain or require to be maintained, project-specific professional liability (errors and omissions) insurance, with limits not less than Five Million Dollars ($5,000,000) each claim and annual aggregate, with respect to architectural, engineering, geotechnical, and environmental professional services, reasonably necessary or incidental to the construction of the Initial Improvements, [and Deferred Infrastructure] and any Subsequent Construction, with any deductible not to exceed One Hundred Thousand Dollars ($100,000). Notwithstanding the foregoing, Tenant may elect, instead of obtaining the foregoing coverages in this Section 20.1(a)(ix), to require that any architects, contractors and sub-contractors performing professional services in connection with the Initial Improvements carry professional liability insurance (errors and omissions) in an amount not less than Two Million Dollars ($2,000,000) each claim and annual aggregate with a deductible not to exceed One Hundred Thousand Dollars ($100,000). Coverage provided architects, contractors and sub-contractors performing professional services may be provided with a lower limit if either (i) the Tenant maintains an owners' protective professional indemnity (OPPI) policy for the difference or(ii) upon the prior written approval of Port, if requested by Tenant to accommodate the needs and limitations of LBE contractors used by Tenant. Such insurance will provide coverage during the period when such professional services are performed and for a period of (a) three (3) years after Completion of the Initial Improvements [and Deferred Infrastructure],and (b) three (3) years for any Subsequent Construction. With respect to Subsequent Construction, Tenant will require that any architect, contractor or subcontractor performing professional services in connection with such Subsequent Construction, carry professional liability insurance (errors and omissions) in an amount not less than One Million Dollars ($1,000,000) each claim and annual aggregate with a deductible not to exceed One Hundred Thousand Dollars ($100,000).

(x) Other Insurance. If Tenant permits activities on Tenant's premises after construction is completed that are not covered by any of the policies listed in this agreement, or, alternatively not adequately covered given the insurance limits in place, the amount and type of insurance required for these activities will be mutually evaluated by the Port and the Tenant. Following consultation with Tenant, the Port may require that Tenant secure such other insurance or increase the insurance limits for any of Tenant's policies then in effect, if in the reasonable judgement of the City's Risk Manager it is the general commercial practice in San Francisco to carry such insurance and/or in the requested insurance limits for the subject activities taking into consideration the particular risks associated with such uses of the Premises, so long as any insurance required is generally available from recognized carriers at commercially reasonable rates. If Tenant determines that such other insurance or coverage amount should not be required because it is not available from recognized carries at commercially reasonable rates, then Tenant will provide to Port evidence supporting Tenant's determination of commercial unreasonableness as to the applicable coverage and any cost to

maintain such additional insurance, if required by Port, shall be borne by Port and not by Tenant. Such evidence may include quotes, declinations, and notices of cancellation or non-renewal from leading insurance companies for the required coverage, percentage of overall operating expenses attributable thereto, and then current industry practice for comparable mixed-use/retail/office projects in San Francisco.

(b) General Requirements.

(i) As to all insurance required hereunder, such insurance shall be carried under a valid and enforceable policy or policies issued by insurers of recognized responsibility that are rated Best A—:VIII or better by the latest edition of Best's Key Rating Guide (or a comparable successor rating) and legally authorized to sell such insurance within the State of California;

(ii) As to property insurance required hereunder, such insurance will name the Tenant as the first named insured, and will name the Port as a loss payee as its interest may appear. As to general liability, automobile liability, and umbrella or excess liability insurance (including blanket policies), such insurance will name as additional insureds by written endorsement: "THE CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO PORT COMMISSION AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS" as additional insureds for claims arising in connection with the Insured's operations.

(iii) As to all insurance required hereunder, such insurance will be evaluated by Port and Tenant for adequacy every five (5) years from the date of Completion of Improvements. Following consultation with Tenant, Port may require, upon not less than ninety (90) days prior written notice, that Tenant increase the insurance limits for all or any of its general liability policies if in the reasonable judgment of the City's Risk Manager it is the general commercial practice in San Francisco to carry insurance for facilities of comparable size and use to the Premises in amounts substantially greater than the amounts being carried by Tenant with respect to risks comparable to those associated with the uses of the Premises. As part of such evaluation, Tenant may request that insurance limits for all or any of its general liability policies be decreased and, if the City's Risk Manager reasonably determines that the insurance limits required under this Section 20.1 may be decreased in light of such commercial practice and the risks associated with the uses of the Premises, Port will notify Tenant of such determination, and Tenant will have the right to decrease the insurance coverage required under this Lease accordingly. In such event, Tenant will promptly deliver to Port a certificate evidencing such new insurance amounts and additional insured endorsements in form satisfactory to Port, as applicable. If Tenant determines that such other insurance or coverage amount should not be required because it is not available from recognized carries at commercially reasonable rates, then Tenant will provide to Port evidence supporting Tenant's determination of commercial unreasonableness as to the applicable coverage and any cost to maintain such additional insurance, if required by Port, shall be borne by Port and not by Tenant. Such evidence may include quotes, declinations, and notices of cancellation or non-renewal from leading insurance companies for the required coverage, percentage of overall operating expenses attributable thereto, and then current industry practice for comparable mixed-use/retail/office projects in San Francisco.

(iv) Thirty (30) days' advance written notice shall be provided to the Port of cancellation, intended non-renewal, or reduction in coverages, except for non-payment for which no less than ten (10) days' notice shall be provided to Port. Notices shall be sent to the Port address set forth in Section XX entitled "Notices to the Parties".

(v) As to commercial general liability and automobile liability insurance, such insurance will provide that it constitutes primary insurance with respect to claims arising in connection with Tenant's completed and ongoing operations, and shall provide cross liability coverage (separation of insureds or severability of interests provision);

(vi) As to liability, automobile, worker's compensation and property insurance required hereunder, such insurance will provide for waivers of any right of subrogation that the insurer of such party may acquire against each Party hereto with respect to any losses of the type covered under the policies required by Section 20.1(a); and

(vii) All insurance will be subject to the approval of Port, which approval will be limited to whether or not such insurance meets the terms of this Lease, such approval not to be unreasonably withheld. As to any minimum deductible specified hereunder, Tenant may request approval from the Port, which shall not be unreasonably withheld, of a higher deductible.

(c) Certificates of Insurance; Right of Port to Maintain Insurance. Tenant will furnish Port certificates and additional insured endorsements in form satisfactory to Port with respect to the policies required under this Section within thirty (30) days, (i) on or prior to the Commencement Date (to the extent such policy is required to be carried as of the Commencement Date), (ii) for such policies required to be carried after the Commencement Date, on or prior to the date such policies are required, and (iii) with respect to renewal policies, within thirty (30) days after the policy renewal date of each such policy. Within thirty (30) days after Port's request, Tenant also will provide Port with copies of each such policy, or will otherwise make such policy available to Port for its review. If Tenant has determined that obtaining earthquake or flood insurance prior to commencement of construction of the Initial Improvements pursuant to Section 20.1(a)(ii)(4) is not commercially reasonable, then Tenant will provide Port with such documents evidencing such determination. If at any time Tenant fails to maintain the insurance required pursuant to this Section 20.1, or fails to deliver certificates and/or endorsements as required pursuant to this Section 20.1(c) then, upon thirty (30) business days' written notice to Tenant, Port may obtain and cause to be maintained in effect such insurance by taking out policies with companies satisfactory to Port. Within thirty (30) business days following demand, Tenant will reimburse Port for all amounts so paid by Port, together with all costs and expenses in connection therewith and interest thereon at the Default Rate.

(d) Insurance of Others. To the extent Tenant requires liability insurance policies (other than employers' liability and professional liability) to be maintained by Subtenants, contractors, subcontractors or others in connection with their use or occupancy of, or their activities in, on, under, around, or about the Premises, Tenant will require that such policies be endorsed to include the CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO PORT COMMISSION AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS as additional insureds for claims arising in connection with the named insured's operations. Notwithstanding the foregoing, Tenant will endeavor to require all contractors and sub-contractors performing work in, on, under, around, or about the Premises and all operators and Subtenants of any portion of the Premises to carry the following coverages, if applicable: (i) commercial general liability with limits of no less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) annual general aggregate, (ii) workers' compensation in amounts required by law, (iii) employer's liability coverage in an amount not less than One Million Dollars ($1,000,000) per accident, per employee and policy limit for injury by disease, covering all employees employed at the Premises, (iv) automobile insurance in an amount not less than $1,000,000 combined single limit covering use of owned, non-owned or hired vehicles utilized in the performance of work in, on, under, around, or about the Premises.

(e) Primary/Excess Limits. All total limit requirements may be satisfied by any combination of primary, umbrella and excess liability policies (including blanket policies).

20.2 Release and Waiver.

Each Party hereby waives all rights of recovery and causes of action, and releases each other Party from any liability, losses occasioned to the property of each such Party, which losses

are of the type covered under the property policies required by Sections 20.1(a)(i), 20.1(a)(ii), or 20.1(a)(vi) to the extent that such loss is reimbursed by an insurer.

20.3 No Limitation.

The Indemnification requirements under this Lease will not be limited by the insurance requirements of this agreement.

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CITY AND COUNTY OF SAN FRANCISCO
LONDON BREED, ACTING MAYOR

FORM OF VERTICAL DISPOSITION AND DEVELOPMENT AGREEMENT

(MISSION ROCK – [DESCRIBE PARCEL])

BETWEEN THE

THE CITY AND COUNTY OF SAN FRANCISCO
OPERATING BY AND THROUGH THE
SAN FRANCISCO PORT COMMISSION

AND

_[VERTICAL DEVELOPER]

DATED AS OF _____, 20[___]

ELAINE FORBES
EXECUTIVE DIRECTOR

SAN FRANCISCO PORT COMMISSION

KIMBERLY BRANDON, PRESIDENT
WILLIE ADAMS, VICE- PRESIDENT
LESLIE KATZ, COMMISSIONER
DOREEN WOO HO, COMMISSIONER

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Exhibit B Scope of Development
Exhibit XX Development Schedule
Exhibit C Form of Parcel Lease
Exhibit D Restrictive Covenants
Exhibit E [Reserved for future use]
Exhibit F Executed Notice of Special Tax
Exhibit G CFD and Assessment Matters

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Exhibit H	Form of License
Exhibit I	Vertical Developer Representations and Warranties
Exhibit J	Workforce Development Plan
Exhibit K	Horizontal DDA Release Form
Exhibit L	Partial Termination of Master Lease
Exhibit M	Memorandum of VDDA
Exhibit N	Mitigation Monitoring and Reporting Program
Exhibit O	Form of Architect's Certificate
Exhibit P	Form of Certificate of Completion
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FORM VERTICAL DISPOSITION AND DEVELOPMENT AGREEMENT

(Mission Rock – DESCRIBE PARCEL])

THIS VERTICAL DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Agreement**") dated for reference purposes only as of _____, 20____, is by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation ("**City**"), operating by and through the San Francisco Port Commission ("**Port**"), _____, and a _____ ("**Vertical Developer**"). All Exhibits and Schedules attached hereto are hereby incorporated by reference into this Agreement and will be construed as a single instrument and referred to herein as this "**Agreement.**" Initially capitalized terms in this Agreement are defined in *Article 23*. **[Note: do final check of section references and defined before lodging.]**

THIS AGREEMENT IS MADE WITH REFERENCE TO THE FOLLOWING FACTS AND CIRCUMSTANCES:

A. Port owns certain real property located in the City and County of San Francisco consisting of approximately _____ square feet of unimproved land, as more particularly described on ***Exhibit A*** attached hereto (as may be refined and adjusted in accordance with the terms of this Agreement, the "**Property**"). The Property is located within an approximately [28]-acre area known as Seawall Lot 337, located south of Mission Creek/China Basin Channel in the Mission Bay neighborhood (the "**Project Site**"), as more particularly described in that certain Disposition and Development Agreement dated _____, 2017, by and between SWL 337 Associates, LLC, a Delaware limited liability company ("**Horizontal Developer**"), and Port (as the same may be amended, supplemented, modified and/or assigned from time to time, the "**Horizontal DDA**") and that certain Master Lease dated [_____], 2017, by and between Horizontal Developer and Port (as the same may be amended, supplemented, modified and/or assigned from time to time, the "**Master Lease**"). The boundaries of the Property may be refined and adjusted with the advancement of the Project Site's development as set forth in ***Section 3.1(d)***.

B. Under the Horizontal DDA and the Master Lease, Port has agreed to convey by ground lease those certain Development Parcels (as defined in the Horizontal DDA) in accordance with the terms thereof. The Property is a Development Parcel under the Horizontal DDA, within Phase [XX] of development thereunder.

C. Planning Code Section 249.XX (the Mission Rock Special Use District) (as amended from time to time, the "**SUD**") establishes the basic land use standards for vertical development within the Phase and sets forth the process and requirements for review and approval of design and construction documents related to Vertical Development. As authorized under the SUD, the Port and the Planning Commission approved the Mission Rock Design Controls dated [_____, 2017], as amended from time to time (the "**Design Controls**"), that sets forth design standards and design guidelines that will apply to all Vertical Development within the Phase.

D. On _____, 201_, the Port approved a Phase [XX] Submittal (the "**Phase Submittal**") that sets forth the approved development program for the development of Phase [XX], as described therein and consistent with the Horizontal DDA, including, among other things, (i) Horizontal Developer's obligations with respect to the construction of certain Horizontal Improvements, (ii) the development plan for Phase [XX], including affordable housing and park and open space requirements, and (iii) certain other associated public benefits to be provided in Phase [XX].

E. [Include additional Recitals that describe the parcel disposition process as provided under the Horizontal DDA, and any other relevant facts and circumstances leading up to execution of this VDDA]

F. Subject to the terms and conditions of this Agreement, Vertical Developer desires to ground lease the Property from the Port, and Port desires to ground lease the Property to Vertical Developer, on the terms and conditions set forth herein.

G. Vertical Developer proposes to construct the project generally described in the Scope of Development attached hereto as ***Exhibit B*** (as the same may be modified from time to time in accordance with the terms hereof, the "**Vertical Project**") under the terms of this Agreement. The term "**Vertical Project**" includes any Deferred Infrastructure for the Property. In connection with the Vertical Project, Vertical Developer is obligated to provide certain public benefits, as more particularly set forth herein, including [insert as appropriate: [providing Inclusionary Units]; [on-site child-care facilities]; [assuming the obligation to construct Deferred Infrastructure obligations] [other obligations]] and to comply with all applicable requirements of the Workforce Development Plan, the Mitigation Monitoring and Reporting Program and the Special Provisions.

H. The parties now desire to enter into this Agreement to set forth the terms and conditions upon which Port will deliver a leasehold estate in the Property to Vertical Developer and Vertical Developer will develop the Vertical Project, all as more specifically set forth in this Agreement.

ACCORDINGLY, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Port and Vertical Developer hereby agree as follows:

AGREEMENT

1. CONVEYANCE OF PROPERTY.

Subject to the terms, covenants and conditions set forth herein, Port agrees to ground lease on the terms substantially in the form set forth in the lease attached hereto as ***Exhibit C,*** subject to mutually agreed upon modifications ("**Parcel Lease**") to Vertical Developer, and Vertical Developer agrees to ground lease on the terms set forth in the Parcel Lease] from Port, Port's interest in the Property.

2. ACQUISITION PRICE.

2.1. ***Acquisition Price.*** The consideration due Port from Vertical Developer under the terms of the Parcel Lease on the Closing Date] is _____ and __/100 Dollars ($_____) (the "**Acquisition Price**"). [**Credit Bids**: Vertical Developer's payment of the Acquisition Price (including the Deposit) under this ***Section 2.2*** will be made by Credit Bid in accordance with *[Sections XXXX]* of the Financing Plan attached to the Horizontal DDA and applied when due ("**Credit Bid**"), and all refunds will be applied by a reversal of the Credit Bid.

2.2. ***Payment of Acquisition Price; Deposit.*** Vertical Developer will pay Port the Acquisition Price as follows:

(a) **Deposit**. Vertical Developer will make an earnest money deposit in an amount equal to ten percent (10%) of the Acquisition Price (such amount, and all interest thereon, is hereinafter referred to as the "**Deposit**" within the time period set forth in ***Section 2.2(c)***.

(b) Before expiration of the Contingency Period, the Deposit will be refundable to Vertical Developer only if this Agreement is terminated in accordance with ***Section 6.2***. After expiration of the Contingency Period, the Deposit is non-refundable to

Vertical Developer except as set forth in ***Sections 6.3(b), 8.1, 10.2*** or ***Section 10.4(a)*** . The Deposit will be credited against the Acquisition Price upon the mutual execution and delivery of the Parcel Lease and otherwise as contemplated hereunder (the "**Closing**" or the "**Close of Escrow**").

(c) [**for non-Credit Bid deals only:** Within one (1) business day after the date of this Agreement, Vertical Developer will deliver the Deposit into escrow with [insert name of Title Company selected by Vertical Developer and reasonably acceptable to Port (the "**Title Company**" or "**Escrow Agent**"). The Deposit will be held in an interest-bearing account, and all interest thereon will be deemed a part of the Deposit. The Deposit will be applied to the Acquisition Price payable to Port upon Closing.]

[**for Credit Bid deals only**: The Deposit will be applied by Credit Bid on the date of this Agreement. Accordingly, Vertical Developer will not deposit any actual funds into escrow to satisfy the Deposit requirement. The Acquisition Price less the Deposit will be applied by Credit Bid at Closing. Any refund of the Deposit to Vertical Developer will be effected by a reversal of the Deposit amount in accordance with the Financing Plan.]

(d) **Independent Consideration**. Notwithstanding any provision of this Agreement to the contrary, upon any early termination of this Agreement where Vertical Developer is entitled to a refund of the Deposit, the Escrow Agent will deduct from the Deposit the sum of One Thousand Dollars ($1,000) (the "**Independent Contract Consideration**") and deliver such Independent Contract Consideration to Port, which amount the parties bargained for and agree to as consideration for Vertical Developer's right to inspect and purchase the Property pursuant to this Agreement and for Port's execution, delivery and performance of this Agreement. The Independent Contract Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is nonrefundable, and is fully earned and will be retained by Port notwithstanding any other provision of this Agreement.

3. CONDITIONS OF TITLE.

3.1. *Permitted Encumbrances.*

(a) **Permitted Exceptions**. At the Close of Escrow Port will convey interest in and to the Property to Vertical Developer by lease in the form of ***Exhibit XX*** ("**Parcel Lease**"), subject to the following: (i) Permitted Port Title Exceptions (as defined below); (ii) all items of which Vertical Developer had actual notice or knowledge of as of the expiration of Contingency Period (subject to the provisions of ***Section 6.3*** with respect to a Port Title Defect); (iii) this Agreement and the Memorandum; (iv) the Master Association and TMA; (v) CFD and Assessment Matters; (vi) Development Easements, if any, (vii) the Mission Rock Master Association Documents; and (vii) [the Restrictive Covenant and] the Parcel Lease (collectively, "**Permitted Encumbrances**"), [**Note: Add others as necessary/appropriate**] and otherwise free and clear of (1) rights of possession by others and (2) liens, encumbrances, covenants, assessments, easements, leases, licenses or other use agreements, and taxes.

(b) **Permitted Port Title Exceptions**. For purposes of this Agreement, the following will constitute "**Permitted Port Title Exceptions**":

(i) Each matter affecting title to Property disclosed by the Title Commitment and Survey, and not otherwise objected to by Vertical Developer prior to the expiration of the Contingency Period under ***Section 6.1*** or within the time periods required under ***Section 6.3(b)*** hereof;

(ii) the lien of ad valorem real estate taxes, special taxes and assessments not yet delinquent as of the date of Closing, subject to proration as herein provided;

(iii) Laws, including but not limited to building and zoning laws, ordinances and regulations, now or hereafter in effect relating to the Property;

(iv) the customary printed exceptions and exclusions contained in title insurance policies;

(v) matters caused by or on behalf of Vertical Developer or its Agents;

(vi) Development Easements;

(vii) Matters approved by Vertical Developer prior to Close of Escrow;

(viii) The TMA;

(ix) The Mission Rock Master Association Documents—including any CC&Rs;

(x) The Restrictive Covenants; and

(xi) The CFD and Assessment Matters.

(c) **Horizontal Documents.** The Property forms a part of the Project Site and until the Closing, is subject to the Horizontal DDA, the Master Lease, and other documents contemplated in such agreements (collectively, the "**Horizontal Documents**"). The Horizontal Documents require the Horizontal Developer to construct and complete the Horizontal Improvements and other improvements (other than the Deferred Infrastructure in some cases) on the Project Site, including the Property, within a certain period that includes the period after the Effective Date. The Horizontal Improvements and other improvements may be necessary for the successful construction and operation of the Vertical Project. Accordingly, Vertical Developer agrees and acknowledges that:

(i) Horizontal Developer or its assigns may be performing material physical changes to the Property during the period prior to Closing in connection with the construction of the Horizontal Improvements (other than the Deferred Infrastructure in some cases);

(ii) Port and Horizontal Developer may amend or modify the Horizontal Documents without Vertical Developer's prior consent;

(iii) subject to ***Section 3.4***, prior to Closing, Port may record or cause to be recorded, Development Easements on the Property to advance the development of the Horizontal Improvements;

(iv) subject to ***Section 3.1(d)***, the legal description of the Property may be adjusted prior to Closing to exclude any portion thereof that is or is intended to become a right-of-way as the development of the Project Site advances; provided, however, that any physical changes to the Property after expiration of the Contingency Period that would materially and adversely impact development of the Vertical Project require Vertical Developer's prior consent, which consent may be withheld in its reasonable discretion. Vertical Developer further agrees and acknowledges that because Port is not performing any of the Horizontal Improvements including any that may affect Vertical Developer's ability to commence and complete construction of the Vertical Project, Vertical Developer will work with the Horizontal Developer to agree on any schedule of performance for the completion of any portion of the Horizontal Improvements and other improvements that may impact Vertical Developer's ability to commence and complete construction of the Vertical Project and Vertical Developer's releases and waivers against or for the benefit of the City Parties, as described in ***Section 4.4*** include any Claims related to the Horizontal Improvements.

(d) **Modifications to Legal Description of Property.** Vertical Developer acknowledges and agrees that minor modifications to the boundaries of the Property may be required to accommodate existing and proposed rights-of-way as development of the Project Site advances. Accordingly, prior to the Close of Escrow, Port may request that Vertical Developer consent to any such minor modification, such consent not to be unreasonably

withheld, conditioned or delayed so long as the modification (i) will not materially and adversely affect Vertical Developer's intended development (including costs and schedule), use or operation of the Property or the Vertical Project, as reasonable determined by Vertical Developer, and such intended development, use or operation is consistent with the SUD and Design Controls; and (ii) is consistent with the SUD, Design Controls or Phase Submittal (if submitted) in any material respect. ***Section 12.12*** (Post Closing Boundary Adjustments) addresses boundary adjustments after Close of Escrow.

3.2. ***Restrictive Covenants***. Vertical Developer acknowledges and agrees that Port would not Deliver the Property unless Vertical Developer agreed, among other things, to comply with (a) the obligation to construct the Vertical Project in accordance with the terms of this Agreement, (b) the obligation to construct the Deferred Infrastructure in accordance with the terms of this Agreement and the VCA, (c) the CFD and Assessment Matters further described in ***Section 3.3***, and (d) those certain restrictive covenants attached hereto as ***Exhibit D*** pertaining to Vertical Developer's use and operation of the Property (the "**Restrictive Covenant**"). **[Note: Include if applicable.]**

3.3. ***Acknowledgements and Covenants Regarding Community Facilities Districts and Assessment Matters.***

(a) **Section 53341.5 Acknowledgment**. Prior to Close of Escrow, Vertical Developer will deliver to Port an acknowledgment (the "**Notice of Special Tax**") in the form attached hereto as ***Exhibit F*** confirming that Vertical Developer has been advised of the terms and conditions of the CFD, including that the Property is subject to the CFD Assessments.

(b) **Facilities and Maintenance CFD**. Vertical Developer will comply with all of the covenants and acknowledgements set forth in ***Exhibit G*** attached hereto (CFD and Assessment Matters), which covenants and acknowledgements will be recorded against title to the Property and survive Close of Escrow ("**Agreement to Comply with CFD and Assessment Matters**").

3.4. ***Reservation of Easements.***

(a) **Development Easements - Before Close of Escrow**. Before the Close of Escrow, without limiting ***Section 3.1(d)***, in order to facilitate the development of the Horizontal Improvements, Port has the right, subject to the limitations set forth below, to grant, convey or dedicate easements, and similar rights on and over the Property to utility companies, local water and sewer districts, the City, and other entities that provide utility or similar service to the Property or properties located adjacent thereto (the types of easements and similar rights described in the foregoing are, collectively, referred to herein as "**Development Easements**"); provided, however, before Port records, grants, conveys or dedicates any Development Easements hereunder, (i) if prior to the expiration of the Contingency Period, Port will furnish Vertical Developer with a copy of the proposed Development Easements for Vertical Developer's review. and (ii) if after the expiration of the Contingency Period, Port will furnish Vertical Developer with a copy of the proposed Development Easements for Vertical Developer's review and approval which approval will not be unreasonably withheld, conditioned or delayed so long as the proposed Development Easements (A) will not materially and adversely affect Vertical Developer's intended development, use or operation of the Property or the Vertical Project as reasonably determined by Vertical Developer and such intended development, use or operation is consistent with the SUD and Design Controls, (B) are consistent with the SUD, Design Controls or Phase Submittal (if submitted) in all material respects, and (C) are in form and substance reasonably acceptable to Vertical Developer. Vertical Developer will approve or disapprove any proposed Development Easement that requires Vertical Developer's prior approval within twenty (20) days following its receipt thereof; if Vertical Developer fails to approve or disapprove the applicable Development Easement within such twenty (20) day period, Port may submit to Vertical Developer a second written request for approval. If Vertical Developer fails to approve or disapprove the applicable

proposed Development Easement within ten (10) days after Port's second written request for approval, Vertical Developer will be deemed to have approved the proposed applicable Development Easements.

(b) **Master Association and Transportation Management Association**. Without limiting the generality of the foregoing provisions of this ***Section 3.4***, Vertical Developer acknowledges that the Property is included within Mission Rock Master Association (the "**Master Association**") [and Vertical Developer is obligated to participate in a Transportation Management Association (the "**TMA**") that was formed to implement and administer the Transportation Demand Management Plan for the Project Site]. Vertical Developer further acknowledges that the Property is or, prior to or concurrently with the Close of Escrow, [**if applicable**: or subsequent to the Close of Escrow,] will be subject to the covenants, conditions and restrictions contained in the [**for commercial parcels**: Master Commercial Declaration] [**for residential parcels**: Master Residential Declaration] by the recording of a supplemental declaration, and Vertical Developer is or will be obligated to participation in the Master Association [and TMA], and that Vertical Developer will be responsible for all assessments that may be owing with respect to the Property following the Close of Escrow with respect to the Master Association [and TMA].

3.5. ***Vertical Developer's Responsibility for Title Insurance.*** Vertical Developer understands and agrees that the right, title and interest in the Property will not exceed that vested in Port, and Port is under no obligation to furnish any policy of title insurance in connection with this transaction. Vertical Developer recognizes that any fences or other physical monument of the Property's boundary lines may not correspond to the legal description of the Property. Port will not be responsible for any discrepancies in the parcel area or location of the property lines or any other matters which an accurate survey or inspection might reveal. It is Vertical Developer's sole responsibility to obtain a survey from an independent surveyor and a policy of title insurance from a title company, if desired.

Vertical Developer will cause to be delivered to Port at Closing, a title insurance policy with coverage in the amount of the fair market value of the Port's fee interest in the Property as determined pursuant to the appraisal process set forth in the Horizontal DDA or as the Port has reasonably determined through the Public Offering process set forth in the Horizontal DDA, insuring Port's fee interest in the Property subject to the Parcel Lease and the other Permitted Encumbrances which are applicable to the fee. Port's title insurance policy will be at Vertical Developer's sole cost.

4. INDEPENDENT INVESTIGATION; "AS IS" CONDITION; RELEASE OF PORT; PORT COVENANTS.

4.1. ***Vertical Developer's Independent Investigation.*** Vertical Developer represents and warrants to Port that as of the expiration of the Contingency Period described in ***Section 6.1***, Vertical Developer will have performed a diligent and thorough inspection and investigation of each and every aspect of the Property, either independently or through agents of Vertical Developer's choosing, including, without limitation, the following matters (collectively, the "**Property Conditions**"):

(a) All matters relating to title including, without limitation, the existence, quality, nature and adequacy of Port's interest in the Property and the existence of physically open and legally sufficient access to the Property.

(b) The zoning and other legal status of the Property, including, without limitation, the Property's compliance with or applicability of all Laws and private or public covenants, conditions and restrictions, and all governmental and other legal requirements such as taxes, assessments, use permit requirements, environmental permits and building and fire codes.

(c) The quality, nature, adequacy and physical condition in, on, around, under, and pertaining the Property, including all other physical and functional aspects in, on, around, under, and pertaining to the Property.

(d) The quality, nature, adequacy, and physical, geological and environmental condition in, on, around, under, and pertaining to the Property (including soils and any groundwater), and the presence or absence of any Hazardous Materials in, on, under or about the Property or any other real property in the vicinity of the Property.

(e) The suitability in, on, around, under, and pertaining to the Property for the Vertical Project.

(f) The economics and development potential, if any, of the Property.

(g) All other matters of material significance affecting in, on, around, under, and pertaining to the Property, including its development and use contemplated under this Agreement.

4.2. ***Property Disclosures.*** California law requires owners to disclose to buyers or lessees the presence or potential presence of certain Hazardous Materials. Accordingly, Vertical Developer is hereby advised that occupation of the Property may lead to exposure to Hazardous Materials such as, but not limited to, any chemical identified as a "constituent of concern" in the Mission Rock Risk Management Plan, gasoline, diesel and other vehicle fluids, vehicle exhaust, office maintenance fluids, tobacco smoke, methane and building materials containing chemicals, such as formaldehyde. [IF APPLICABLE: Further, there are Hazardous Materials located on the Property, which are described in ***Schedule 4.2***, copies of which have been delivered to or made available to Vertical Developer.] By execution of this Agreement, Vertical Developer acknowledges that the notices and warnings set forth above satisfy the requirements of California Health and Safety Code Section 25359.7 and related statutes.

[IF APPLICABLE: Vertical Developer acknowledges that Port has disclosed the matters relating to the Property referred to in ***Schedule 4.2*** attached hereto. Nothing contained in such schedule will limit any of the provisions of this Article or relieve Vertical Developer of its obligations to conduct a diligent inquiry hereunder, nor will any such matters limit any of the provisions of ***Section 4.3*** or ***Section 4.4.***

4.3. **"As Is With All Faults"; Disclaimer of Representations and Warranties.** VERTICAL DEVELOPER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT IT IS LEASING PURSUANT TO THE TERMS OF THE PARCEL LEASE THE PROPERTY ON AN "**AS IS WITH ALL FAULTS**" BASIS. VERTICAL DEVELOPER IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION OF THE PROPERTY. VERTICAL DEVELOPER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT NEITHER THE CITY, INCLUDING ITS PORT, NOR ANY OF THE OTHER CITY PARTIES, HAS MADE, AND THERE IS HEREBY DISCLAIMED, ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, AS TO ANY MATTERS CONCERNING THE PROPERTY, THE SUITABILITY OR FITNESS OF THE PROPERTY OR THE APPURTENANCES TO THE PROPERTY FOR THE VERTICAL PROJECT OR THE VERTICAL DEVELOPER'S INTENDED USES OR OPERATION OF THE PROPERTY, TITLE MATTERS, OR ANY OF THE PROPERTY CONDITIONS, THE LEGAL, PHYSICAL, GEOLOGICAL, ENVIRONMENTAL OR OTHER CONDITIONS OF THE PROPERTY, THE PROPERTY'S COMPLIANCE WITH LAWS, INCLUDING ALL BUILDING, PLANNING, ZONING AND OTHER REGULATIONS RELATING TO THE PROPERTY, THE VERTICAL PROJECT, OR ANY MATTER AFFECTING THE USE, VALUE, OR OCCUPANCY IN THE PROJECT, OR ANY OTHER MATTER WHATSOEVER PERTAINING TO THE PROPERTY OR THE PROPOSED VERTICAL PROJECT.

4.4. ***Release of City and Port.*** As part of its agreement to accept the Property in its "**As Is With All Faults**" condition, Vertical Developer, on behalf of itself and its successors and assigns, waives or will be deemed to waive, any right to recover from, and forever releases, acquits, and discharges, the California State Lands Commission, City, including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, including, without limitation, Port, and all of their respective officers, employees, agents, contractors and representatives, and their respective heirs, successors, legal representatives and assigns (collectively, the "**City Parties**"), from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen (collectively, "**Claims**"), that Vertical Developer may now have or that may arise on account of or in any way be connected with (i) the suitability of the Property for the development of the Vertical Project or Vertical Developer's and its Agents and customer's past, present and future use of the Property, (ii) title matters, or any of the property conditions, the legal, physical, geological or environmental condition of the Property (including soil and groundwater conditions), including, without limitation, any Hazardous Material in, on, under, above or about the Property, (iii) any Laws applicable thereto, including, without limitation, Environmental Laws, (iv) damages by death of or injury to any Person, or to property of any kind whatsoever and to whomever belonging, (v) construction impacts from the Horizontal Improvements, delay in completion of or failure to complete the Horizontal Improvements, defects in the Horizontal Improvements, and any other mater related to Horizontal Improvements, and (vi) goodwill, or business opportunities arising at any time and from any cause in, on, around, under, and pertaining to the Property or the Vertical Project, including all Claims arising from the joint, concurrent, active or passive negligence of any of City Parties, but excluding any intentionally harmful acts committed solely by Port or City.

Vertical Developer expressly acknowledges and agrees that the amount payable or expended by Vertical Developer hereunder does not take into account any potential liability of the City Parties for any consequential, incidental or punitive damages. Port would not be willing to enter into this Agreement in the absence of a complete waiver of liability for consequential, incidental or punitive damages due to the acts or omissions of the City Parties, and Vertical Developer expressly assumes the risk with respect thereto. Accordingly, without limiting any Indemnification obligations of Vertical Developer or other waivers contained in this Agreement and as a material part of the consideration of this Agreement, Vertical Developer fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against the City Parties for consequential, incidental and punitive damages (including, without limitation, lost profits) and covenants not to sue for such damages, the City Parties arising out of this Agreement or the uses authorized hereunder, including, any interference with uses conducted by Vertical Developer pursuant to this Agreement regardless of the cause, and whether or not due to the negligence of the City Parties.

Further, the City Parties will not, under any circumstance, be responsible or liable to Vertical Developer for, and Vertical Developer hereby releases the City Parties from, any Claims that may arise on account of or in any way be connected with the failure to complete any Horizontal Improvements (as defined in the Horizontal DDA) on or near the Property, or at any location within the Project Site, and Vertical Developer, its successors and assigns, assume the risk that any such Horizontal Improvements will not be completed.

Vertical Developer understands and expressly accepts and assumes the risk that any facts concerning the Claims released, waived, and discharged in this Agreement includes known and unknown claims, disclosed and undisclosed, and anticipated and unanticipated claims pertaining to the subject matter of the releases, waivers, and discharges, and might be found later to be other than or different from the facts now believed to be true, and agrees that the releases, waivers, and discharges in this Agreement will remain effective. Accordingly, with respect to the Claims

released, waived, and discharged in this Agreement, Vertical Developer expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

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

INITIALS: VERTICAL DEVELOPER:_____

4.5. ***Survival.*** The provisions of this ***Article 4*** will survive the expiration or earlier termination of this Agreement.

5. PRE-CLOSING COVENANTS.

5.1. ***Access to Property Prior to Closing.*** Vertical Developer acknowledges that the Property is currently leased to Horizontal Developer pursuant to the Master Lease. Accordingly, in connection with any entry onto the Property for the purposes of performing non-invasive investigations and tests necessary to carry out the terms of this Agreement or performing visual surveys and inspections by Vertical Developer or its Agents prior to the Close of Escrow, Vertical Developer will enter into a license with Horizontal Developer in the form of license attached hereto as ***Exhibit H*** (the "**License**"). The Port will cause Horizontal Developer to execute the License and deliver same to Vertical Developer within five (5) business days after Vertical Developer's request. If Port has not obtained Horizontal Developer's signature and returned the License to Vertical Developer within such 5-business day period, then the 60-day Contingency Period set forth in ***Section 6.1(a)*** will be extended by one day for each day of delay beyond the 5-business day period. If Vertical Developer desires to perform invasive testing or other due diligence on the Property, then at Vertical Developer's request, Port will promptly seek Horizontal Developer's consent to commercially reasonable modifications to the License to account for the additional risks associated with such activities, including increased insurance coverage amounts or additional insurance coverage and broader indemnity and release provisions.

5.2. ***Final Map.*** From and after the expiration of the Contingency Period and prior to the Close of Escrow, Vertical Developer, at is sole cost and expense, will have the right but not the obligation to commence to process a Final Map; provided, however, Vertical Developer will not cause or permit the recordation of such Final Map prior to the Close of Escrow. Port, at no cost to Port, will cooperate reasonably with Vertical Developer in its efforts to process such Final Map in accordance with the terms of ***Section 12.9(b)***.

5.3. ***Regulatory Approvals for Vertical Project.*** From and after the expiration of the Contingency Period and prior to the Close of Escrow, Vertical Development will have the right, but not the obligation, at its sole cost and expense, to pursue Regulatory Approvals for the Vertical Project including, without limitation, schematic design approval under the SUD; provided, however, Vertical Developer will not cause or permit the issuance of any such Regulatory Approval prior to the Close of Escrow if the same would be binding upon Port. Port, at no cost to Port, will cooperate reasonably with Vertical Developer in its efforts to process such Regulatory Approvals in accordance with the terms of ***Section 12.9(b)***. **Include for Commercial Projects:** Port and Vertical Developer acknowledge and agree that if Port receives a "**City Delay Notice**" under the Horizontal DDA, then the dates and deadlines in this Agreement

that are affected by the City Delay Notice will be automatically extended as provided in the [**Horizontal DDA Exhibit A4**] provisions.

5.4. ***Horizontal Developer Estoppel.*** Port will use commercially reasonable efforts to cause Horizontal Developer to deposit into escrow the documents described in ***Section 6.5(a)(iv)*** and in accordance with such Section.

6. CONDITIONS PRECEDENT TO CLOSING OF ACQUISITION.

6.1. ***Contingency Period.***

(a) **Generally**. Vertical Developer will have until 5:00 p.m. San Francisco Time on [insert date that is sixty (60) days after the Effective Date of Agreement] to inspect and review the Property and to elect to proceed with the Delivery of the Property on and subject to the terms of this Agreement (such period being referred to herein as the "**Contingency Period**"). If Vertical Developer elects to proceed with the purchase of the Property, then Vertical Developer will, before the expiration of the Contingency Period, notify Port and Escrow Agent in writing that Vertical Developer has approved all such matters ("**Acceptance Notice**"). If Vertical Developer elects not to proceed with the purchase of the Property, then Vertical Developer must, before the expiration of the Contingency Period, deliver notice to Port that it is exercising its right to terminate this Agreement in accordance with ***Section 6.2*** (the "**Termination Notice**"). If before the end of the Contingency Period Vertical Developer fails to give Port a Termination Notice or an Acceptance Notice, then Vertical Developer will be deemed to have elected to proceed to Closing.

(b) **Objectionable Matters**. If Vertical Developer objects to any of aspect of the Property within the Contingency Period, then Vertical Developer may (but will not be obligated to) deliver to Port written notice explaining the aspects of the Property that are objectionable to Vertical Developer ("**Objection Notice**"). Port has no obligation to remove or remedy any of the items listed in the Objection Notice objectionable to Vertical Developer ("**Objectionable Items**"). Port has ten (10) days after receipt of the Objection Notice to notify Vertical Developer whether Port will remove or remedy the Objectionable Items; provided, however, if less than ten (10) days remain before the Contingency Period expires when Port receives the Objection Notice, then Port may, at its sole discretion, extend the Contingency Period by the number of days necessary for Port to have ten (10) days to respond to the Objection Notice. If Port so extends the Contingency Period, then Vertical Developer may terminate this Agreement at any time prior to the date that is one (1) business day after the expiration of such ten (10) day period if and only if Port does not agree in writing, prior to the expiration of such ten (10) day period, to remove or remedy all of the Objectionable Items to Vertical Developer's satisfaction prior to Closing.

(c) **Port Election to Remove or Remedy Objectionable Matter**. If Port elects to remedy or remove the Objectionable Items and requires additional time beyond the Closing Date to remove or remedy any of the items, the Closing Date will be delayed for so long as Port diligently pursues such removal or remedy, not to exceed thirty (30) days unless otherwise agreed by the Parties. If and when Port elects not to remove or remedy the Objectionable Item and so notifies Vertical Developer in writing, which Port may do at any time including following an initial election to pursue remedial or corrective actions, then Vertical Developer may elect to either (i) proceed to Closing in accordance with the terms of this Agreement, in which event, Vertical Developer will be deemed to have waived any objections to the Objectionable Items Port will not remove or remedy, or (ii) terminate this Agreement in accordance with ***Section 6.2,*** in each case by delivering written notice thereof to Port not later than three (3) business days after the date Port notifies Vertical Developer in writing that Port has elected not to remove or remedy the Objectionable Item. If Vertical Developer fails to notify Port of its election within such three (3) business day period, Vertical Developer will be deemed to have elected to proceed to Closing.

6.2. ***Vertical Developer's Right to Terminate; Return of Deposit.*** If Vertical Developer elects to terminate this Agreement in accordance with ***Section 6.1(a)***, ***Section 6.1(c)***, ***Section 6.3*** or ***Section 8.1***, or ***Section 10.2***, or ***Section 10.4(a)***, (collectively, "**VD Terminable Sections**") then [**for non-Credit Bid deals**: the Deposit will be returned promptly to Vertical Developer upon notice thereof to Escrow Agent] [**for Credit Bid deals**: the Deposit Credit Bid entry will be reversed and thereafter,] Vertical Developer's obligations, and Port's rights, with respect to the Deposit will cease, Vertical Developer will have no further remedies against Port and, except for any provisions of this Agreement which expressly state that they will survive the termination of this Agreement, this Agreement will be terminated and canceled in all respects and neither Vertical Developer nor Port will have any further rights or obligations hereunder. If Vertical Developer does not duly terminate this Agreement in accordance with and within the time periods set forth in the applicable VD Terminable Sections, or if Vertical Developer waives its right to terminate this Agreement, then (i) this Agreement will remain in full force and effect and Vertical Developer will have no further right to terminate this Agreement under the applicable VD Terminable Sections, and (ii) Vertical Developer will be deemed to have waived any liability of Port and any right to refuse to consummate the Closing by reason of any condition known to Vertical Developer as of the last day of the Contingency Period, or if applicable, one (1) business day following Port's delivery of written notice to Vertical Developer that Port will not remove or remedy the Objectionable Item.

6.3. ***Title Review Following Contingency Period Expiration.***

(a) If at the time scheduled for Close of Escrow any (i) possession by others, (ii) rights of possession other than those of Vertical Developer, or (iii) lien, encumbrance, covenant, assessment, easement, lease, tax or other matter which is not a Permitted Port Title Exception, encumbers the Property and would materially and adversely affect the development of the Property ("**Port Title Defect**"), Port will have up to thirty (30) days from the date scheduled for Close of Escrow to remove the Port Title Defect. The Close of Escrow will be extended to the earlier of seven (7) business days after the Port Title Defect is removed or the expiration of the thirty (30) day period. If the Port Title Defect can be removed by bonding and Port has not so bonded within the thirty (30) day period, Vertical Developer may, but will not be obligated to, cause a bond to be issued. If Vertical Developer causes a bond to be issued in accordance with this ***Section 6.3(a),*** Port will reimburse Vertical Developer for the cost of such bond within thirty (30) days of demand or, at Port's option, credit such amount against the Acquisition Price payable to Port under this Agreement.

(b) If at the Closing Date, a Port Title Defect still exists, Vertical Developer may by written notice to Port either (i) terminate this Agreement and [**for non-Credit Bid deals**: receive a return of the Deposit] [**for Credit Bid deals**: the Credit Bid will be reversed] or (ii) accept Delivery of the Property. If Vertical Developer accepts Delivery of the Property subject to a Port Title Defect, the Port Title Defect will be deemed waived. If Vertical Developer does not accept Delivery of the Property and fails to terminate this Agreement within seven (7) days after the Closing Date, or any extension as provided above, Port may terminate this Agreement upon three (3) days written notice to Vertical Developer. If the Agreement is terminated under this Section, then the terms of ***Section 6.2*** will apply.

6.4. ***Port's Conditions Precedent.***

(a) **Port's Conditions Precedent.** The following are conditions precedent to Port's obligation to consummate the Close of Escrow and thereby Deliver the Property to Vertical Developer:

(i) Vertical Developer will have performed in all material respects all obligations under this Agreement required to be performed on its part before the Close of Escrow, no uncured Acquisition Event of Default will exist on Vertical Developer's part under this Agreement and all of Vertical Developer's representations and warranties made in ***Section 21.3*** will have been true and correct when made and will be true and correct as of the

Close of Escrow. At the Close of Escrow, Vertical Developer will deliver to Port a certificate to confirm the accuracy of such representations and warranties, substantially in the form attached hereto as ***Exhibit I.***

(ii) Vertical Developer will have deposited into Escrow, the security deposit and all other sums, including any bonds, required to be paid to Port on or prior to the effective date of the Parcel Lease pursuant to the terms thereof and all other sums necessary to consummate the Close of Escrow pursuant to the terms of this Agreement.

(iii) [**for Credit Bid deals**: Vertical Developer will have notified Port that it consents to the balance of the Acquisition Price being Credit Bid at Closing;

(iv) Vertical Developer will have deposited into Escrow each of the documents described in ***Section 7.4(b),*** each duly executed and acknowledged by Vertical Developer.

(v) Vertical Developer will have obtained all insurance required under the Parcel Lease and will have deposited evidence thereof into Escrow.

(vi) Vertical Developer will have satisfied the submittal requirements that Vertical Developer (or Vertical Developer's contractor) is then required to make, if any, before Close of Escrow relating to Vertical Developer's obligations to comply with the Workforce Development Plan attached hereto as ***Exhibit J*** (**"Workforce Development Plan"**).

(vii) Vertical Developer and Port will have executed mutual irrevocable instructions to the Escrow Agent, all in accordance with ***Article 7.***

(viii) Vertical Developer will have executed and delivered to Port a certification of compliance with San Francisco Administrative Code Chapters 12B and 12C on the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101), together with supporting documentation, and will have secured approval of the form by the City's Human Rights Commission.

(ix) Vertical Developer has deposited into Escrow such evidence of authority to enter into the Parcel Lease this Agreement and any other Transaction Documents, as Port and the Title Company may reasonably require (including certificates of good standing, board resolutions and certificates of incumbency).

(x) Vertical Developer will have delivered into escrow, a reaffirmation that all the representations and warranties made in ***Section 21.3*** by Vertical Developer are and remain true and correct as of the Closing Date.

(xi) [add as applicable: Vertical Developer will have complied with the requirements of the Housing Plan as it pertains to the Property to the extent required at Close of Escrow.]

(xii) Horizontal Developer will have deposited into Escrow duly executed and acknowledged counterparts of the DDA Release and Partial Termination.

(xiii) The Title Company is irrevocably committed to issue to Port upon payment by Vertical Developer, the title insurance policy required by ***Section 3.5*** to be delivered to Port as of the Closing Date.

(b) **Satisfaction of Port's Conditions**. The conditions precedent set forth in ***Section 6.4(a)*** are intended solely for the benefit of Port. If any such condition precedent is not satisfied on or before the Closing Date, Port's Executive Director, or, if the Executive Director determines that waiver of the condition precedent materially affects the rights, obligations, or expectations of Port, the Port Commission by resolution, will have the right in its sole discretion either to waive in writing the condition precedent in question and proceed with the Close of Escrow, or, in the alternative, to terminate this Agreement. If Vertical Developer is using

reasonably diligent efforts to meet or satisfy the conditions precedent to Close of Escrow, the date for the Close of Escrow will be extended for a reasonable period or periods of time specified by Vertical Developer, but such periods in the aggregate will not extend beyond the Closing Date (unless otherwise extended by mutual agreement of the Parties) to allow such conditions precedent to be satisfied, subject to Port's further right to terminate this Agreement by the Closing Date if all such conditions precedent have not been satisfied.

6.5. ***Vertical Developer's Conditions to Closing.***

(a) **Vertical Developer Conditions Precedent**. The following are conditions precedent to Vertical Developer's obligation to consummate the Close of Escrow and accept the Property from Port under this Agreement:

(i) Port will have performed in all material respects all obligations under this Agreement required to be performed on its part before the Close of Escrow and, no uncured Acquisition Event of Default will exist on Port's part under this Agreement.

(ii) The Title Company is irrevocably committed to issue to Vertical Developer, upon payment of the premium by Vertical Developer, a title insurance policy satisfactory to Vertical Developer, insuring Vertical Developer's interest in the Property subject to Permitted Encumbrances.

(iii) Port will have deposited into escrow each of the documents described in ***Section 7.4(a)***, each duly executed and acknowledged by Port.

(iv) Horizontal Developer will have deposited into escrow (A) two (2) duly executed and acknowledged counterparts of each of the [Development Agreement Assignment], DDA Release and Partial Termination and (B) the Horizontal Developer Estoppel in the form attached hereto as ***Exhibit XX***, signed no earlier than fifteen (15) days prior to the Closing Date, by an authorized signatory of Horizontal Developer, without any material modification thereto. Vertical Developer will not be obligated to accept the Horizontal Developer Estoppel to the extent it contains any material modifications from the form attached hereto as reasonably determined by Vertical Developer.

(v) If required by Title Company to issue the title insurance policies required by ***Section 3.5***, Horizontal Developer and Port will have deposited into escrow a ground lessee's affidavit or owner's affidavit, as applicable, and, if required by Title Company to issue the title insurance policies required by ***Section 3.5***, Horizontal Developer will have delivered to Title Company a mechanic's lien indemnity in form and substance reasonably satisfactory to Horizontal Developer and Title Company.

(b) **Satisfaction of Vertical Developer's Conditions Precedent**. The conditions precedent set forth in ***Section 6.5(a)*** are intended solely for the benefit of Vertical Developer. If any such condition precedent is not satisfied on or before the Close of Escrow, Vertical Developer will have the right in its sole discretion to waive in writing the condition precedent in question and proceed with the Close of Escrow and acceptance of the Property under this Agreement. If Port is using reasonably diligent efforts to meet the conditions precedent, the date for the Close of Escrow may be extended, at Vertical Developer's sole option, for a reasonable period or periods of time specified by Vertical Developer, but such periods in the aggregate will not extend beyond the Closing Date, to allow such conditions precedent to be satisfied, subject to Vertical Developer's further right to terminate this Agreement by the Closing Date.

6.6. ***Taxes and Assessments.***

(a) **Ad Valorem Taxes and Assessments Before and After Close of Escrow**. For any period before the Close of Escrow, Vertical Developer is responsible for the payment of any ad valorem taxes (including possessory interest and special taxes) assessed by reason of this Agreement. Ad valorem taxes and assessments levied, assessed, or imposed for

any period from and after the Close of Escrow, including possessory interest and special taxes, are the sole responsibility of Vertical Developer.

(b) **Possessory Interest Taxes**. Without limiting ***Section 6.6(d)***, Vertical Developer recognizes and understands that this Agreement may create a possessory interest subject to property taxation and that Vertical Developer may be subject to the payment of property taxes levied on such interest. San Francisco Administrative Code Sections 23.38 and 23.39 (or any successor statute) require that the City report certain information relating to this Agreement, and any renewals of this Agreement, to the County Assessor within sixty (60) days after any such transaction, and that Vertical Developer report certain information relating to any assignment under this Agreement to the County Assessor within sixty (60) days after such assignment transaction. Vertical Developer agrees to provide such information as may be requested by Port to enable Port to comply with this requirement.

(c) **Right to Contest**. Subject to ***Section 3.3*** and the matters described therein, Vertical Developer has the right to contest the amount, validity or applicability, in whole or in part, of any ad valorem, possessory interest or other taxes and assessments levied on Vertical Developer or the Property by reason of this Agreement (collectively, "**Taxes and Assessments**") by appropriate proceedings conducted in good faith and with due diligence, at no cost to Port, provided that, prior to commencement of such contest, Vertical Developer notifies Port of such contest. Vertical Developer must notify Port of the final determination of such contest within fifteen (15) days after such determination. Subject to ***Section 3.3,*** nothing in this Agreement requires Vertical Developer to pay any Taxes and Assessments so long as Vertical Developer contests the validity, applicability or amount of such Taxes and Assessments in good faith, and so long as it does not allow the portion of the Property affected by such Taxes and Assessments to be forfeited to the entity levying such Taxes and Assessments as a result of its nonpayment. If any Law requires, as a condition to such contest, that the disputed amount be paid under protest, or that a bond or similar security be provided, Vertical Developer must comply with such condition as a condition to its right to contest. Vertical Developer is responsible for the payment of any interest, penalties or other charges that may accrue as a result of any contest, and Vertical Developer must provide a statutory lien release bond or other security reasonably satisfactory to Port in any instance where Port's interest in the Property may be subjected to such lien or claim. Vertical Developer is not required to pay any Taxes and Assessments being so contested during the pendency of any such proceedings unless payment is required by the court or agency conducting such proceedings. Port, at its own expense and at its sole option, may elect to join in any such proceeding whether or not any Law requires that such proceedings be brought by or in the name of Port or any owner of the Property. Port will not be subjected to any liability for the payment of any fines or penalties, and except as provided in the preceding sentence, costs, expenses or fees, including attorneys' fees and costs, in connection with any such proceeding.

(d) **Information Required by the County Assessor.[NOTE: This section 6.6(d) may be further revised pending outcome of further discussion between the parties.]**

(i) The County Assessor has notified Port that it requires certain information in order to facilitate completion of Assessor Block Maps, updates to ownership records, and assessment of in-progress construction, completed new construction, sales and other assessable transfers of property. ***Exhibit XXX*** lists the information that the County Assessor expects to need in order to perform the foregoing tasks (the "**Assessor Information**").

(ii) Each Party will provide to the County Assessor any Assessor Information requested in writing by the County Assessor in the format required by the County Assessor (the "**Requested Information**") within 90 days of the applicable Party's receipt of a written request for such Requested Information. Port will have the right to exercise all rights and remedies available at law or in equity to enforce Vertical Developer's obligation to provide

Requested Information on a timely basis, including specific performance. Vertical Developer waives any right to confidentiality under applicable law to the extent necessary for the County Assessor to notify Port of Vertical Developer's failure to provide the Requested Information on a timely basis and Port to exercise its right to specific performance of Vertical Developer's obligation.

(iii) Promptly following the County Assessor's request, Port may, from time to time, update the information requirements set forth in ***Exhibit XXX*** by providing Vertical Developer no less than five (5) business days' prior notice and a replacement copy of ***Exhibit XXX***.

(e) **Survival**. This ***Section 6.6*** will survive the expiration or earlier termination of this Agreement.

7. ESCROW AND CLOSING.

7.1. ***Escrow***. Vertical Developer and Port will deposit an executed counterpart of this Agreement with the Title Company. Port and Vertical Developer will deposit escrow instructions as appropriate to enable the Escrow Agent to comply with the terms of this Agreement. In addition, Port will deposit supplementary escrow instruction instructing Escrow Agent to apply all funds received by it in accordance with the requirements of the Financing Plan. In the event of any conflict between the provisions of this Agreement and any escrow instructions or supplementary escrow instructions, the terms of this Agreement or the Financing Plan, as applicable, will control.

7.2. ***Closing***. The Closing hereunder will be held, and delivery of all items to be made at the Closing under the terms of this Agreement will be made, at the offices of the Title Company on the date that is [ninety (90) days] after the expiration of the Contingency Period before 3:00 p.m. San Francisco time or such earlier date and time as Vertical Developer and Port may mutually agree upon in writing (the "**Target Closing Date**"). The "**Closing Date**" is the date that the Closing or Close of Escrow occurs.

7.3. [*Intentionally Blank.*]

7.4. ***Deposit of Documents***.

(a) **By Port**. At or before the Closing, Port will deposit into escrow the following items:

(i) four (4) duly executed and acknowledged counterparts of the Parcel Lease and two (2) duly executed and acknowledged counterparts of the Memorandum of Lease (in the form attached to the Parcel Lease) (the "**Memorandum of Lease**");

(ii) two (2) duly executed and acknowledged counterpart originals of the Release of Disposition and Development Agreement in the form attached hereto as ***Exhibit K*** (the "**DDA Release**") signed by Port;

(iii) two (2) duly executed and acknowledged counterpart originals of the Partial Release of Master Lease in the form attached thereto as ***Exhibit L*** (the "**Partial Termination**") signed by Port;

(iv) two (2) duly executed and acknowledged counterparts signed by Port of a memorandum of this Agreement in the form of ***Exhibit M*** attached hereto (the "**Memorandum of VDDA**");

(v) a duly executed estoppel certificate in the form attached hereto as ***Exhibit XX***, in which the Port certifies to Vertical Developer that to its actual knowledge, there is no Horizontal Developer Event of Default or Prospective Breach or Prospective Default (as to which the Port has given Horizontal Developer a notice of such Prospective Breach or Prospective Default) under the Horizontal DDA other than as set forth in such estoppel

certificate ("**Port Estoppel**"), which Port Estoppel will be dated and signed by Port no earlier than fifteen (15) days prior to the Closing Date; [**Note: Discuss appropriate remedies in Master Lease and DDA if Vertical Developer walks away from deal because Port unable to provide clean estoppel.**]

(vi) a duly executed owner's title affidavit in form reasonably satisfactory to Port and Title Company; and

(vii) evidence of authority to consummate the transactions contemplated by this Agreement, as the Title Company may reasonably require (including, if applicable, Port Commission and Board of Supervisors' resolutions).

(b) **By Vertical Developer**. At or before the Closing, Vertical Developer will deposit into escrow the following items:

(i) four (4) duly executed by Vertical Developer and acknowledged counterparts of the Parcel Lease and two (2) duly executed by Vertical Developer and acknowledged counterparts of the Memorandum of Lease;

(ii) two (2) duly executed and acknowledged counterparts of the Memorandum of VDDA;

(iii) the funds necessary to consummate the Close of Escrow **for Credit Bid deals**: (other than the Acquisition Price which is to be Credit Bid in accordance with the terms of this Agreement)];

(iv) [two (2) duly executed counterparts by Vertical Developer of the Restrictive Covenant;]

(v) two (2) duly executed originals by Vertical Developer of the Agreement to Comply with CFD and Assessment Matters; and

(vi) two (2) duly executed originals by Vertical Developer of the Notice of Special Tax; and

(vii) evidence of authority to consummate the transactions contemplated by this Agreement, as Port and the Title Company may reasonably require (including certificates of good standing, board resolutions and certificates of incumbency).

(c) **Further Assurances**. Port and Vertical Developer will each deposit such other instruments as are reasonably required by the Escrow Agent or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof.

7.5. ***Steps to Close Escrow***. Port and Vertical Developer will instruct the Escrow Agent to consummate the escrow as provided herein. Upon the Close of Escrow, the Escrow Agent will record in the Official Records, in the following order and no other order: (1) the DDA Release, (2) the Partial Termination, (3) the Memorandum of VDDA, (4) the Memorandum of Lease, (5) the Agreement to Comply with CFD and Assessment Matters, and (6) any other documents reasonably required to be recorded under the terms of Regulatory Approvals. Upon Close of Escrow, Escrow Agent will deliver a settlement statement to Port and Vertical Developer [**for non-Credit Bid deals**: and deliver to Port all funds received by Escrow Agent on account of the Acquisition Price. Port will instruct the Escrow Agent to disburse the net proceeds of the Acquisition Price to the Project Payment Obligation as defined in the Financing Plan in accordance with *Article 2* (Flow of Funds) of the Financing Plan]. [**for Credit Bid deals**: If the Acquisition Price will be paid by Credit Bid, such amount will be credited in accordance with the Financing Plan. In addition, the Title Company will issue title policies to Vertical Developer and Port] as required under ***Section 3.5***.

7.6. ***Waiver of Pre-Delivery Conditions.*** Unless the Parties otherwise expressly agree at the time of Close of Escrow, all pre-Delivery conditions of the Parties will, upon Escrow, be deemed waived by the Party benefited by such condition.

7.7. ***Merger.*** Upon the Close of Escrow, the terms set forth in ***Section 1*** through ***Section 10***, inclusive, of this Agreement will be deemed to have merged with the Ground Lease and will be of no further force or effect, except to the extent such term expressly survives the Close of Escrow pursuant to the terms thereof. For the avoidance of doubt, the terms of ***Section 11*** through ***Section 23***, inclusive, of this Agreement will survive the Close of Escrow.

8. RISK OF LOSS PRIOR TO CLOSING.

8.1. ***Loss.*** Prior to the Closing Date, Port will give Vertical Developer notice of the occurrence of damage or destruction of, or the commencement of condemnation proceedings affecting, any portion of the Property. In the event that all or any portion of the Property is condemned, or destroyed or damaged by fire or other casualty prior to the Closing, then Vertical Developer may, at its option to be exercised within ten (10) days of Port's notice of the occurrence of the damage or destruction or the commencement of condemnation proceedings, either terminate this Agreement or consummate the Delivery of the Property for the full Acquisition Price as required by the terms hereof. If Vertical Developer elects to terminate this Agreement or fails to give Port notice within such ten (10)-day period that Vertical Developer will proceed with the purchase, then this Agreement will terminate at the end of such ten (10)-day period and the terms of ***Section 6.2*** will apply.

8.2. ***Insurance Proceeds and Awards.*** Vertical Developer acknowledges that until immediately prior to Closing, the Property will be leased by Port to Horizontal Developer pursuant to the terms and condition of the Master Lease.

(a) **Insurance Proceeds**. Pursuant to the Horizontal Documents, Horizontal Developer is obligated to insure the Property until immediately prior to the Closing. Accordingly, Horizontal Developer may receive insurance proceeds arising from damage or destruction of the Property. If Vertical Developer desires to have any portion of such insurance proceeds available for Vertical Developer's use if it consummates the Delivery of the Property for the full Acquisition Price after damage or destruction of the Property, then Vertical Developer and Horizontal Developer must include the terms of any transfer of insurance proceeds arising from damage or destruction of the Property received by Horizontal Developer to Vertical Developer in the VCA. Port will not be obligated to purchase any third party commercial liability insurance or property insurance with regard to the Property and in no event, will Port be obligated to transfer to Vertical Developer any insurance proceeds Port may receive or credit against or reduce the Acquisition Price as a result of damage or destruction of the Property.

(b) **Condemnation Awards**. If Vertical Developer elects to consummate the Delivery of the Property for the full Acquisition Price after condemnation of a portion of the Property, Vertical Developer must negotiate with Horizontal Developer for the transfer to Vertical Developer of condemnation award proceeds Horizontal Developer may receive from the partial condemnation of the Property. Port will not be transferring to Vertical Developer or crediting against the Acquisition Price, any condemnation award proceeds.

9. CLOSING EXPENSES.

9.1. ***Expenses.*** Vertical Developer will pay all fees, charges, costs and other amounts necessary for the opening and Close of Escrow (collectively, the "**Closing Costs**"), including (i) real property transfer taxes applicable to the Delivery of the Property, (ii) personal property transfer taxes, (iii) the cost of any title reports, surveys, inspections and premiums for all title insurance policies obtained by Vertical Developer, Port, and if applicable, any lender, (iv) escrow fees and recording charges, and (v) any other costs and charges of the escrow for the transaction contemplated hereby. Vertical Developer will pay the Closing Costs upon the Close

of Escrow. If the Title Company requires, Vertical Developer will pay into Escrow any such fees, costs, charges or other amounts required for the Close of Escrow under this Agreement.

9.2. ***Brokers.*** The parties represent and warrant to each other that no broker or finder was instrumental in arranging or bringing about this transaction **[for non-affiliate deals only**: other than [_____] ("**Broker**")] and that there are no other claims or rights for brokerage commissions or finder's fees in connection with the transactions contemplated by this Agreement. If any person **[for non-affiliate deals only:** other than Broker] brings a claim for a commission or finder's fee based on any contact, dealings, or communication with either Party, then such Party will defend the other Party from such claim, and will Indemnify the City Parties or Vertical Developer and its officers, employees, directors, owners, heirs, successors, legal representatives and assigns ("**Vertical Developer Parties**"), as applicable, from, and hold the City Parties or Vertical Developer Parties, as applicable, against, any and all costs, damages, claims, liabilities, or expenses (including, without limitation, reasonable attorneys' fees and disbursements) that the City Parties or Vertical Developer Parties, as applicable, incur in defending against the claim. The provisions of this Section will survive the Closing, or, if the Delivery of the Property is not consummated for any reason, any termination of this Agreement.

10. ACQUISITION DEFAULTS, REMEDIES AND LIQUIDATED DAMAGES.

10.1. ***Acquisition Event of Default.*** For purposes hereof, an "**Acquisition Event of Default**" means:

(a) Vertical Developer fails to pay when due, any amount required to be paid under this Agreement with respect to the acquisition and disposition of the Property (but not with respect to any development of the Property), and such failure continues for a period of five (5) business days following Vertical Developer's receipt of notice thereof from Port;

(b) Vertical Developer causes or permits the occurrence of a Transfer not permitted under this Agreement;

(c) All conditions to the Close of Escrow in the applicable Party's favor have been satisfied or waived, and such Party fails to consummate the Closing by the Closing Date in violation of this Agreement;

(d) On or before the Closing Date, Vertical Developer files a petition for relief, or an order for relief is entered against Vertical Developer, in any case under applicable bankruptcy or insolvency law, or any comparable law that is now or hereafter may be in effect, whether for liquidation or reorganization, which proceedings if filed against Vertical Developer are not dismissed or stayed within one hundred eighty (180) days;

(e) On or before the Closing Date, a writ of execution is levied on this Agreement which is not released within one hundred twenty (120) days, or a receiver, trustee or custodian is appointed to take custody of all or any material part of the property of Vertical Developer, which appointment is not dismissed within one hundred twenty (120) days;

(f) On or before the Closing Date, Vertical Developer makes a general assignment for the benefit of its creditors; and

(g) The applicable Party violates any covenant set forth in ***Sections 1*** through and including ***Section 9*** of this Agreement, or fails to perform any other obligation to be performed by the party under ***Sections 1*** through and including ***Section 9*** of this Agreement at the time such performance is due, and such violation or failure continues without cure for more than fifteen (15) days after written notice from the other party specifying the nature of such violation or failure, or, if such cure cannot reasonably be completed within such fifteen (15) day period, if such party does not within such fifteen (15) day period commence such cure, or having so commenced, does not prosecute such cure with diligence and dispatch to completion within a reasonable time thereafter.

10.2. ***Failure to Close Escrow.*** Subject to ***Section 10.3***, if due to an Acquisition Event of Default, Escrow cannot close on the date agreed to by the Parties, the non-defaulting Party may terminate this Agreement by written notice and demand the return of its money, papers or documents deposited in Escrow (including, in the case of Vertical Developer, the return of the Deposit); provided, however, the defaulting Party will have ten (10) days after delivery of such termination notice to perform any acts required of it to permit Close of Escrow. If neither Party has performed fully to enable Close of Escrow by the time established therefor, then either Party may instruct the Title Company to return all documents and funds deposited with it to the applicable Parties in ten (10) days, unless within such ten (10) day period, both Parties perform fully all their obligations to enable Close of Escrow, in which case, the Title Company will proceed to the Close of Escrow without regard to such delay.

10.3. ***Default by Vertical Developer; Liquidated Damages.*** IF THE DELIVERY OF THE PROPERTY IS NOT CONSUMMATED DUE TO AN ACQUISITION EVENT OF DEFAULT BY THE VERTICAL DEVELOPER HEREUNDER, PORT WILL BE ENTITLED, AS ITS SOLE AND EXCLUSIVE REMEDY, TO TERMINATE THIS AGREEMENT AND [**FOR NON CREDIT BID DEALS ONLY:** RETAIN THE DEPOSIT] [**FOR CREDIT BID DEALS ONLY:** MAINTAIN THE CREDIT BID OF THE DEPOSIT (IN OTHER WORDS, NOT REVERSE THE CREDIT BID DEPOSIT)]AS LIQUIDATED DAMAGES.

THE PARTIES HAVE AGREED THAT PORT'S ACTUAL DAMAGES, IN THE EVENT OF A FAILURE TO CONSUMMATE THE DELIVERY OF THE PROPERTY AS SPECIFIED IN THE PRECEDING SENTENCE, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE AMOUNT OF THE DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT PORT WOULD INCUR IN SUCH AN EVENT. BY PLACING THEIR RESPECTIVE INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

INITIALS: PORT: _____ VERTICAL DEVELOPER: _____

10.4. ***Port Default; Vertical Developer's Remedies.*** Upon the occurrence of an Acquisition Event of Default by Port and provided there is no Acquisition Event of Default by Vertical Developer, Vertical Developer has the exclusive remedies set forth below following the expiration of applicable cure periods:

(a) **Termination**. Vertical Developer may terminate this Agreement upon ten (10) days' written notice to Port, in which event [**for non-Credit Bid deals**: Vertical Developer will receive a return of the Deposit] [**for Credit Bid Deals**: the Credit Bid will be reversed] and the parties will have no further rights and obligations hereunder except for the obligations that expressly survive termination of this Agreement; or

(b) **Specific Performance**. Vertical Developer may institute an action for specific performance. Port acknowledges that an Acquisition Event of Default by Port under ***Section 10.1(a)*** will be conclusively deemed to be a breach of an agreement to transfer real property that cannot be adequately relieved by pecuniary compensation as set forth in California Civil Code § 3387; or

(c) **Damages**. Port will not be liable to Vertical Developer for any monetary damages whether caused by any Acquisition Event of Default by Port and in no event will Port be liable for any actual, consequential, incidental or punitive damages; provided, however, if Port is required under the terms of this Agreement to return the Deposit to Vertical Developer and Port fails to return the Deposit in Port's possession as required under this Agreement, then

Vertical Developer may institute a cause of action for monetary damages equal to the amount of Deposit that has not been returned by Port; or

(d) **No Other Remedies**. Other than the remedies set forth in ***Sections 10.4(a), 10.4(b), and 10.4(c)***, Vertical Developer is not entitled to any other remedies permitted by law or at equity.

11. COMPLIANCE WITH LAWS.

Vertical Developer will comply with, at no cost to Port, (i) all applicable Laws (taking into account any variances or other deviations properly approved and applicable to the Vertical Project), (ii) the Mission Rock Risk Management Plan, (iii) [the applicable provisions of] the Mitigation Monitoring and Reporting Program, (iv) the Transportation Demand Management Plan, (v) the Parcel Lease,] and [**Note: add other requirements imposed in connection with Project Approvals, if any**]. The foregoing sentence will not be deemed to limit Port's ability to act in its legislative or regulatory capacity, including the exercise of its police powers. Vertical Developer acknowledges that the description of the Vertical Project attached hereto does not limit Vertical Developer's responsibility to obtain Regulatory Approvals for the Vertical Project, nor does the Vertical Project limit Port's responsibility in the issuance of any such Regulatory Approvals to comply with applicable Laws. It is understood and agreed that Vertical Developer's obligation to comply with Laws includes the obligation to make, at no cost to Port, all additions to, modifications of, and installations on the Property that may be required by any Laws relating to or affecting the Property.

12. DEVELOPMENT OF VERTICAL PROJECT AND RELATED INFRASTRUCTURE.

12.1. *Project Requirements*.

(a) **Project Requirements**. The Vertical Project will be designed, reviewed, constructed and completed in accordance with (i) the Scope of Development attached hereto as ***Exhibit B***, (ii) Development Schedule attached hereto as ***Exhibit XX***, (iii) ***Articles 11*** (Compliance with Laws and Regulatory Approvals) through and including ***Article 23*** (Definitions) of this Agreement (including the terms of any exhibits referenced therein), (iv) the FOG Ordinance and the inclusion of automatic grease removal devices on all kitchen sinks in any café, restaurant or other food establishment on the Site, (v) the applicable provisions of the Mitigation Monitoring and Reporting Program; (vi) Associated Public Benefits, and (vii) the Workforce Development Plan (sometimes collectively referred to as the "**Project Requirements**"). Vertical Developer hereby consents to, and waives any rights it may have now or in the future to challenge the legal validity of, the conditions, requirements, policies, or programs required by the Horizontal DDA, this Agreement and the Project Requirements, including, without limitation, any Claim that they constitute an abuse of police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax. [**Note: This Section and/or other sections may be revised to conform deferred infrastructure requirements and access to DDA.**]

(b) **Required Commencement and Completion Dates for the Vertical Project**.

(i) *Period to Commence and Complete*. Vertical Developer must Commence Construction of the Vertical Project on or before the date that is thirty-six (36) months after the Closing Date (the "**Construction Commencement Date**"), and Complete construction on or before the date that is seventy-two (72) months after the Closing Date, which dates may be extended as hereinafter provided (the "**Construction Completion Date**").

(ii) *Extension Options*. Vertical Developer may extend each of the Construction Commencement Date and the Construction Completion Date in increments of up to three (3) months (each an "**Extension Option**") (not to exceed forty-eight(48) months in the

aggregate) by paying the extension fee set forth in ***Schedule 12.1*** (each an "**Extension Fee**"). **[NOTE: Each Extension Option to increase by $5,000 every 5 years after 2017]**

(iii) *Extension Notice*. If Vertical Developer desires to extend either or both of the Construction Commencement Date and the Construction Completion Date, then Vertical Developer will give Port notice of Vertical Developer's exercise of the extension right no later than ten (10) business days prior to the otherwise applicable Construction Commencement Date or the Construction Completion Date, and as the same may have been extended pursuant to this ***Section 12.1(b)*** ("**Extension Notice**"). Vertical Developer will specify in the Extension Notice the length of the extension (which will not exceed three (3) months and will not exceed the 48-month aggregate limit on 3-month extensions). Within five (5) business days after delivery of the Extension Notice, Vertical Developer will deliver the Extension Fee by good funds to Port.

(iv) *Force Majeure; Regulatory Force Majeure*.

(1) Vertical Developer may extend each of the Construction Commencement Date and the Construction Completion Date as a result of Force Majeure or Regulatory Force Majeure so long as (i) any such extensions do not exceed, in the aggregate, twenty-four (24) months, and (ii) Port reasonably agrees that a Force Majeure or Regulatory Force Majeure event has occurred.

(2) In addition, with respect to a Regulatory Force Majeure event, in order to extend the Construction Commencement Date or the Construction Completion Date, as applicable, as a result of a Regulatory Force Majeure event, Vertical Developer must make payment to Port in the amount of $15,000 **[Note: Amount will increase by $3,000 for each Phase after Phase I]**, for any period of delay of up to three months. For the purposes of illustration only, if Vertical Developer anticipates that a Regulatory Force Majeure delay will last three months, then it will pay $15,000 **[Note: Amount will increase by $3,000 for each Phase after Phase I]**, if the delay is anticipated to last six months, then it will pay [$30,000] **[Note: change amount accordingly]**, and so on, subject to the 24-month limit.

(3) Vertical Developer will give notice to Port ("**FM Extension Notice**") of any extension due to Force Majeure or Regulatory Force Majeure as soon as reasonably practical following Vertical Developer's actual notice of the Force Majeure or Regulatory Force Majeure event or the delay caused by the Force Majeure or Regulatory Force Majeure event, which notice will describe the event and any actual or reasonably anticipated delay as a result thereof.

(4) If the Port disagrees with Vertical Developer's assertion of the occurrence of a Force Majeure or Regulatory Force Majeure event, then (A) Port will give Vertical Developer notice of such disagreement and the reason therefor within 30 days after Vertical Developer's notice, (B) within 15 days after such notice, Vertical Developer and Port will meet and confer in an effort to resolve the disagreement, (C) until the earlier of the date on which the disagreement is resolved or the event and delays caused thereby cease (but subject to the aggregate 24-month limit and, in the case of a Regulatory Force Majeure event, payment of the fee, as set forth herein above), the Force Majeure or Regulatory Force Majeure event will be deemed have occurred, and (D) if (i) it is determined that Port was correct in its assertion that the event in question did not occur, then the Force Majeure or Regulatory Force Majeure event will be deemed to have ceased as of the date immediately following the determination and, with respect to an asserted Regulatory Force Majeure event, the amount of the fee payable under ***Section 12.1(b)(iv)(2)*** will be tripled and Vertical Developer will pay to Port within thirty (30) days after the determination the balance of such tripled fee, and (ii) no determination is reached between the Parties as to whether or not the event occurred within the time period set forth in this ***Section 12.1(b)(iv)***, then the amount of the fee payable under ***Section 12.1(b)(iv)(2)*** will be doubled and Vertical Developer will pay to Port within thirty (30) days after the determination the balance of such doubled fee for each three-month period of delay until the earlier of the

cessation of the delay or exhaustion of the 24-month aggregate limit on Force Majeure and Regulatory Force Majeure delay. For the purposes of illustration, if during Phase 1, the event allegedly occurs and it is determined the Port was correct, then the fee would be $45,000 for each three month period of delay due to Regulatory Force Majeure, and Vertical Developer would be obligated to pay the $30,000 balance (i.e., $45,000 minus the $15,000 payment the Vertical Developer is already paying under Subsection 12.1(b)(iv)(2)). For the avoidance of doubt, the amount of time the parties take to resolve any disagreement regarding the event pursuant to this Subsection 12.1(b)(iv)(4) will count against the 24-month aggregate limit and Vertical Developer will be obligated to continue paying the fee under Subsection 12.1(b)(iv)(2) with respect to such time.

(v) *Acceptance Delay*. Vertical Developer may extend the Construction Completion Date as a result of an Acceptance Delay without payment of any Extension Fee so long as the Acceptance Delay extensions do not exceed, in the aggregate, forty-eight (48) months. Vertical Developer will give notice to Port of any extension of the Construction Completion Date due to an Acceptance Delay as soon as reasonably practical following Vertical Developer's knowledge of the Acceptance Delay, which notice will describe the Acceptance Delay and any actual or reasonably anticipated delay as a result thereof. "**Acceptance Delay**" means a delay in the applicable City Agency's Acceptance of any of the Horizontal Improvements or Deferred Infrastructure that is Utility Infrastructure or a Public ROW following issuance of a Determination of Completion with respect such Horizontal Improvements or Deferred Infrastructure where such delay is the sole reason for Vertical Developer's inability to obtain a final certificate of occupancy for the Vertical Project.

(vi) *Port Remedies*. Port will have the remedies set forth in [***Schedule 15.3***] if Vertical Developer fails to Commence or Complete Construction of the Vertical Project within the time frame set forth in this ***Section 12.1(b),*** as such time frames may have been extended pursuant to this ***Section 12.1(b)*** or any other applicable provisions of this Agreement. Vertical Developer's obligation to pay the Liquidated Amount described in ***Schedule 15.3*** will survive the expiration or termination of this Agreement.

12.2. ***Mitigation Monitoring and Reporting Program***. In order to mitigate the significant environmental impacts of the development contemplated hereby, the construction and subsequent operation of all or any part of the Vertical Project will be in accordance with all applicable Environmental Laws and [the applicable provisions of] the Mitigation Monitoring and Reporting Program attached hereto as ***Exhibit N***. Vertical Developer will incorporate the Mitigation Monitoring and Reporting Program into any contract or subcontract.

12.3. ***Amendment of Development Requirements***. Vertical Developer will not seek any amendment to the Design Controls under Section [XXX] of the SUD or to the SUD under Section 302 of the Planning Code without obtaining the prior written consent of Port (and, for any proposed amendment that may impact Horizontal Developer, the Horizontal Developer), which consent may be given or withheld in each of their sole discretion. In its application to Port or the City for a Regulatory Approval under the SUD or applicable building codes, Vertical Developer will expressly identify in writing any elements of its proposed construction that requires an amendment to the Vertical Development Requirements, and state the reason for the proposed amendment. No amendment to the Vertical Development Requirements will be effective with respect to such items if an amendment was not clearly sought by Vertical Developer in writing and such amendment was not approved by the Port in its proprietary capacity.

12.4. ***Construction of Infrastructure***. Vertical Developer will be solely responsible for developing all improvements within the Property, including, without limitation, private right of ways, pedestrian walkways, infrastructure, and landscaping and hardscaping in any open space and common areas located within the Property. Vertical Developer will also be required to construct the Deferred Infrastructure identified on ***Schedule 12.4-1*** attached hereto to the extent

the obligation to construct the Deferred Infrastructure was wholly transferred to, and accepted by, Vertical Developer in the VCA. Horizontal Developer (or its successors or assigns with respect to the obligation to construct Horizontal Improvements in accordance with the Infrastructure Plan [(attached to the Horizontal DDA as ***Exhibit B3***)] will cause to be constructed Horizontal Improvements serving the Property, including streets and utilities necessary to serve the Property adjacent to (but not within) the Property, in accordance with the terms of the Horizontal DDA and as between Vertical Developer and Horizontal Developer, in accordance with the VCA. If Vertical Developer requires access to any real property outside of the Property that is under the control of Port in connection with the construction of the Deferred Infrastructure, Vertical Developer and Port will use good faith efforts to negotiate and execute a License as may be adjusted between the Parties to account for the additional risks associated with such activities, including increased insurance coverage amounts or additional insurance coverage and broader indemnity and release provisions, and any additional provisions required by Law (or mandated by the Port Commission pursuant to a policy adopted by the Port Commission in a public meeting) to be included in real property licenses. The VCA will address the Horizontal Developer's and Vertical Developer's rights and obligations with respect to any need of Vertical Developer to have access to any real property outside of the Property that is under the control of Horizontal Developer.

12.5. ***Construction Standards***. All construction must be performed by duly licensed and bonded contractors or mechanics and will be accomplished expeditiously, diligently and in accordance with good construction and engineering practices and applicable Laws.

12.6. ***Reports and Information for County Assessor***. During periods of construction, Vertical Developer will provide the Requested Information in accordance with ***Section 6.6(d)***.

12.7. ***Costs of Vertical Project Sole Responsibility of Vertical Developer***. Port has no responsibility for any costs of the Vertical Project and Vertical Developer will pay (or cause to be paid) all such costs.

12.8. ***Construction Rights of Access***. During any period of construction of the Vertical Project, Port and its Agents will have the right to enter areas in which construction is being performed, on reasonable prior written notice during customary construction hours, subject to the rights of tenants and subtenants, and any safety procedures or precautions required by Vertical Developer and/or its contractors, to inspect the progress of the work; provided, however, that Port and its Agents will conduct their activities in such a way to minimize interference with Vertical Developer and its operations to the extent feasible. Nothing in this Agreement, however, will be interpreted to impose an obligation upon Port to conduct such inspections or any liability in connection therewith.

12.9. ***Regulatory Approvals***.

(a) **Port Acting as Owner of Property**. Vertical Developer understands and agrees that Port is entering into this Agreement in its proprietary capacity as the holder of fee title to the Property and not as a Regulatory Agency with certain police powers. Vertical Developer agrees and acknowledges that Port has made no representation or warranty that the necessary Regulatory Approvals to allow for the development of the Vertical Project can be obtained. Vertical Developer agrees and acknowledges that although Port is an agency of the City, Port staff and executives have no authority or influence over officials or Regulatory Agencies responsible for the issuance of any Regulatory Approvals, including Port and/or City officials acting in a regulatory capacity. Accordingly, there is no guarantee, nor a presumption, that any of the Regulatory Approvals required for the approval or development of the Vertical Project will be issued by the appropriate Regulatory Agency, and Vertical Developer understands and agrees that neither entry by Port into this Agreement nor any approvals given by Port under this Agreement will be deemed to imply that Vertical Developer will obtain any required approvals from Regulatory Agencies which have jurisdiction over the Vertical Project and/or the Property, including Port itself in its regulatory capacity. Port's status as an agency of

the City in no way limits the obligation of Vertical Developer, at Vertical Developer's own cost and initiative, to obtain Regulatory Approvals from Regulatory Agencies that have jurisdiction over the Vertical Project. By entering into this Agreement, Port is in no way modifying or limiting Vertical Developer's obligations to cause the Property to be developed, restored, used and occupied in accordance with all Laws. Vertical Developer further agrees and acknowledges that any time limitations on Port review or approval within this Agreement applies only to Port in its proprietary capacity, not in its regulatory capacity. Without limiting the foregoing, Vertical Developer understands and agrees that Port staff have no obligation to advocate, promote or lobby any Regulatory Agency and/or any local, regional, state or federal official for any Regulatory Approval, for approval of the Vertical Project or other matters related to this Agreement, and any such advocacy, promotion or lobbying will be done by Vertical Developer at Vertical Developer's sole cost and expense. Vertical Developer hereby waives any Claims against the City Parties, and fully releases and discharges the City Parties to the fullest extent permitted by Law, from any liability relating to the failure of Port, the City or any Regulatory Agency from issuing any required Regulatory Approval or from issuing any approval of the Vertical Project.

(b) **Regulatory Approval; Conditions.**

(i) Vertical Developer understands that construction of the Vertical Project, including the Deferred Infrastructure, and Vertical Developer's contemplated uses and activities on the Property, may require Regulatory Approvals from Regulatory Agencies, which may include the City, Port, the RWQCB, SFPUC, SFPW, SFDPH, BAAQMD, Cal OSHA and other Regulatory Agencies. Vertical Developer is solely responsible for obtaining any such Regulatory Approvals, as further provided in this Section.

(ii) Port, at no cost to Port, will cooperate reasonably with Vertical Developer in its efforts to obtain such Regulatory Approvals, including submitting letters of authorization for submittal of applications consistent with all applicable Laws and the further terms and conditions of this Agreement, including, without limitation, being a co-permittee with respect to any such Regulatory Approvals. However, if (1) Port is required to be a co-permittee under any such permit, then Port will not be subject to any conditions and/or restrictions under such permit that could encumber, restrict or adversely change the use of any Port property other than the Property, unless in each instance Port has previously approved, in Port's sole and absolute discretion, such conditions or restrictions and Vertical Developer has assumed all obligations and liabilities related to such conditions and/or restrictions; or (2) Port is required to be a co-permittee under any such permit, then Port will not be subject to any conditions or restrictions under such permit that could restrict or change the use of the Property in a manner not otherwise permitted under this Agreement or subject Port to unreimbursed costs or fees, unless in each instance Port has previously approved, in Port's reasonable discretion, such conditions and/or restrictions and Vertical Developer has assumed all obligations and liabilities related to such conditions and/or restrictions (including the assumption of any unreimbursed costs or fees Port may be subject to as a result of such Regulatory Approval).

(iii) Port will provide Vertical Developer with its approval or disapproval thereof in writing to Vertical Developer within ten (10) business days after receipt of Vertical Developer's written request, or if Port's Executive Director reasonably determines that Port Commission or Board of Supervisors action is required under applicable Laws, at the first Port and subsequent Board hearings after receipt of Vertical Developer's written request subject to notice requirements and reasonable staff preparation time, not to exceed forty-five (45) days for Port Commission action alone and seventy-five (75) days if both Port Commission and Board action is required, provided such period may be extended to account for any recess or cancellation of board or commission meetings. Port will join in any application by Vertical Developer for any required Regulatory Approval and execute such permit where required, provided that Port has no obligation to join in any such application or sign the permit if Port does

not approve the conditions or restrictions imposed by the Regulatory Agency under such permit as set forth above.

(iv) Vertical Developer will bear all costs associated with (1) applying for and obtaining any necessary Regulatory Approval, and (2) complying with any and all conditions or restrictions imposed by Regulatory Agencies as part of any Regulatory Approval, including the economic costs of any development concessions, waivers, or other impositions, and whether such conditions or restrictions are on-site or require off-site improvements, removal, or other measures. Vertical Developer in its sole discretion has the right to appeal or contest any condition in any manner permitted by Law imposed by any such Regulatory Approval. Vertical Developer will provide Port with prior notice of any such appeal or contest and keep Port informed of such proceedings. Vertical Developer will pay or discharge any fines, penalties or corrective actions imposed as a result of the failure of Vertical Developer to comply with the terms and conditions of any Regulatory Approval. No Port approval will limit Vertical Developer's obligation to pay all the costs of complying with any conditions or restrictions. Vertical Developer will take reasonable steps to cooperate with Port in connection with Port's efforts to obtain approvals from Regulatory Agencies related to development of Mission Rock that are not necessary for or related to development of the Property.

(v) Without limiting any other Indemnification provisions of this Agreement or the Parcel Lease, Vertical Developer will Indemnify the City Parties from and against any and all Losses which may arise in connection with Vertical Developer's failure to obtain or seek to obtain in good faith, or to comply with the terms and conditions of any Regulatory Approval which will be necessary to develop and construct the Property in accordance with the Scope of Development, except to the extent that such Losses arise from the gross negligence or willful misconduct of any City Party.

(c) **Certain City Regulatory Approvals**. Horizontal Developer and the City have entered into the Development Agreement, which will govern certain land use matters under the Planning Code, including Impact Fees and Exactions. The Port and other City Agencies, with Horizontal Developer's consent, have entered into the ICA specifying certain procedures and standards that will apply when Horizontal Developer seeks Regulatory Approvals for the Horizontal Improvements from other City Agencies. A copy of the Development Agreement has either been made available to Vertical Developer for its review at Port's offices or has been provided to Vertical Developer.

(d) **Compliance**. Vertical Developer is solely responsible for ensuring that the design and construction of the Vertical Project, including without limitation the Deferred Infrastructure (if assigned to and assumed by Vertical Developer in the VCA) comply with all Vertical Development Requirements and applicable Laws at no cost to the Port.

(e) **Noncompliance**. Vertical Developer must pay any fines and penalties and perform any corrective actions imposed for noncompliance with any applicable Laws and Indemnify the Port against any liability arising from such noncompliance, even if the Port is a co-permittee. Vertical Developer will not be entitled to reimbursement from public financing sources for any fines, penalties, and costs of corrective actions related to its construction of Deferred Infrastructure.

12.10. ***Conditions to Commencement of Construction of the Vertical Project.***

(a) **Conditions Precedent**. Unless expressly waived by Port, Vertical Developer must satisfy all of the following conditions before Commencement of Construction of the Vertical Project:

(i) *Certification.* Vertical Developer will have delivered to Port a statement certified by its officer as true, correct and complete that (1) it has obtained all Regulatory Approvals required to commence construction of the Vertical Project, (2) it has closed a loan with a lender or has binding commitments from its capital partners, for sufficient

financing to commence and complete the Vertical Project, and (3) it has paid the City all Impact Fees and Exactions that are required to be paid prior to commencement of construction of the Vertical Project.

(ii) *Insurance.* Vertical Developer has in place all insurance required during construction of the Vertical Project under the terms of the Parcel Lease and has provided Port evidence thereof.]

(iii) *Good Standing*. There will be no uncured Vertical Developer Default by Vertical Developer under this Agreement or uncured Event of Default under the Parcel Lease.

(iv) *Security.* If any surety bond, sub-guard insurance (or other insurance product), guaranty, or other security is obtained by or for the benefit of Vertical Developer with respect to the payment of any funds or performance obligations associated with the Vertical Project, Vertical Developer will cause to have (1) Port named as a co-obligee to any bond, and (2) Port named as an additional insured or third-party beneficiary with respect to any sub-guard or other insurance product; provided, however, Port's rights under such Bond, insurance product or guaranty will (x) remain subordinate to the rights of any mortgagee and (y) not be exercised by Port before a Vertical Developer Default.

(v) *Construction Documents*. The construction documents for the Vertical Project must conform to the Scope of Development. By way of example, the Vertical Project must contain the number of floors and residential units described in the Scope of Development.

(vi) Vertical Developer will have satisfied the submittal requirements that Vertical Developer (or Vertical Developer's contractor) is required to make relating to Vertical Developer's obligations to comply with the Workforce Development Plan.

(vii) Vertical Developer will have executed and delivered to Port a certification of compliance with San Francisco Administrative Code Chapters 12B and 12C on the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101), together with supporting documentation, and will have secured approval of the form by the City's Human Rights Commission.

(b) **Conditions for Benefit of the Port**. The conditions in ***Section 12.10(a)*** (Conditions Precedent) are solely for the benefit of Port. Only Port may waive any of those conditions, and only to the extent waivable under Law.

(c) **Effect of Failure of Condition**. Vertical Developer's failure to satisfy any condition described in ***Section 12.10(a)*** (Conditions Precedent) will not alone relieve either Party of any obligations that previously arose under this Agreement.

(d) **Commencement Estoppel**. Vertical Developer has the right, but not the obligation, to request an estoppel certificate from Port, at no cost to Port, for the benefit of Vertical Developer and any mortgagee or other lender, stating that Vertical Developer has satisfied the conditions set forth in ***Section 12.10.*** Any such request will include a certification by Vertical Developer that (i) satisfies the requirements of ***Section 12.10(a)(i)*** and (ii) that to its actual knowledge, Port is not in default under this Agreement or the Parcel Lease. Port will respond to such request and provide such estoppel certificate within thirty (30) days after the date of Vertical Developer's request.

12.11. ***Safety Matters***. Vertical Developer will undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or disruption or damage to adjoining or nearby property, or the risk of injury to members of the public, caused by or resulting from the performance of its development of the Vertical Project. Vertical Developer will erect appropriate construction barricades to enclose the areas of such

construction and maintain them until construction has been substantially completed, to the extent reasonably necessary to minimize the risk of hazardous construction conditions.

12.12. ***Post-Closing Boundary Adjustments***. The Parties acknowledge that, as development of the Project Site advances, the description of each parcel of real property may require further refinements, which may require minor boundary adjustments. The Parties agree to cooperate in effecting any required boundary adjustments consistent with ***Section 21.2*** (Technical Changes). Vertical Developer agrees that all conveyance agreements from Vertical Developers to any Transferees of the Property will include the obligation to cooperate with Port in boundary adjustments.

12.13. ***Vertical Developer Outreach Requirement.***. The Vertical Project is subject to the administrative design review process set forth in the Mission Rock SUD.. Additionally, as a requirement of this Agreement, Vertical Developer will make an informational presentation regarding the consistency of its application with the Mission Rock SUD and Design Controls to the Port's Central Waterfront Advisory Group ("**CWAG**") within 30 days of its submittal to the Planning Director. Port will reasonably cooperate with Vertical Developer to schedule and notice this presentation by publication, posting, mailing or other means reasonably aimed at providing stakeholders with an opportunity to attend the presentation. If a CWAG meeting cannot be scheduled within 30 days of the submittal, the Vertical Developer will have the option to present at the next scheduled CWAG meeting or to host a public presentation of its design and will provide a minimum of 2 weeks' notice by publication, posting, mailing or other means reasonably aimed at providing stakeholders with an opportunity to attend the presentation. The presentation is for informational purposes only. However, should the Vertical Developer desire to change its design review application to incorporate any feedback received from the presentation, any such changes submitted more than 30 days after the initial submission will reset the 60-day design review period established by the Mission Rock SUD.

13. COMPLETION OF VERTICAL PROJECT.

13.1. ***Completion; Certificates of Completion***. The obligations of Vertical Developer set forth in this Agreement, if any, will be deemed satisfied upon the completion of the Vertical Project, as evidenced by Port's issuance of a Certificate of Completion in accordance with the following terms:

(a) **Submittals**. When Vertical Developer reasonably believes that it has Completed the Vertical Project (excluding the Deferred Infrastructure), it may submit to Port an Architect's Certificate in the form attached as ***Exhibit O*** (or such other form as approved by the Chief Harbor Engineer), and request that the Port issue a Certificate of Completion. When Vertical Developer reasonably believes that it has Completed the Deferred Infrastructure, it may submit to Port an Engineer's Certificate in accordance with the procedures set forth in [***Section XX*** of the Horizontal DDA.]

(b) **Deferred Items**. With respect to the Vertical Project, if there remain uncompleted (i) customary punch list items, (ii) landscaping, or (iii) exterior finishes (to the extent Vertical Developer can demonstrate to Port's reasonable satisfaction that such finishes would be damaged during the course of later construction of interior improvements) (collectively "**Deferred Items**"), Port may reasonably condition approval of the Certificate of Completion upon provision of security or other assurances in form, substance and amount satisfactory to Port that all the Deferred Items will be diligently pursued to completion.

(c) **Port Response**. Within thirty (30) days after its receipt of the Engineer's Certificate and Architect's Certificate Port will either (i) issue a Certificate of Completion or (ii) a notice specifying the reasons it did not issue a Certificate of Completion. If Port does not issue a Certificate of Completion for the Vertical Project substantially in the form of ***Exhibit P*** as requested under ***Subsection 13.1(a)*** (Submittals), then Port will deliver to Vertical Developer a notice specifying the reasons it did not issue the requested Certificate of Completion and the

reasonable acts or measures that Vertical Developer must take to obtain a Certificate of Completion. Vertical Developer may submit revised Engineer's and Architect's Certificates and a new request for a Certificate of Completion under ***Subsection 13.1(a)*** (Submittals) at any time after completing the specified acts or measures and the Port will respond to same within thirty (30) days thereafter.

(d) **Effect of Certificate of Completion**. For purposes of this Agreement only, the Certificate of Completion will be the Port's conclusive determination that Vertical Developer has Completed the Vertical Project and effective upon such issuance, other than the terms and conditions of this Agreement that expressly survive termination, this Agreement will terminate. The Port's determination will not impair Vertical Developer's release as provided in ***Article 4*** (Release), Port's right to Indemnity under Vertical Developer's obligation to Indemnify the City Parties in ***Section 12.9(b)(v)*** and ***Article 18*** (Indemnification), or Port's right, to reimbursement of Port and City Costs as provided under ***Section 14.4*** (Survival), all of which expressly survive termination of this Agreement. The Port's issuance of a Certificate of Completion will not relieve Vertical Developer or any other person from the Vertical Development Requirements or compliance with applicable Laws, including applicable building, fire, or other code requirements, conditions to occupancy of any improvement, or other applicable Laws. This ***Section 13.1(d)*** will survive the expiration or earlier termination of this Agreement.

13.2. ***Record Drawings.***

(a) Vertical Developer will furnish to Port one set of design/permit drawings in their finalized form and Record Drawings with respect to the Vertical Project within ninety (90) days following issuance of a final certificate of occupancy for the Vertical Project. Record Drawings must be in the form of full-size, hard paper copies and converted into electronic format as (1) full-size scanned TIF files, and (2) AutoCad files of the completed and updated construction documents, as further described below, and in such format as is reasonably required by Port's building department at the time of submittal. As used in this Section "Record Drawings" means drawings, plans and surveys showing the construction as built on the Property and prepared during the course of construction (including all requests for information, responses, field orders, change orders and other corrections to the documents made during the course of construction). If Vertical Developer fails to provide such Record Drawings to Port within the time period specified herein, and such failure continues for an additional ninety (90) days following an additional written request from Port, Port will thereafter have the right to cause an architect or surveyor selected by Port to prepare Record Drawings showing such construction, and the actual, third-party cost of preparing such Record Drawings must be reimbursed by Vertical Developer to Port promptly after invoice of the same is delivered to Vertical Developer. Nothing in this Section will limit Vertical Developer's obligations, if any, to provide plans and specifications in connection with the construction under applicable regulations adopted by Port in its regulatory capacity. Vertical Developer will be permitted to disclaim any representations or warranties with respect to the design/permit drawings, Record Drawings or other plans and specifications provided hereunder, and, at Vertical Developer's request, Port will provide Vertical Developer with a release from liability for future use of the applicable materials, in a form acceptable to Vertical Developer and Port.

(b) **Record Drawing Requirements**. Record Drawings must be no less than (24" x 36"), with mark-ups neatly drafted to indicate modifications from the original design drawings, scanned at 400 dpi. Each drawing will have a Port-assigned number placed onto the title block prior to scanning. An index of drawings must be prepared correlating drawing titles to the numbers. A minimum of ten (10) drawings will be scanned as a test, prior to execution of this requirement in full.

(c) **AutoCad Requirements**. The AutoCad files must be contained in Release 2006 or a later version, and drawings must be transcribed onto a compact disc(s) or

DVD(s), as requested by Port. All X-REF, block and other referenced files must be coherently addressed within the environment of the compact disc or DVD, at Port's election. Discs containing files that do not open automatically without searching or reassigning X-REF addresses will be returned for reformatting. A minimum of ten (10) complete drawing files, including all referenced files, is required to be transmitted to Port as a test, prior to execution of this requirement in full.

(d) **Changes in Technology**. Port reserves the right to revise the format of the required submittals set forth in this ***Section 13.2*** as technology changes and new engineering/architectural software is developed.

14. PORT/CITY COSTS.

14.1. ***Port Costs***. Port and the City are entitled to reimbursement for, respectively, Port Costs and City Costs incurred in connection with performing its obligations under this Agreement and any changes to this Agreement requested by Vertical Developer. Upon the request of Vertical Developer, Port and Vertical Developer will meet and confer within a reasonable period of time regarding the Port Costs and City Costs likely to be incurred in connection with this Agreement. Except to the extent specifically set forth herein, Port will not be entitled to collect any other fee or reimbursement from Vertical Developer in connection with the performance of Port's obligations under this Agreement in its proprietary capacity.

14.2. ***Reporting of Port Costs***. Within ninety (90) days following the end of each calendar quarter during the term of this Agreement and within ninety (90) days following the expiration or termination of this Agreement, Port will deliver to Vertical Developer a summary of Port Costs (together with City Costs invoiced as of such date) incurred during such quarter (the "**Port Costs Report**"). The summary will be in a reasonably detailed form and will include (i) a general description of the services performed and Port Costs incurred, (ii) cost for Port staff time and cost for the City Attorney's staff time spent on the Vertical Project, (iii) the transaction costs incurred by the City, (iv) the fees and costs incurred and paid by Port under the ICA, and (v) the fees and costs of non-City professionals and copies of invoices from such non-City professionals. Port will provide such supporting documentation as Vertical Developer may reasonably request to verify that the Port Costs were incurred in accordance with this Agreement. Port and Vertical Developer will cooperate with one another to develop a reporting format that satisfies the reasonable informational needs of Vertical Developer to justify expenditures of Port Costs in accordance with this Agreement without divulging any privileged or confidential information of Port, the City, or their respective contractors. The Port Costs Report will be binding on Vertical Developer in the absence of error demonstrated by Vertical Developer within six (6) months of Vertical Developer's receipt of the same.

14.3. ***Payment of Port Costs***. Vertical Developer will reimburse Port for Port Costs and City Costs described in each Port Costs Report no later than thirty (30) days after its receipt of the Port Costs Report from Port. While the Parties currently anticipate the Port Cost Reports will be delivered quarterly, Port will have the right to submit monthly Port Cost Reports. The Parties will meet and confer within a reasonable period of time and in good faith to resolve any disputes regarding a Port Costs Report. Port will have the right to terminate or suspend any work for Vertical Developer under this Agreement upon Vertical Developer's failure to pay amounts due and owing hereunder, and continuing until Vertical Developer makes payment in full to Port.

14.4. ***Survival***. Vertical Developer's obligation to reimburse Port for Port Costs and City Costs incurred during the term of the Agreement will survive the expiration or termination of this Agreement.

15. DEFAULTS; REMEDIES.

15.1. ***Default by Vertical Developer***. The occurrence after the Closing Date of any one of the following events or circumstances will constitute a "**Vertical Developer Default:**"

(a) Vertical Developer causes or permits the occurrence of a Transfer not permitted under this Agreement;

(b) Vertical Developer fails to pay when due any amount required to be paid hereunder, or fails to pay any taxes or assessments on the Property when due (including CFD and IFD assessments), and such failure continues for a period of five (5) business days following Vertical Developer's receipt of notice thereof from the Port;

(c) Subject to the provisions of ***Section 15.3(b)*** and ***Schedule 15.3*** Vertical Developer fails to cause the Construction Commencement Date or the Construction Completion Date to occur on or before the required dates set forth in ***Section 12.1(b)***, as may be extended in accordance with ***Section 12.1(b)***;

(d) Vertical Developer is materially in default under the Restrictive Covenants (as reasonably determined by Port) and fails to cure the same in accordance with the terms of such documents within a reasonable period of time (or such shorter period of time as may be specified in the Restrictive Covenant, if applicable, or an Event of Default (*i.e.*, after expiration of all applicable notice and cure periods) occurs under the Parcel Lease;

(e) Vertical Developer files a petition for relief, or an order for relief is entered against Vertical Developer, in any case under applicable bankruptcy or insolvency law, or any comparable law that is now or hereafter may be in effect, whether for liquidation or reorganization, which proceedings if filed against Vertical Developer are not dismissed or stayed within one hundred twenty (120) days;

(f) A writ of execution is levied on this Agreement which is not released within one hundred twenty (120) days, or a receiver, trustee or custodian is appointed to take custody of all or any material part of the property of Vertical Developer, which appointment is not dismissed within one hundred twenty (120) days;

(g) Vertical Developer makes a general assignment for the benefit of its creditors;

(h) Vertical Developer fails to perform any other obligation required to be performed under this Agreement by Vertical Developer, including, without limitation, Vertical Developer's failure to provide Requested Information and such failure continues beyond any the period of time for cure thereof or the expiration of any grace period specified in this Agreement therefor, or if no such cure or grace period is specified, within thirty (30) days after Vertical Developer's receipt of notice thereof from the Port as appropriate, or in the case of a default that is curable but is not susceptible of cure within thirty (30) days, Vertical Developer fails promptly to commence to cure such default and thereafter diligently to prosecute such cure to completion within a reasonable time, but in no event to exceed one hundred and twenty (120) days;

(i) [**if applicable**: Vertical Developer fails to provide Adequate Security to the extent required under this Agreement, or once it has provided Adequate Security fails to maintain the same as required under this Agreement, and such failure continues for thirty (30) days following receipt of notice from Port (provided, that Vertical Developer will immediately, upon receiving notice from Port to such effect, suspend all activities (other than those needed to preserve the condition of improvements or as necessary for health or safety reasons) on affected portions of the Property during any period during which Adequate Security are not maintained as required by this Agreement); and

(j) [**if applicable**: the obligor of any Adequate Security commits a default under the applicable security instrument or revokes or refuses to perform as required under the Adequate Security and Vertical Developer does not replace the Adequate Security within thirty (30) days following Vertical Developer's receipt of notice from Port; provided, that (i) Vertical Developer will immediately, upon receiving notice from Port to such effect, suspend all activities (other than those needed to preserve the condition of improvements or as necessary

for health or safety reasons) on affected portions of the Property during any period during which the Adequate Security is maintained as required by this Agreement, (ii) any cure period for a default under the Adequate Security will run concurrently with the above thirty (30) day period, and (iii) upon receipt by Port of any replacement Adequate Security Port will return, if in its possession or control, the original Adequate Security.

15.2. ***Default by Port.*** It will constitute a "**Port Default**" under this Agreement, if after the Closing Date, Port fails to perform any of its agreements or obligations under this Agreement, and such failure continues beyond the period of time for cure thereof or the expiration of any grace period specified in this Agreement therefor, or if no such cure or grace period is specified, within thirty (30) days after Port's receipt of notice thereof from Vertical Developer, or, in the case of a default that is curable but is not susceptible of cure within thirty (30) days, if the Port fails promptly to commence to cure such default and thereafter diligently to prosecute such cure to completion, but in no event to exceed one hundred and twenty (120) days.

15.3. ***Port Remedies for Vertical Developer Default.***

(a) **General**. During the continuance of a Vertical Developer Default subject to ***Article 16***, and the limitations set forth in Section 25 of the Parcel Lease (including, without limitation, Section 25.4 of the Parcel Lease) Port will have all rights and remedies described in Section 25 of the Parcel Lease; provided, however, notwithstanding anything to the contrary contained in this Agreement or the Parcel Lease, any right to cure and any remedy available to Port regarding any Vertical Developer Default under the Workforce Development Plan is limited to those rights and remedies set forth in the Workforce Development Plan. Notwithstanding the foregoing, in no event will Port have the right to terminate this Agreement or the Parcel Lease solely as a result of Vertical Developer's default under ***Section 6.6(d)*** (Information Required by the County Assessor) but Port shall have other remedies available at law or in equity, including, without limitation, specific performance.

(b) **Failure to Commence or Complete Construction of the Vertical Project**. If the Vertical Developer has not Commenced Construction as of the Construction Commencement Date or has not Completed the Vertical Project as of the Construction Completion Date (as such dates may have been extended pursuant to ***Section 12.1(b)***), following the expiration of applicable notice and cure periods under this Agreement, then (i) Port will have the remedies set forth in ***Schedule 15.3***, and (ii) subject to the provisions of ***Schedule 15.3*** including the limitations on Port's termination rights, Port will have the right to terminate the Parcel Lease and this Agreement, whereupon Vertical Developer will deliver possession of the Property to Port in the condition required under the Parcel Lease and, if Port so requests, Vertical Developer will execute, acknowledge and deliver a commercially reasonable form of quitclaim deed with respect to the Property.

15.4. ***Vertical Developer's Remedies for Port Default.*** In the event of a Port Default after the Closing Date, Vertical Developer will have the remedies set forth in [Section 28 of the Parcel Lease.]

15.5. ***Limitation on Port Liability.*** Except as expressly set forth in ***Section 10.4(c)*** and ***Section 18.4***, Port will not have any liability whatsoever for monetary damages, and in no event, will Port be liable for any actual, consequential, incidental or punitive damages, including, but not limited to, lost opportunities, lost profits or other damages of a consequential nature under this Agreement.

15.6. ***No Implied Waivers.*** No waiver made by a waiving Party with respect to the performance or manner or time thereof (including an extension of time for performance) of any obligations of another Party, or of any condition to the waiving Party's own obligations, will be considered a waiver of the waiving Party's rights with respect to any obligation of another Party

or any condition to the waiving Party's own obligations beyond those expressly waived in writing.

15.7. ***Limitation on Personal Liability.*** No natural person, including any commissioner, member, supervisor, officer, director, employee, representative, or attorney of a Party, will be personally liable to another Party in the event of any default or for any amount that may become due to a Party under this Agreement, provided the foregoing will not limit any liabilities that exist under a security instrument or that exist under applicable law.

16. FINANCING; RIGHTS OF MORTGAGEES.

The rights and obligations of each Party related to any Mortgage (as defined in the Parcel Lease) are set forth in the Parcel Lease. Capitalized terms that are used but not defined in this ***Section 16*** will have the meanings given such terms in the Parcel Lease. Without limiting or expanding the rights afforded to Lenders pursuant to the Parcel Lease following a default by Vertical Developer to Commence Construction or Complete Construction pursuant to ***Section 15.3*** above and notice thereof by Port to Lender, Lender will have the right, but not the obligation, to notify Port that it intends to cure such default or pursue a Lender Acquisition or both. Upon receipt of such notice, Port will not pursue its remedies under this Agreement or the Parcel Lease, as applicable for so long (and only for so long) as Lender is diligently attempting to cure the default or pursuing such Lender Acquisition. No Lender that is in the process of a Lender Acquisition or that has completed a Lender Acquisition will be obligated to construct the Vertical Project; provided, however, that any Lender or Successor Owner that obtains title to the Encumbered Property and then properly completes construction of the Vertical Project is entitled to a Certificate of Completion on request to the Port. Nothing in this Agreement permits or authorizes any Lender or Successor Owner to construct any Improvements other than the Vertical Project authorized hereunder. .

17. LABOR MATTERS.

17.1. ***Compliance with Workforce Development Plan.*** In connection with the construction of the Vertical Project, Vertical Developer agrees to comply with all applicable provisions of the Workforce Development Plan.

17.2. ***Prevailing Wages.*** Any construction, alteration, demolition, installation, maintenance, repair, or laying of carpet at, or hauling of refuse from, the Property comprise a public work if paid for in whole or part out of public funds. The terms "public work" and "paid for in whole or part out of public funds" as used in this Section are defined in California Labor Code Section 1720 et seq., as amended. Vertical Developer agrees that any person performing labor for Vertical Developer on any public work at the Property will be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and will be subject to the same hours and working conditions, and will receive the same benefits as in each case are provided for similar work performed in San Francisco County. Vertical Developer will include in any contract for such labor a requirement that all persons performing labor under such contract will be paid not less than the highest prevailing rate of wages for the labor so performed and a requirement that such contractor provide, and deliver to City upon request, certified payroll reports with respect to all persons performing such labor at the Property.

18. INDEMNIFICATION.

18.1. ***Indemnification by Vertical Developer.***

(a) **General Indemnity.**

(i) *Prior to Close of Escrow.* If Vertical Developer accesses the Property prior to the Closing Date, then Vertical Developer must Indemnify the City Parties against any and all Losses related to such access as provided in the License. Vertical

Developer's Indemnification obligation also includes the obligations described in ***Section 12.9(b)(v)*** related to Regulatory Approvals.

(ii) *Following Close of Escrow*: Following the Close of Escrow, Vertical Developer's obligation to Indemnify the City Parties will be in accordance with the Parcel Lease.

18.2. ***Indemnification for Breach of Representations***. Vertical Developer agrees to Indemnify, defend and hold harmless the City Parties from and against any and all Losses arising from any breach of express representation, warranty or covenant made by Vertical Developer in ***Section 21.3*** (Representations).

18.3. ***Defense of Claims***. Subject to the express terms of any Indemnity obligation hereunder, Vertical Developer's Indemnification obligations under this Agreement are enforceable regardless of the active or passive negligence of the City Parties, and regardless of whether liability without fault is imposed or sought to be imposed on the City Parties. Vertical Developer specifically acknowledges that it has an immediate and independent obligation to defend the City Parties from any Loss that actually or potentially falls within the Indemnification obligations of Vertical Developer, even if such allegations are or may be groundless, false, or fraudulent, which arises at the time such claim is tendered to Vertical Developer and continues at all times thereafter until finally resolved. Vertical Developer's Indemnification obligations under this Agreement are in addition to, and in no way, will be construed to limit or replace, any other obligations or liabilities which Vertical Developer may have to Port in this Agreement, at common law or otherwise.

18.4. ***Limitations of Liability***. It is understood and agreed that no commissioners, members, officers, agents, or employees of the City Parties will be personally liable to Vertical Developer, nor will any direct or indirect partners, members or shareholders of Vertical Developer or its or their respective officers, directors, agents or employees (or of their successors or assigns) be personally liable to the City Parties, in the event of any default or breach of this Agreement or for any amount that may become due under the terms of this Agreement; provided, that the foregoing will not release obligations of a Person that otherwise has liability for such obligations, such as (i) the general partner of a partnership that, itself, has liability for the obligation or (ii) the obligor under any guaranty, bond or similar instrument covering such obligation.

18.5. ***Survival of Indemnification Obligations***. The terms and provisions of this ***Article 18*** will survive the expiration or termination of this Agreement.

19. TRANSFER AND ASSIGNMENTS.

19.1. ***Before Close of Escrow***. Vertical Developer's option to lease the Leasehold Estate is personal to Vertical Developer. Accordingly, except as expressly set forth in this ***Article 19***, Vertical Developer may not Transfer this Agreement before Close of Escrow without the prior written consent of Port, which may be granted, withheld, or conditioned in its sole discretion. Notwithstanding the foregoing, if Horizontal Developer is the initial Vertical Developer under this Agreement, then Horizontal Developer may Transfer to an Affiliate of Horizontal Developer after expiration of the Contingency Period upon the prior written consent of Port, which consent will not be unreasonably withheld. The Parties agree that if a Transfer occurs on or before Close of Escrow, then all Net Transfer Proceeds will be applied as followed:

(a) First, to pay Port's attorneys' fees and costs associated with Port's review of the Transfer; and

(b) Second, all remaining proceeds to Port to be deposited into the DRP Fund and thereafter distributed in accordance with [Section ___ of the Financing Plan (Exhibit XX to the DDA)].

19.2. ***Additional Definitions***.

"**Affiliate**" means any Person directly or indirectly Controlling, Controlled by or under Common Control with the other Person in question.

"**Assignment**" means an assignment, conveyance, hypothecation, pledge (other than from and after Close of Escrow, a pledge in connection with any mezzanine financing which will not require prior Port approval), or other transfer of all or any of Vertical Developer's interest in this Agreement other than an Excluded Transfer.

"**Cash Consideration**" means (i) cash or (ii) cash equivalents.

"**Control**" means with respect to any Person (a) the possession, directly or indirectly, of the power to direct or cause the direction of the day to day management, policies or activities of such Person whether through ownership of voting securities, by contract or otherwise (excluding customary limited partner or non-managing member approval rights, or (b) the ownership (direct or indirect) of more than fifty percent (50%) of the profits or capital of another Person, or (c) the ownership (direct or indirect) of more than fifty percent (50%) of the ownership interest of such Person (whether shares, partnership interests, membership interest or other equity, and whether one or more classes thereof). "**Controlled**" and "**Controlling**" have correlative meanings.

"**Excluded Transfer**" means any of the following: (a) the exercise of customary remedies under mezzanine financing of Vertical Developer or any constituent owner thereof; (b) the exercise of customary limited partner or non-managing member remedies under a partnership or limited liability company operating agreement, as applicable; (c) a change resulting from death or legal incapacity of a natural person; (d) the sale, transfer or issuance of less than the Controlling interest of stock of Vertical Developer that is listed on a nationally or internationally recognized stock exchange in a single transaction or a related series of transactions; or (e) the granting of any Deed of Trust lien with respect to the Property or a personal property interest in Vertical Developer.

"**Net Transfer Proceeds**" means before Close of Escrow, the Transfer Proceeds, less the transferor Vertical Developer's reasonable attorneys' fees and costs incurred in connection with a Transfer.

"**Non-Cash Consideration**" means consideration received by assignor in connection with a Transfer that is not Cash Consideration.

"**Qualified Transferee**" is defined in ***Section 23*** below.

"**Significant Change**" means any change in the direct or indirect ownership of Vertical Developer that results in a change in Control of Vertical Developer provided, however, in no event will any Excluded Transfer be deemed a Significant Change.

"**Transfer**" means an Assignment or a Significant Change other than an Excluded Transfer.

"**Transfer Proceeds**" means all consideration received by or for the account of Vertical Developer in connection with a Transfer, including Cash Consideration, the principal amount of any loan made by Vertical Developer to a purchaser as part of the purchase price, or any other Non-Cash Consideration representing a portion of the purchase price.

19.3. ***After Close of Escrow***. After the Close of Escrow, Vertical Developer will be permitted to Transfer all or any of its interest or rights in this Agreement in conjunction with a Transfer permitted by the Parcel Lease or approved by Port in accordance with the Parcel Lease. **[Note: Need to include form of Assignment and Assumption Agreement per DA §11.1 and permit recordation.]**

19.4. ***Limitation on Liability***. From and after an Assignment, the transferor will be released from all obligations and liability under this Agreement to the extent first arising after the date of such Transfer. In no event will the transferor be liable for a new default first arising after the date of such Transfer. The effectiveness of any Transfer hereunder is not in any way to be

construed to relieve the transferor vertical developer of any liability arising out of or with regard to the performance of any covenants or obligations to be performed by the transferor vertical developer hereunder before the date of such Assignment. Notwithstanding the foregoing, with respect to a Transfer to an Affiliate for which Port's consent was not required under ***Section 19.1,*** the Transferor will be released as set forth in this ***Section 19.4*** only if the Minimum Net Worth requirement is satisfied.

19.5. ***Restrictions on Port Transfer.*** This Agreement will not restrict Port's right to Transfer all or any portion of the Property to which it holds title. Unless otherwise prohibited by Law, Port agrees, however, not to Transfer any portion of the Property or any interest therein acquired by it to any Person where such Transfer would preclude Port's or Vertical Developer's performance under this Agreement or the uses, densities, rights or intensity of development contemplated under this Agreement or the Vertical Development Requirements.

20. PORT AND CITY SPECIAL PROVISIONS.

Vertical Developer will comply with the Port and City Special Provisions attached hereto as ***Exhibit T.***

21. GENERAL PROVISIONS. [NEED TO REVISE WITH FINAL APPLICABLE SPECIAL PROVISIONS DOCUMENT]

21.1. ***Notices.*** Any notices required or permitted to be given under this Agreement will be in writing and will be delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, or (c) by U.S. Express Mail or commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices will be addressed as follows:

Port:

Port of San Francisco
Pier 1
San Francisco, CA 94111
Attn: Director of Real Estate and Development
Re: Mission Rock ([Identify Parcel])

_____
_____
_____
_____

with a copy to:

Port of San Francisco
Pier 1
San Francisco, CA 94111
Attn: General Counsel
Re: Mission Rock ([Identify Parcel])

Vertical Developer:

with a copy to:

or such other address as either party may from time to time specify in writing to the other party. Any notice will be deemed given when actually delivered (or when delivered is refused, if applicable) if such delivery is in person, two (2) days after deposit with the U.S. Postal Service if such delivery is by certified or registered mail, and the next business day after deposit with the

U.S. Postal Service or with the commercial overnight courier service if such delivery is by overnight mail.

21.2. ***Amendments/Technical Changes***. This Agreement may be amended or modified only by a written instrument signed by the Vertical Developer and Port. Without limiting the foregoing, Vertical Developer and the Port may correct any inadvertent error to this Agreement or any of its exhibits or implementing documents that is contrary to the Parties' intention in the identification or characterization of or any reference to any title exception, legal description, boundaries of any parcel, map or drawing, or the text, or otherwise agree to minor changes that do not materially and adversely affect the Vertical Project or Deferred Infrastructure (as reasonably determined by Vertical Developer). Any agreed change will be effected by a signed memorandum or replacement pages. A memorandum or replacement sheet will not be deemed an amendment of this Agreement or the relevant document as long as any adjustments are relatively minor and do not result in a material change as determined by the Port in consultation with counsel. Any memorandum will become a part of this Agreement or the affected document when fully executed.

21.3. ***Representations and Warranties of Vertical Developer***. Vertical Developer represents and warrants to Port as of the Effective Date and as of the Close of Escrow as follows:

(a) That Vertical Developer is a duly organized, validly existing, and in good standing under the laws of the State of_____. Vertical Developer has all requisite power and authority to conduct its business as presently conducted.

(b) That Vertical Developer has not been suspended, disciplined or disbarred by, or prohibited from contracting with, any federal, state or local governmental agency. In the event Vertical Developer has been so suspended, disbarred, disciplined or prohibited from contracting with any governmental agency, it will immediately notify the Port of same and the reasons therefore together with any relevant facts or information requested by Port. Any such suspension, debarment, discipline or prohibition may result in the termination or suspension of this Agreement.

(c) That this Agreement and all documents executed by Vertical Developer: (i) are and at the time of Closing will be duly authorized, executed and delivered by Vertical Developer; (ii) are and at the time of Closing will be legal, valid and binding obligations of Vertical Developer; and (iii) do not and at the time of Closing will not violate any provision of any agreement or judicial order to which Vertical Developer is a party or to which Vertical Developer is subject. The Transaction Documents will be a legal, valid and binding obligation of Vertical Developer, enforceable against Vertical Developer in accordance with its terms.

(d) That Vertical Developer has all requisite power and authority to execute and deliver the Transaction Documents and to carry out and perform all of the terms and covenants of the Transaction Documents.

(e) None of Vertical Developer's formation documents, nor any other agreement or Law in any way prohibits, limits or otherwise affects the right or power of Vertical Developer to enter into and perform all of the terms and covenants of the Transaction Documents. Vertical Developer is not party to or bound by any contract, agreement, indenture, trust agreement, note, obligation or other instrument that could prohibit, limit or otherwise affect the same. No consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other Person is required for the due execution, delivery and performance by Vertical Developer of the Transaction Documents or any of the terms and covenants contained therein. There are no pending or threatened lawsuits or proceedings or undischarged judgments affecting Vertical Developer before any court, governmental agency, or arbitrator that is reasonably expected to materially and adversely affect the enforceability of the Transaction Documents or the business, operations, assets or condition of Vertical Developer.

(f) The execution, delivery and performance of the Transaction Documents (i) do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default under (A) any agreement, document or instrument to which Vertical Developer or by which Vertical Developer's assets may be bound or affected, (B) any Law, or (C) the articles of incorporation, the bylaws, partnership agreement or operating agreement of Vertical Developer, and (ii) do not and will not result in the creation or imposition of any lien or other encumbrance upon the assets of Vertical Developer (other than the lien of a Mortgage in accordance with this Agreement or the Parcel Lease).

(g) There is no material adverse change in Vertical Developer's financial condition and Vertical Developer is meeting its current liabilities as they mature; no federal or state tax liens have been filed against it; and Vertical Developer is not in default or claimed default under any agreement for borrowed money.

(h) Notwithstanding anything to the contrary in this Agreement, the foregoing representations and warranties will survive the Closing Date.

21.4. ***Governing Law***. This Agreement will be governed by, subject to, and construed in accordance with the laws of the State of California and City's Charter and Administrative Code. All legal actions related to this Agreement will be instituted in the Superior Court of the City and County of San Francisco, State of California, in any other appropriate court in the City or, if appropriate, in the Federal District Court in San Francisco, California.

21.5. ***Merger of Prior Agreements***. This Agreement, together with the exhibits hereto, contain any and all representations, warranties and covenants made by Vertical Developer and Port and constitutes the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement together with the exhibits hereto.

21.6. ***Parties and Their Agents***.The term "**Vertical Developer**" as used herein will include the plural as well as the singular. If Vertical Developer consists of more than one (1) individual or entity, then the obligations under this Agreement imposed on Vertical Developer will be joint and several. As used herein, the term "**Agents**" when used with respect to either party will include the agents, employees, officers, contractors and representatives of such party.

21.7. ***Interpretation of Agreement***.

(a) **Exhibits**. Whenever an "Exhibit" is referenced, it means an exhibit or attachment to this Agreement unless otherwise specifically identified. All such Exhibits are incorporated in this Agreement by reference.

(b) **Captions**. Whenever a section or paragraph is referenced, it refers to this Agreement unless otherwise specifically identified. The captions preceding the sections of this Agreement and in the table of contents have been inserted for convenience of reference only. Such captions will not define or limit the scope or intent of any provision of this Agreement.

(c) **Words of Inclusion**. The use of the term "including", "include", "such as" or words of similar import when following any general term, statement or matter will not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used with reference thereto. Rather, such terms will be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) **No Presumption Against Drafter**. This Agreement has been negotiated at arm's length and between Persons sophisticated and knowledgeable in the matters dealt with herein. In addition, experienced and knowledgeable legal counsel has represented each Party. Accordingly, this Agreement will be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Agreement (including California Civil Code Section 1654).

(e) **Costs and Expenses**. The Party on which any obligation is imposed in this Agreement will be solely responsible for paying all costs and expenses incurred in the performance of such obligation, unless the provision imposing such obligation specifically provides to the contrary.

(f) **Agreement References**. Wherever reference is made to any provision, term or matter "in this Agreement," "herein" or "hereof" or words of similar import, the reference will be deemed to refer to any and all provisions of this Agreement reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered section or paragraph of this Agreement or any specific subdivision of this Agreement.

21.8. ***Attorneys' Fees.*** If either Party hereto fails to perform any of its respective obligations under this Agreement or if any dispute arises between the Parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting Party or the Party not prevailing in such dispute, as the case may be, will pay any and all costs and expenses incurred by the other party on account of such default or in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements. For purposes of this Agreement, the reasonable fees of attorneys of the Office of the City Attorney of the City and County of San Francisco will be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office.

21.9. ***Time of Essence.***Time is of the essence with respect to the performance of the parties' respective obligations contained herein.

21.10. ***No Merger.*** The obligations contained herein that expressly survive the Closing will not merge with the transfer of title to the Property but will remain in effect until fulfilled.

21.11. ***Non-Liability of City Officials, Employees and Agents.*** Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee or agent of City will be personally liable to Vertical Developer, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Vertical Developer, its successors and assigns, or for any obligation of City under this Agreement.

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

21.13. ***Notification of Limitations on Contributions.*** Through its execution of this Agreement, Vertical Developer acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (1) the City elective officer, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Vertical Developer acknowledges that the foregoing restriction applies only if the

contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of $50,000 or more. Vertical Developer further acknowledges that the prohibition on contributions applies to each Vertical Developer; each member of Vertical Developer's board of directors, and Vertical Developer's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in Vertical Developer; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Vertical Developer. Additionally, Vertical Developer acknowledges that Vertical Developer must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Vertical Developer further agrees to provide to City the names of each person, entity or committee described above.

21.14. ***Sunshine Ordinance.*** Vertical Developer understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov. Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City or Port hereunder public records subject to public disclosure. Vertical Developer hereby acknowledges that the City or Port may disclose any records, information and materials submitted to the City or Port in connection with this Agreement.

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

21.16. ***MacBride Principles - Northern Ireland.*** The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. The City also urges companies to do business with corporations that abide by the MacBride Principles. Vertical Developer acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

21.17. ***Severability.*** If any provision of this Agreement or the application thereof to any person, entity or circumstance will be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this Agreement will be valid and be enforceable to the fullest extent permitted by law, except to the extent that enforcement of this Agreement without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Agreement.

21.18. ***Counterparts.*** This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

21.19. ***Further Assurances.*** The parties agree to execute such instruments or to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement; provided, however, that no party will be obligated to provide such instruments and to do such further acts that would materially increase such party's liabilities hereunder or materially decrease such party's rights hereunder. The provisions of this section will survive the Closing.

21.20. . [add if the Vertical Project will include inclusionary BMR units]. ***Enforceability Waivers.*** The Horizontal DDA (including the Affordable Housing Plan), together with this Agreement, implements the California Infrastructure Financing District Law, Cal. Government Code §§ 53395 et seq. and City of San Francisco policies and includes regulatory concessions and significant public investment in the Project. The regulatory concessions and

public investment include, without limitation, a direct financial contribution of net tax increment, the conveyance of real property without payment, and other forms of public assistance specified in California Government Code section 65915 et seq. These public contributions result in identifiable, financially sufficient and actual cost reductions for the benefit of [Horizontal Developer and] Vertical Developers, as contemplated by California Government Code section 65915. In light of the Port's authority under Government Code Section 53395.3 and in consideration of the direct financial contribution and other forms of public assistance described above, the Parties understand and agree that the Costa-Hawkins Act does not and will not apply to the Inclusionary Units developed at the Vertical Project under this Agreement. The Port would not enter into this Agreement without the above provisions. [**Note: To Be Confirmed**]

21.21. ***Plans on Record with Port.*** The most recent versions of the Exhibits, as such Exhibits may be amended or supplemented from time to time in accordance with this Agreement or the terms of such Exhibits, will not be required to be recorded but will be kept on file with the Port. Full color copies of all recorded documents are also on file with the Port. All documents on file with the Port will be made available to members of the public at reasonable times in keeping with the Port's standard practices.

21.22. ***Survival; Effect of Termination.*** Any release, partial release, expiration or termination of this Agreement will not affect any provision of this Agreement that, by its express term, is intended to survive the expiration or termination of this Agreement. Upon any termination of this Agreement before issuance of the final Certificate of Completion by reason of a Vertical Developer Default, Vertical Developer will not have the right to proceed with the Vertical Project improvements or Deferred Infrastructure and any additional construction must proceed, if at all, under the terms of a new vertical disposition and development agreement with the Port or, with the written agreement of the Port, a reinstatement of this Agreement with appropriate agreed upon revisions.

22. PORT AND CITY PROVISIONS.

Vertical Developer will comply with the Port and City provisions set forth in ***Exhibit XX*** hereto.

23. DEFINITIONS.

For purposes of this Agreement, initially capitalized terms will have the meanings ascribed to them in this Article:

"**Acceptance Delay**" is defined in ***Section 12.1(b)(v)***.

"**Acceptance Notice**" is defined in ***Section 6.1(a)***.

"**Acquisition Price**" is defined in ***Section 2***.

"**Acquisition Event of Default**" is defined in ***Section 10.1***.

"**Adequate Security**" is defined in ***Section 15.1***.

"**Administrative Delay**" means a delay caused when:

(i) a Regulatory Agency fails to act on Vertical Developer's request or application within the time specified, or, if no such time is specified, within a reasonable time under its standard practices for the type of Regulatory Approval requested; or

(ii) an appeal body or court determines that a Regulatory Agency's act or failure to act on an application was improper following a challenge by Vertical Developer.

"**Administrative Delay**" excludes any delay caused by Vertical Developer's failure to meet any specified deadline or to submit timely all required and requested information supporting a request or application.

"**Administrative Fees**" means a fee imposed by Port or the City in their respective regulatory capacities, that is in effect at the time and payable upon the submission of an application for any permit or approval (including, without limitation, development applications submitted in accordance with the SUD or building permit applications), which is intended to cover only the estimated actual costs to City or the Port of processing that application and inspecting work undertaken pursuant to that application and to reimburse the City or the Port for its administrative costs in processing applications for any permits or approvals required under the Vertical Development Requirements.

"**Agents**" is defined in ***Section 21.6***.

"**Agreement**" means this Vertical Disposition and Development Agreement.

"**Agreement to Comply with CFD and Assessment Matters**" as described in ***Section 3.3(b)***.

"**Architect**" means a duly licensed design professional by the State of California designated by Vertical Developer from time to time to issue the Architect's Certificate.

"**Architect's Certificate**" means a certificate from the Architect in the form attached hereto as ***Exhibit O***, verifying [Completion] of the Vertical Project (other than the Deferred Infrastructure).

"**Associated Public Benefits**" means [coordinate with DDA]

"**As Is With All Faults**" as defined in ***Section 4.3***.

"**Assignment and Assumption Agreement**" means an assignment of this Agreement in substantially the form of ***Exhibit Q*** attached hereto.

"**BAAQMD**" means the Bay Area Air Quality Management District.

"**Board of Supervisors**" means the San Francisco Board of Supervisors.

"**Broker**" is defined in ***Section 9.2***.

"**Cal OSHA**" means the California Occupational Safety and Health Administration.

"**Certificate of Completion**" means a certificate executed by Port that Vertical Developer has Completed the construction of the Vertical Project in accordance with all the provisions of this Agreement.

["**CFD and Assessment Matters**" are described in ***Exhibit G*** to this Agreement.]

"**City**" means the City and County of San Francisco, a municipal corporation.

"**City Agency**" means any public body or an individual authorized to act on behalf of the City in its municipal capacity, including the Board of Supervisors or any City commission, department, bureau, division, office, or other subdivision, and officials and staff to whom authority is delegated, on matters within the City Agency's jurisdiction.

"**City Costs**" means the actual and reasonable costs incurred by City (other than Port) in performing its obligations under this Agreement, as determined on a time and materials basis, including any defense costs as set forth in ***Section 18.3***, but excluding work and fees covered by Administrative Fees.

"**City Fiscal Year**" means the period beginning on July 1 of any year and ending on the following June 30.

"**City Parties**" as described in ***Section 4.4***.

"**Claims**" means a demand made in an action or in anticipation of an action for money, mandamus, or any other relief available at law or in equity for a Loss arising directly or indirectly from acts or omissions occurring in relation to the Vertical Project or at the Property during the Term of this Agreement.

"**Close of Escrow**" and "**Closing**" are defined in ***Section 2.2(b)***.

"**Closing Costs**" as defined in ***Section 9.1***.

"**Closing Date**" means the date when Closing occurs.

"**Commence Construction**", "**Commencement of Construction**" and any variation thereof means the commencement of physical construction of the Vertical Project (excluding the Deferred Infrastructure), or a specified portion thereof, provided that the Commencement of Construction will not be deemed to have occurred until commencement of permanent foundations pursuant to a valid foundation permit (excluding the conducting of test borings or indicator piles or other excavation for pre-development testing). Vertical Developer's physical work on "site improvements", as that term is defined in California Civil Code Section 3102, without its commencement of the work described above, does not constitute Commencement of Construction.

"**Complete**" or "**Completed**" means completion by Vertical Developer of all aspects of the Vertical Project in accordance with the approved Construction Documents, or provision of security satisfactory to Port for any Deferred Items, and issuance of applicable temporary certificates of occupancy for the Vertical Project (which, in the case of residential units, will mean that temporary certificates of occupancy have been issued for all units, except for any units that Vertical Developer may be using on a temporary basis as a rental office or for construction administration as to which Vertical Developer will obtain temporary certificates of occupancy promptly following cessation of such uses) but excluding the completion of any tenant improvements in any commercial project or any commercial portion of a mixed use project.

"**Construction Commencement Date**" is defined in ***Section 12.1(b)***.

"**Construction Completion Date**" is defined in ***Section 12.1(b)***.

"**Construction Documents**" means (i) schematic design documents approved by Planning or Port under the SUD, (ii) site permits and/or building permits issued by the Port for the Vertical Project, and (iii) Improvement Plans for Deferred Infrastructure approved by the Port in accordance with the ICA.

"**Contingency Period**" is defined in ***Section 6.1(a).***

[for residential rental inclusionary projects only] "**Costa Hawkins Act**" means the Costa-Hawkins Rental Housing Act (Cal. Civ. Code §§1954.50-1954.535).

"**Credit Bid**" as defined in ***Section 2.1***.

"**DDA Release**" is defined in ***Section 7.4(a)(ii)***.

"**Deferred Infrastructure**" means those certain Horizontal Improvements identified in ***Section 12.4-1*** that Vertical Developer is required to construct under this Agreement.

"**Deferred Items**" is defined in ***Section 13.1(b).***

"**Deliver**" or "**Delivery**" means delivery of the ground lease of the Property.

"**Deposit**" is defined in ***Section 2.2(a)***.

"**Design Controls**" means the Mission Rock Design Controls dated [_____, 2017], as amended from time to time.

"**Development Agreement**" means that certain Development Agreement by and between the Port and Horizontal Developer, dated as of _____, 201XX and recorded in the Official Records as Document No._____

"**Development Documents**" means (i) the SUD and the Subdivision Map; (ii) the Design Controls; (iii) approved Construction Documents; and (v) the Development Agreement.

"**Development Easements**" is defined in ***Section 3.4(a)***.

"**Effective Date**" means the date on which both parties have executed this Agreement as set forth below.

"**Engineer**" means a duly licensed engineer by the State of California, designated by Vertical Developer from time to time to issue the Engineer's Certificate.

"**Engineer's Certificate**" means a certificate from the Engineer for the Deferred Infrastructure in the form verifying Completion of the Deferred Infrastructure.

"**Environmental Laws**" mean all present and future federal, State and local Laws, statutes, rules, regulations, ordinances, standards, directives, and conditions of approval, all administrative or judicial orders or decrees and all permits, licenses, approvals or other entitlements, or rules of common law pertaining to Hazardous Materials (including the Handling, Release, or Remediation thereof), industrial hygiene or environmental conditions in the environment, including structures, soil, air, air quality, water, water quality and groundwater conditions, any environmental mitigation measure adopted under Environmental Laws affecting any portion of the Property, the protection of the environment, natural resources, wildlife, human health or safety, or employee safety or community right-to-know requirements related to the work being performed under this Lease. "Environmental Laws" include the City's Pesticide Ordinance (Chapter 39 of the San Francisco Administrative Code), Section 20 of the San Francisco Public Works Code (Analyzing Soils for Hazardous Waste), the FOG Ordinance, the Mission Rock Risk Management Plan and that certain Covenant and Environmental Restrictions on Property made as of August 11, 2016, by the City, acting by and through the Port, for the benefit of the California Regional Water Quality Control Board for the San Francisco Bay Region and recorded in the Official Records as document number 2016-K308328-00.

"**Escrow Agent**" means the Title Company acting in its capacity as the escrow agent for the transaction.

"**Exempt Parcel**" means, depending on the context: (i) any assessor's parcel of a real property interest that is exempt from property taxation under California law; and (ii) any assessor's parcel of a real property interest that is exempt from Mellor-Roos Taxes under an RMA. "**Exempt Parcel**" excludes any parcel that: (1) the Port or any other Regulatory Agency acquires by gift, devise, negotiated transaction, or foreclosure; (2) the Port acquires under the DDA; or (3) is in private use for taxable purposes.

"**Extension Fee**" is defined in ***Section 12.1(b)***.

"**Extension Option**" is defined in ***Section 12.1(b)***.

"**Final EIR**" means the environmental impact report for the Project that the Planning Department published on [date], together with the Comments and Responses document, [add specifics of approval],

"**Final Map**" means a final Subdivision Map meeting the requirements of the Subdivision Code and the Map Act, subject to amendments made by the DA Ordinance.

"**FOG Ordinance**" means Sections 140-140.7 of Article 4.1 of the San Francisco Public Works Code, or any subsequent amendment or replacement of the same that sets forth prohibitions, limitations and requirements for the discharge of fats, oils and grease into the City's sewer system by food service establishments.

"**Force Majeure**" means events which result in delays in a Party's performance of its obligations hereunder due to causes beyond such Party's control and not caused by the acts or omissions of such Party, including, but not restricted to, acts of nature or of the public enemy, fires, floods, earthquakes, tidal waves, strikes, freight embargoes, and unusually severe weather. Force Majeure does not include (i) failure to obtain financing or failure to have adequate funds, (ii) flooding from curbless streets and/or sidewalks; or (iii) any event that does not cause an

actual delay. The delay caused by Force Majeure includes not only the period of time during which performance of an act is hindered, but also such additional time thereafter as may reasonably be required to make additional repairs or obtain additional Regulatory Approvals that would not have otherwise been required but for the Force Majeure Event.

["**Handle**" when used with reference to Hazardous Materials means to use, generate, move, handle, manufacture, process, produce, package, treat, transport, store, emit, discharge or dispose of any Hazardous Material. "**Handling**" has a correlative meaning.]

"**Hazardous Material**" means any material, waste, chemical, compound, substance, mixture, or byproduct that is identified, defined, designated, listed, restricted or otherwise regulated under Environmental Laws as a "hazardous constituent", "hazardous substance", "hazardous waste constituent", "infectious waste", "medical waste", "biohazardous waste", "extremely hazardous waste", "pollutant", "toxic pollutant", or "contaminant", or any other designation intended to classify substances by reason of properties that are deleterious to the environment, natural resources, wildlife, or human health or safety, including, without limitation, ignitability, infectiousness, corrosiveness, radioactivity, carcinogenicity, toxicity, and reproductive toxicity. Hazardous Material includes, without limitation, any form of natural gas, petroleum products or any fraction thereof, asbestos, asbestos-containing materials, polychlorinated biphenyls ("PCBs"), PCB-containing materials, and any substance that, due to its characteristics or interaction with one or more other materials, wastes, chemicals, compounds, substances, mixtures or byproducts, damages or threatens to damage the environment, natural resources, wildlife or human health or safety. "**Hazardous Materials**" also includes the chemicals identified in [the Mission Rock Risk Management Plan].

"**Horizontal DDA**" means that certain Disposition and Development Agreement between the City and County of San Francisco, a municipal corporation and charter city, acting by and through the San Francisco Port Commission, and SWL 337 Associates, LLC, a Delaware limited liability company, dated for reference purposes only as of [_____].

"**Horizontal Developer**" is defined in ***Recital A***.

"**Horizontal Documents**" is defined in ***Section 3.1(c)***.

"**Horizontal Improvements**" is defined in the Horizontal DDA.

"**ICA**" means the Interagency Cooperation Agreement between various City agencies and departments and the Port, dated as of [_____, 201XX], establishing procedures for City review of the Project.

"**Impact Fees and Exactions**" as defined in the Development Agreement.

"**Inclusionary Units**" has the meaning set forth in the Housing Plan attached to the Horizontal DDA.

"**Indemnify**" means indemnify, protect, defend and hold harmless. "**Indemnification**" and "**Indemnity**" have correlative meanings.

"**Independent Contract Consideration**" as described in ***Section 2.2(d)***.

"**Land Use Plan**" means the map attached to the Horizontal DDA as [Exh XX], which consists of a map showing Horizontal Developer's proposed land uses and intensity of vertical development at the Project Site as of the Effective Date of the Horizontal DDA.

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

"**Lender**" is defined in the Parcel Lease.

"**License**" is defined *in Section 5.1*.

"**Losses**" means when used in reference to a Claim means any personal injury, property damage, or other loss, liability, actual damages, compensation, contribution, cost recovery, lien, obligation, interest, injury, penalty, fine, action, judgment, award, or costs (including reasonable attorneys' fees), or reasonable costs to satisfy a final judgment of any kind, known or unknown, contingent or otherwise, except to the extent specified in this Agreement.

"**Master Lease**" is defined in ***Recital A***.

"**Map Act**" means the Subdivision Map Act of California (Calif. Gov't Code §§ 66410-66499.37).

"**Master Association**" as described in ***Section 3.4(b).***

"**Mello Roos Taxes**" means special taxes that the City levies in a City Fiscal Year on Taxable Parcels in the Mission Rock CFD in accordance with the RMA, including delinquent special taxes collected at any time by payment or through foreclosure.

"**Memorandum of Lease**" is defined in ***Section 7.4(a)(i)***.

"**Memorandum of VDDA**" is defined in ***Section 7.4(a)(iv)***.

"**Minimum Net Worth Amount**" means Twenty-Seven Million Five Hundred Thousand Dollars ($27,500,000.00), which amount will increase by ten percent (10%) on the tenth (10th) anniversary of the Effective Date and every ten (10) years thereafter. **[NOTE: $27.5 million to increase by 5% every 5 years after Horizontal DDA execution]**

"**Mission Rock CFD**" is a term used to refer to CFD No. XXXX, if and when formed.

"**Mission Rock Master Association Documents**" means [

["**Mission Rock Risk Management Plan**" means the Mission Rock Risk Management Plan, Mission Rock Master Plan Area, prepared for the Port of San Francisco by _____ and dated _____, 20__, and approved by the RWQCB on _____, 20__, including any amendments and revisions thereto that are approved by the RWQCB, and as interpreted by Regulatory Agencies with jurisdiction.]

"**Mitigation Monitoring and Reporting Program**" means the Mitigation Monitoring and Reporting Program adopted by the Port for the Project on _____, 2017, by Resolution No. ____.

"**Net Worth Requirement**" means, with respect to a proposed transferee, the proposed transferee has a net worth (inclusive of its equity in the Property) equal to at least the Minimum Net Worth Amount, less any debt to be secured by (i) the proposed transferee's interest in the Property, or (ii) a pledge of the proposed transferee's ownership interest.

"**Notice of Special Tax**" is defined in ***Section 3.3(a)***.

"**Objectionable Items**" is defined in ***Section 6.1(b).***

"**Objection Notice**" is defined in ***Section 6.1(b)***.

"**Official Records**" means the official records of the City and County of San Francisco.

"**Other City Agency**" means a City Agency other than the Port.

"**Parcel Lease**" as defined in ***Section 3.1(a).***

"**Partial Termination**" is defined in ***Section 7.4(a)(iii)***.

"**Party**" means Port or Vertical Developer, as a party to this Agreement. "**Parties**" means both Port and Vertical Developer, as parties to this Agreement.

"**Permitted Encumbrances**" as described in ***Section 3.1(a).***

"**Permitted Port Title Exceptions**" as described in ***Section 3.1(b).***

"**Person**" means any individual, partnership, corporation (including, but not limited to, any business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or any other entity or association, the United States, or a federal, state or political subdivision thereof.

"**Phase**" means one of the integrated stages of horizontal and vertical development for the Project Site as shown in the Phasing Plan.

"**Phase Area**" means the Development Parcels and other land in the Project Site that are to be developed in a Phase.

"**Phasing Plan**" means DDA Exh A4, which shows the order of development of the Phases and the Development Parcels in each Phase Area, subject to revision under DDA art. 3 (Phase Approval).

"**Phase Submittal**" means a Phase Submittal approved by the Port in accordance with Section [XX] of the Horizontal DDA.

"**Port**" or "**Port Commission**" means the San Francisco Port Commission.

"**Port Costs**" means the actual and reasonable costs incurred by Port in performing its obligations under this Agreement, as determined on a time and materials basis, including any defense costs as set forth in ***Section 18.3***, but excluding work and fees covered by Administrative Fees.

"**Port Costs Report**" as defined in ***Section 14.2***.

"**Port Default**" as defined in ***Section 15.2***.

"**Port Director**" means the Executive Director of the Port.

"**Port Title Defect**" is defined in ***Section 6.3(a)***.

"**Project**" means the development of Horizontal Improvements and Vertical Project within the Mission Rock Site in accordance with the Horizontal DDA and Development Documents.

"**Project Requirements**" is defined in ***Section 12.1(a)***.

"**Project Site**" is defined in ***Recital A.***

"**Property**" is defined in ***Recital A***.

"**Property Conditions**" is defined in ***Section 4.1***.

"**Public Improvement Agreement**" means an agreement entered into between the Port and the Vertical Developer for the completion of the required Deferred Infrastructure if not completed at the time of Final Map approval in accordance with applicable procedures of the Map Act, Subdivision Code and Subdivision Regulations, or such other agreement entered into between Port and Developer at any time for the completion of Vertical Developer's Deferred Infrastructure obligations hereunder (such as a Street Excavation Improvement Agreement or other Port-issued construction agreement for Public Space Parcels).

"**Public Space Parcels**" means those parcels designated in the Land Use Plan for Public Space and shown as such in the Infrastructure Plan, as amended from time to time.

"**Qualified Transferee**" means any transferee that satisfies each of the following criterion: (1) has, or has engaged a property manager with at least ten (10) years' experience operating [**use for commercial leases**: major commercial projects] [**use for residential parcels**: residential projects]; (2) satisfies the Net Worth Requirement; and (3) is subject to jurisdiction of the courts of the State.

"**Regulatory Agency**" means a City Agency or federal, state, or regional body, administrative agency, commission, court, or other governmental or quasi-governmental organization with jurisdiction over any aspect of the Vertical Project or the Project Site.

"**Regulatory Approval**" means any motion, resolution, ordinance, permit, approval, license, registration, permit, utility services agreement, Final Map, or other action, agreement, or entitlement required or issued by any Regulatory Agency with jurisdiction over any portion of the 28-Acre Site, as finally approved.

"**Regulatory Force Majeure**" means events that are reasonably out of Vertical Developer's control and that result in actual delays in Vertical Developer's ability to Commence or Complete Construction, including, without limitation, the following:

(i) litigation or the threat of litigation, except to the extent caused by the acts or omissions of Vertical Developer or its Agents;

(ii) Administrative Delay;

(iii) Port or the City is required to conduct additional environmental review or prepare additional environmental documents, including, without limitation, a regional agency's decision to revise the standards or methods by which impacts under CEQA are evaluated, and such review or preparation is not caused by a change in the entitlements for the Vertical Project obtained by Master Developer (or its transferee) as of Port's approval of the Phase Budget for Phase [XX—insert applicable Phase for this Vertical Development];

(iv) the unanticipated need to investigate, remediate, or otherwise correct previously unknown environmental or geotechnical conditions on or affecting any portion of the Property, but only if the conditions were not reasonably foreseeable based on due diligence that should have reasonably been performed by a prudent commercial developer for a project similar in size and scope to the Vertical Project on a location with similar environmental or geotechnical conditions as the Property ("**Prudent Developer**") before the expiration of the Contingency Period; or

(v) the unanticipated need to comply with any Mitigation Measures adopted for the Project for conditions on or affecting the Property, but only if the conditions were not reasonably discoverable before the expiration of the Contingency Period by a Prudent Developer and by their nature require a delay or work stoppage for investigation, remediation, or related activities, as long as Vertical Developer is proceeding in good faith and in a diligent manner to resolve the unforeseen issues.

"**Release**" means when used with respect to Hazardous Materials, any accidental, actual, imminent, or intentional spilling, introduction, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the air, soil, gas, land, surface water, groundwater or environment (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Material).

"**Remediate**" or "**Remediation**" when used with reference to Hazardous Materials means any activities undertaken to clean up, abate, remove, transport, dispose, contain, treat, stabilize, monitor, remediate, or otherwise control Hazardous Materials located in, on, under or about the Property or which have been, are being, or threaten to be Released into the environment or to restore the affected area to the standard required by the applicable Environmental Regulatory Agency in accordance with application Environmental Laws and any additional Port requirements. Remediation includes, without limitation, those actions included within the definition of "**remedy**" or "**remedial action**" in California Health and Safety Code Section 25322 and "**remove**" or "**removal**" in California Health and Safety Code Section 25323.

"**Restrictive Covenants**" as defined in ***Section 3.2*** hereof.

"**RMA**" is an acronym for the Rate and Method of Apportionment.

"**Scope of Development**" is defined in ***Section 3.2***.]

"**SFDPH**" means the San Francisco Department of Public Health.

"**SFPW**" means San Francisco Public Works.

"**Special Provisions**" means the City requirements set forth in ***Article 20*** hereof.

"**State Lands Indemnified Parties**" is defined in ***Schedule 18.1***.

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

"**Subdivision Regulations**" means subdivision regulations adopted by San Francisco Department of Public Works from time to time and any exceptions and design modifications from the standards set forth therein to the extent necessary to achieve consistency with the Infrastructure Plan and all matters previously approved in accordance with Section 4.1(a) of the ICA.

"**Successor Owner**" is defined in the Parcel Lease.

"**SUD**" means Planning Code Section 249.XX (the Mission Rock Special Use District), as amended from time to time.

"**Survey**" means a survey required by the Title Company to issue the title insurance policy described in the Title Commitment.

"**Target Closing Date**" is defined in ***Section 7.2***.

"**Taxable Parcel**" means an assessor's parcel of real property or other real estate interest created by each Phase Final Map that is not an Exempt Parcel, which may include leased space occupied for private use in an Exempt Parcel.

"**Taxes and Assessments**" is defined in ***Section 6.6***.

"**Tentative Map**" means a tentative subdivision map or tentative parcel map submitted by an applicant and approved by the City in accordance with procedures under the Subdivision Code and Development Documents.

"**Termination Notice**" is defined in ***Section 6.1(a)***.

"**Title Commitment**" means a commitment by the Title Company that it will issue to Vertical Developer, an A.L.T.A. extended coverage title insurance policy, with such coinsurance or reinsurance and direct access agreements as Vertical Developer may request reasonably, in an amount designated by Vertical Developer which is satisfactory to the Title Company, insuring that the leasehold estate in the Property is vested in Vertical Developer subject only to the Permitted Title Exceptions, and with such C.L.T.A. form endorsements as may be requested reasonably by Vertical Developer, all at the sole cost and expense of Vertical Developer.

"**Title Company**" is defined in ***Section 2.2(c)***.

"**TMA**" is defined in ***Section 3.4(b)***.

"**Transaction Documents**" means the documents executed and delivered by Vertical Developer pursuant to ***Section 7.4(b)***.

"**Transfer**" is defined in ***Section 19.2***.

"**Transferee**" means any Person to which Vertical Developer assigns its rights and obligations under this Agreement in accordance with ***Article 19***.

"**Transferor**" means Vertical Developer, in its capacity as a transferor of its rights and obligations under this Agreement in accordance with ***Article 19***.

"**Unmatured Vertical Developer Event of Default**" means any default that, with the giving of notice or the passage of time, or both would constitute a Vertical Developer Acquisition Event of Default or Vertical Developer Default under this Agreement.

"**VCA**" means the Vertical Cooperation Agreement to be executed between Vertical Developer and Horizontal Developer, as the same may be amended, supplemented, modified and/or assigned from time to time). [**add as applicable**: The VCA will include, among other items, a schedule of Horizontal Developer's Horizontal Improvements obligations, Vertical Developer's Deferred Infrastructure obligations, and the timing of delivery for each] The VCA may include provisions related to (i) assignment and assumption of liability for Deferred Infrastructure, including bonding and warranty, (ii) sequencing and coordination of infrastructure work as between Master Developer and Vertical Developer, (iii) each party's obligations related to liability for damage and restoration thereof, (iv) repaving obligations to extent of any underground work performed after Master Developer's paving, (v) Master Developer reasonable approval over changes to horizontal permit obtained by Vertical Developer, (vi) Master Developer self-help right if Vertical Developer fails to complete Deferred Infrastructure pursuant to an agreed upon schedule of performance, (vii) soil disposal arrangement, and (viii) mechanism for Vertical Developer to submit Deferred Infrastructure costs to Master Developer for reimbursement through Financing Plan (exclusive of fines, penalties, corrective actions).

"**Vertical Developer**" is defined in ***Section 21.6.***

"**Vertical Developer Default**" is defined in ***Section 15.1.***

"**Vertical Development Requirements**" means those certain requirements for development of the Property that are contained in: (i) the Development Documents; (ii) the Parcel Lease; (ii) approved Construction Documents; and (iii) this Agreement.

"**Vertical Project**" is defined in ***Recital H.***

"**Workforce Development Plan**" is defined in ***Section 6.4(a)(vi).***

[SIGNATURES ON FOLLOWING PAGE]

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

CITY:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating by and through the **SAN FRANCISCO PORT COMMISSION**

By: _____
[NAME]
Executive Director

Endorsed by Port Resolution No. ____ and Board Resolution No. _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
[NAME OF DEPUTY]
Deputy City Attorney

VERTICAL DEVELOPER:

_____
a _____

By: _____
[NAME]

Its: _____

EXHIBIT A

REAL PROPERTY DESCRIPTION

All that certain real property located in the City and County of San Francisco, State of California, described as follows:

[To be attached prior to execution]

EXHIBIT B

SCOPE OF DEVELOPMENT

[To be attached prior to execution]

EXHIBIT C

FORM OF PARCEL LEASE]

[To be attached prior to execution]

Schedule 12.1

Extension Fee Schedule

[To be revised before execution to include applicable Extension Fee depending on which Phase the parcel is in.]

Phase	Extension Fee (for each 3 month extension) Months 1-12	Extension Fee (for each 3 month extension) Months 13-24	Extension Fee (for each 3 month extension) Months 25-36	Extension Fee (for each 3 month extension) Months 37-48
1	$25,000	$30,000	$40,000	$50,000
2	$30,000	$35,000	$45,000	$55,000
3	$35,000	$40,000	$50,000	$60,000
4	$40,000	$45,000	$55,000	$65,000

Schedule 15.3
Remedies for Failure to Commence Construction

1. Liquidated Damages.

a. If the Vertical Project has not Commenced Construction as of the Construction Commencement Date or construction has not been Completed as of the Construction Completion Date (as such dates may have been extended pursuant to this Agreement) and Vertical Developer has failed to cause such Commencement or Completion to occur within thirty (30) days after Port's notice to Vertical Developer of such failure (which notice the Port may give as early as 30 days in advance of the Commencement or Completion deadline if Port reasonably believes at such time that commencement or completion will not occur by the applicable deadline) ("**Deadline Notice**"), then Vertical Developer will be liable to Port, as liquidated damages, for an amount equal to the Daily LD Amount for each day that the Construction Commencement Date or the Construction Completion Date of the Vertical Project is delayed beyond the applicable date set forth in Section 12.1(b) of this Agreement, as such date may have been extended. Vertical Developer will pay to Port the Liquidated Amount within ten (10) business days of demand therefor; provided, however, Port's delay in making any such demand will not be deemed to be a waiver of its rights to demand such amounts. As used herein the term "**Daily LD Amount**" will mean the annual amount of all Mello Roos Taxes for the twelve (12) month period immediately following the Deadline Notice, divided by 365 times 110%.

b. The Liquidated Amount will be applied by Port as follows:

i. First, to pay any Mello Roos Taxes on the Property as they become due and payable;

ii. Second, all remaining proceeds to Port to be deposited into the DRP Fund in accordance with Section 3.7 of the Financing Plan (Exhibit C1 to the Horizontal DDA).

c. THE PARTIES HAVE AGREED THAT PORT'S ACTUAL DAMAGES, IN THE EVENT OF THE FAILURE TO CAUSE THE COMMENCEMENT OR COMPLETION OF THE VERTICAL PROJECT ON OR PRIOR TO THE CONSTRUCTION COMMENCEMENT DATE OR CONSTRUCTION COMPLETION DATE, AS APPLICABLE, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE LIQUIDATED AMOUNT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT PORT WOULD INCUR IN SUCH AN EVENT. BY PLACING THEIR RESPECTIVE INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.
INITIALS: PORT: _____ VERTICAL DEVELOPER: _____

2. Additional Port Remedies for Failure to Commence Construction.

a. Notice. If Commencement of Construction does not occur by the later of (i) the required Construction Commencement Date (as such date may have been extended pursuant to this Agreement) or (ii) thirty (30) days after Vertical Developer's receipt of the Deadline Notice (a "**Commencement Default**"), then Port will promptly deliver notice of the Commencement Default to Vertical Developer (the "**Commencement Default Notice**").

b. Assignment of Lease. If the Construction Commencement Date has not occurred by the date that is thirty (30) days after the Commencement Default Notice, then (x) Port will have an exclusive, one-time right to cause Vertical Developer to assign the Parcel Lease to a Successful Respondent or assign all of its rights under the Parcel Lease (including rights to any

Improvements) to Port or the City, or (y) terminate the Parcel Lease, on the following terms and conditions (the "**Port Assignment Option**"):

i. Port will have a period of sixty (60) days from the date of the Commencement Default Notice in which to notify Vertical Developer in writing that it desires to exercise the Port Assignment Option (the "**Port Exercise Notice**").

ii. If Port timely delivers the Port Exercise Notice, then Port may elect, in its sole discretion, to (1) issue a request for proposal for the Parcel Lease or such other solicitation as determined by Port (collectively, "**RFP**"), consistent with the provisions of paragraphs (iii) and (iv) below, and otherwise in accordance with the procedures for a Public Offering as provided in the Horizontal DDA, or (2) assume (or have the City assume) all of Tenant's rights under the Parcel Lease or (3) terminate the Parcel Lease. Vertical Developer will cooperate with Port and the successful respondent to the RFP ("**Successful Respondent**"), as applicable, to consummate the assignment of Tenant's leasehold in the Parcel Lease (including all rights to any Improvements) or termination of the Parcel Lease, as applicable (the "**15.3 Assignment**") or termination of the Parcel Lease ("**15.3 Termination**") within ninety (90) days of Port's selection of the Successful Respondent.

iii. The RFP, if any, will specify that all consideration payable by the successful respondent with respect to any [pre-paid rent] paid by the Tenant under the Parcel Lease ("**VD DRP**") and any amounts that the successful respondent wishes to offer in excess of such [pre-paid rent] (collectively, "**15.3 Pre-Paid Rent**") will be payable in cash at the 15.3 Closing. If the Port elects a 15.3 Termination, then the RFP will provide for a minimum upfront cash payment equal to no less than 85% of the Vertical Developer DRP.

iv. Any 15.3 Assignment will provide for the assignment to, and the assignee's assumption of, all of Tenant's interest in this Lease. In the event of a 15.3 Assignment, Tenant will be released from obligations that are expressly transferred to and assumed by the transferee in the assignment and assumption Agreement that first arise from and after the effective date of the Transfer, except from those provisions of the Parcel Lease and this Agreement that expressly survive the expiration or earlier termination. In the event of a 15.3 Termination, Tenant will be released from obligations that first arise from and after the effective date of the 15.3 Termination, except from those provisions of the Parcel Lease and this Agreement that expressly survive the expiration or earlier termination.

c. Vertical Developer Obligations. In connection with the closing of the Port Assignment Option or 15.3 Termination (collectively, the "**15.3 Closing**"), Vertical Developer will deliver into escrow, at least five (5) days prior to the contemplated 15.3 Closing, (i) in the event of a 15.3 Assignment only, an assignment of the Parcel Lease to the Successful Respondent, (ii) a quitclaim deed with respect to any and all Improvements in, on, or under the Property, subject only to Permitted Exceptions, and (iii) if there is a Mortgage encumbering the Property, a reconveyance of any Mortgage encumbering the Property, together with irrevocable instruction from the applicable Lender(s) to record the same upon payment to such Lender in accordance with Section e below.

d. Revocation. Notwithstanding anything herein to the contrary, Port will have the right, for any reason or no reason, to rescind the Port Exercise Notice at any time before the consummation of the Closing by delivering written notice to Vertical Developer, in which event Port will have no further rights under the Port Assignment Option.

e. Application of 15.3 Pre-Paid Rent. At the 15.3 Closing, the 15.3 Pre-Paid Rent paid by the Successful Respondent will be applied as follows: (i) first, to Port for any unpaid Rent to Port under the Parcel Lease then due and payable; (ii) second, to Port to pay any unpaid

amounts required to be paid under this Agreement, including, but not limited to, any unpaid LD Amount; (iii) third, to pay any taxes and assessments on the Property (including Mello Roos Taxes) to the extent not already paid (or payable by Port out of LD Amounts paid by Vertical Developer) and then due and payable; (iv) fourth, to pay Port's Closing Costs associated with the 15.3 Closing; (v) fifth, if applicable, to any Lender to satisfy the indebtedness evidenced by the Mortgage; and (vi) sixth, to Vertical Developer, up to an amount equal to eighty-five percent (85%) of VD DRP, and (vii) seventh, to Port for deposit in the DRP Fund.

f. Term. Unless terminated sooner as provided for in this Schedule 15.3, the Port Assignment Option will automatically terminate, and will be of no force or effect, upon the earliest of (a) so long as no Commencement Default Notice has been delivered, the date upon which Commencement of Construction occurs, or (b) the date upon which a Lender Acquisition is consummated.

g. Lenders' Rights. Without limiting the rights afforded to Lenders pursuant to Article 16 (Financing; Rights of Lenders) of this Agreement or expanding Lender rights under the Parcel Lease, following a Commencement Default Notice, Lender will have the right, but not the obligation, to notify Port, Master Developer and Vertical Developer that it intends to pursue a Lender Acquisition. Upon receipt of such notice, Port will not pursue its assignment right hereunder, as applicable for so long (and only for so long) as Lender is diligently pursuing such Lender Acquisition, and all time periods set forth herein in connection with the Port Assignment Option will be tolled for such period of time.

3. Failure to Complete Construction.

If Commencement of Construction has timely occurred but Vertical Developer has not Completed construction on or before the Construction Completion Date, then, so long as Vertical Developer is diligently pursuing Completion and Developer is timely paying the Liquidated Amount, Vertical Developer will not be in default under this Agreement or the Parcel Lease solely for failing to Complete construction on or before the Construction Completion Date.

4. Rights of Lenders.

Lenders and Successor Owners will have the rights, and Port will have the obligations to such parties, as set forth in Section 16.1 of this Agreement.

[The remainder of this page left intentionally blank.]

DDA EXHIBIT D3

"Form of Appraisal Instructions"

DDA EXHIBIT D3

Form of Joint Appraisal Instructions

I. Introduction

These Appraisal Instructions (these "**Instructions**") constitute a part of that certain Disposition and Development Agreement (the "**DDA**"), dated as of [_____], by and between the City and County of San Francisco, a municipal corporation and charter city (the "**City**") acting by and through the San Francisco Port Commission (the "**Port**" or the "**Port Commission**"), and [Seawall Lot 337 Associates, a Delaware limited liability company] ("**Developer**"). All capitalized terms used herein but not otherwise defined herein will have the meaning ascribed to such terms in the DDA as summarized in Schedule 2.

These Instructions will govern preparation and delivery of each appraisal report (each, an "**Appraisal**") setting forth the Appraiser's opinion of the Fair Market Value of the Subject Property for purposes of determining the price of conveyance of the Subject Property as an Option Parcel, in accordance with Article 7 of the DDA.

These Instructions, along with Section __ of the DDA, (see Schedule 6) will constitute the scope of work and sole instructions to be utilized by the Appraiser in preparing an Appraisal.

II. Subject Property. The Option Parcel that is the subject of these Appraisal Instructions is identified as Parcel [__] as more particularly described in Attachment 1 attached hereto (the "**Subject Property**").

III. Appraisal Standards.

Each opinion of value will be stated in a self-contained appraisal report based on a comprehensive study and analysis and setting forth, in detail, all data, analysis, and conclusions, as necessary and typical of an appraisal report in compliance with the current version of the Uniform Standards of Professional Appraisal Practice ("**USPAP**").

The Appraisal Report will include the Appraiser's final opinion of the Fair Market Value for the Subject Property stated as a specific dollar figure.

IV. Documents to be Reviewed and Considered by the Appraiser

A. Project Documents

The Subject Property shall be appraised assuming that the following documents are applicable to the property and property interests being appraised (collectively, the "**Project Documents**"):

1. The SUD and Design for Development, attached hereto as Attachment 2;

2. The Interagency Cooperation Agreement, attached hereto as Attachment 3

3. The Vertical DDA for the Subject Property, substantially in the form attached hereto as Attachment 4 which includes (a) the Scope of Development which provides the permitted uses and certain standards for development of the Subject Property, (b) the inclusionary requirement applicable to the Subject Property [include clause (b) ***for residential uses only; inclusionary requirement will be an in-lieu fee for condo parcels or on-site inclusionary for rental parcels],*** (c) Jobs Program, and (d) measures under the MMRP applicable to the Subject Property as identified therein;

4. The Parcel Lease for the Subject Property, substantially in the form attached to the Vertical DDA;

5. The rights and obligations under the Development Agreement as established by a Development Agreement Assignment, Assumption and Release substantially in the form attached hereto as Attachment 5;

6. The Master CC&Rs, substantially in the form attached hereto as Attachment 6;

7. The Vertical Cooperation Agreement, substantially in the form attached hereto as Attachment 7;

8. Lien of Special Taxes for Community Facilities District as summarized in Attachment 8;

9. Rate and Method of Apportionment as attached as Attachment 9;

10. Final Subdivision Map No. _____ that establishes the Subject Property as a legal parcel subdivided in accordance with the Subdivision Map Act and all applicable laws shown in Attachment 10.

[Add reference to any additional entitlement or regulatory approvals and any other documents not listed above to which the Subject Property will be subject, including matters affecting title to the Subject Property.]

B. Other Information

[Describe here any other documents that the Port and Developer mutually agree to present to the Appraiser for its consideration during the appraisal process, which may include, without limitation: (i))information regarding the then-current condition of the Subject Property, (ii) additional information regarding the status of all required horizontal improvements, (iii) cost estimates or other information relevant to the cost or value of the vertical development, and (iv) data from recent transactions at the site or nearby sites.]

V. Appraisal Purpose and Report Requirements.

A. Purpose.

1. Appraisal Assignment.

[For transfers pursuant to Fully Pre-paid Leases:] The appraisal assignment is to determine, subject to the Special Instructions and Extraordinary Assumptions set forth in these Instructions (1) the Fair Market Value as defined by California Code of Civil Procedure section 1263.320 of the fee interest in the Subject Property (the "**Fee Value**"), (2) the Fair Market value of the leased fee interest; and (3) the Fair Market Value of a leasehold interest held by the Tenant under the Parcel Lease for a **[75]** year term as provided therein, assuming that all rent under such Parcel Lease is fully prepaid (the "**Prepaid Lease Value**").

[For transfers pursuant to Hybrid Leases:] The appraisal assignment is to determine, subject to the Special Instructions and Extraordinary Assumptions set forth in these Instructions (1) the Fair Market Value as defined by California Code of Civil Procedure section 1263.320 of the fee interest in the Subject Property (the "**Fee Value**"), (2) the Fair Market value of the leased fee interest; and (3) the Fair Market Value of a leasehold interest held by the Tenant under the Parcel Lease for a **[75]** year term as provided therein, assuming that all rent under such Parcel Lease is fully prepaid (the "**Prepaid Lease Value**").

[For transfers pursuant to Hybrid Leases:] In addition, the Appraiser shall, after consultation with at least 2 firms from the Qualified Investment Advisor pool established by the Port and Developer, determine a factor (the "**Conversion Factor**") that, when multiplied by the Fee Value or the Prepaid Lease Value (Appraiser to determine whether to apply the factor to the Fee Value or the Prepaid Lease Value), would equal the fair market annual base rent payable under the terms of the Parcel Lease if no rent is prepaid.

2. Intended Use

[For transfers pursuant to Fully Pre-paid Leases:] The Parties intend to use the Appraisal to establish the amount payable upon conveyance of the Parcel Lease, in accordance with the DDA. The Port also intends to use the Appraisal to support its findings that the proposed Parcel Lease is consistent with the conditions in the State statute (SB 815) allowing for the Port's transfer of a leasehold interest in the Site free from public trust use restrictions, subject to the Port receiving fair market value for the lease.

[For transfers pursuant to Hybrid Leases:] The Parties intend to use the Prepaid Lease Value and the Conversion Factor determined through the Appraisal to establish the amount of the Base Rent initially payable following conveyance of the Parcel Lease in accordance with the DDA. If no rent is prepaid, the initial Base Rent would be determined by multiplying the Fee Value or the Prepaid Lease Value by the Conversion Factor. The Parties may require that some portion of the rent be prepaid, in which event the Base Rent would be determined by multiplying the difference between the Prepaid Lease Value and the actual prepaid rent by the Conversion Factor. The Port also intends to use the Appraisal to support its findings that the proposed Parcel lease is consistent with the conditions in the State statute (SB 815) allowing for the Port's transfer of a leasehold interest in the Site free from public trust use restrictions, subject to the Port receiving fair market value for the lease.

B. Appraisal and Report Requirements.

1. General Principles. Each Appraisal will be prepared in accordance with USPAP and the following requirements:

a. The Appraiser shall take into account the terms and conditions of the Project Documents applicable to the Subject Property, including, without limitation, the Lien of Special Taxes, and the terms of the Vertical DDA, the Parcel Lease and Development Agreement Assignment, Assumption and Release.

b. The Appraiser shall take into account any other covenants, conditions, and restrictions or easements benefitting or burdening the Subject Property and any unusual characteristics of the Subject Property, including without limitation, zoning, land use and other regulatory restrictions applicable to the Subject Property as of the date of value of the Appraisal.

c. The Appraiser shall explain the reasoning applied to arrive at the final opinion of value and how the results of each approach to value were weighed in that opinion, and the reliability of each approach to value for solving the particular appraisal problem.

d. The Appraiser shall state as a single amount (i.e., not a range of values) his or her final opinion of **[each of]** the values described in Section 5(A)(1) Appraisal Assignment.

e. Comparable market data ("comparables") shall be presented in individual write-up sheets and include the following data:

- Physical address and legal description (if possible)
- Parties to the transaction
- Date of Transaction
- Sales price
- Financing terms and conditions (if known)
- Property rights conveyed
- Transaction conditions (buyer motivation, arm's length, distressed, etc.) (if discoverable)
- Description of improvements, including utilities available
- Size and shape of property
- Unit counts (if applicable)
- Current Use
- Zoning and proposed zoning change (if applicable)
- Development of capitalization rate (if sale comparable is income producing)
- Verification of the transaction data (including names and contact information of with whom the transaction was verified/confirmed and date verified)

f. Comparable lease data shall additionally include:

- Date of lease or most recent transaction
- Lease rates and terms
- TI allowances, expense allocations, and rental concessions, if any and known
- Square feet of leased space (and basis of calculation, if known)
- Date and source of verification

g. The Appraiser shall physically inspect all comparables relied upon if located within a sixty (60) mile radius of the Subject Property. As to any comparables relied upon outside of this radius, the Appraiser shall take other reasonable steps to evaluate the location and condition of the comparable.

h. Discount and capitalization rates must be supported by market data and discussed in the narrative as to how they were derived.

i. The actual adjustments shall be set forth in an adjustment grid(s) and discussed in sufficient detail to lead the reader to the Appraiser's conclusions.

j. Photographs of all comparables utilized by the Appraiser shall be provided within the appraisal, including original photographs of all comparables physically inspected.

k. Maps displaying the location of all comparables as compared to the Subject Property shall be included.

l. Consistent with USPAP direction, the Appraiser shall avoid use of, or justify inclusion of comparable sales requiring extraordinary verification and weighting considerations, such as sales to governmental agencies, sales to non-profit organizations, sales to environmental organizations, sales to parties desiring to exchange the land to the government, distressed sales, and other atypical or non-arm's length sales.

m. n. The Appraiser must provide a line-item discussion reflecting the development of each income, expense, vacancy, infrastructure, cost-to-cure, or demolition item cited in the Appraisal.

n. o. Property operating expenses, development costs, delay costs may be supported by comparables construction contracts, building contractors, cost-estimators, cost-estimating services to industry recognized income/expense manuals such as Marshall & Swift, BOMA, IREM, etc.

o. p. If the Appraiser chooses to use self-made or commercial appraisal software, such as Argus Enterprise, Microsoft Excel etc., he/she must provide all supporting printouts, spreadsheets, and electronic versions of the files, which support the

Operating Income Statement or Discounted Cash Flow (DCF) analyses provided within the Appraisal.

C. Extraordinary Assumptions and Special Instructions

1. Extraordinary Assumptions

a. Upon conveyance, the Subject Property will be a valid legal parcel in accordance with the requirements of the Subdivision Map Act and will be fully entitled subject only to design review approval by Planning in accordance with the requirements of the SUD and Design for Development and approval of building permits by the Port for Vertical Improvements and approvals necessary to commence Deferred Infrastructure.

b. ***[add if commercial parcel]:*** An Office Development Authorization from the Planning Commission (per Planning Code Sections 321 and 322), and approval from the Planning Department is not required for new office development under the jurisdiction of the Port.

c. The Subject Property has access to public streets and all required utilities necessary to serve the development as further described in the Project Documents. ***[If horizontal improvements are not yet complete, substitute the following: The Subject Property will be provided with access to public streets and required utilities necessary to serve the development as and when provided in the Vertical DDA and Vertical Cooperation Agreement.]***

d. The Subject Property is graded and soil compacted in accordance with the certification of Developer's geotechnical engineer

e. The permitted uses are set forth in the Vertical DDA's Scope of Development of the Subject Property (residential (rental or for-sale) or commercial), including maximum density and maximum off-street parking.

f. ***[applies to residential uses only]*** The affordable housing requirements applicable to the Subject Property are set forth in the Vertical DDA.

2. Special Instructions

a. In evaluating the estimated revenue to be derived from the anticipated development of the Subject Property, the Appraiser shall (1) consider data provided by the Port and Developer, (2) consult with a real estate broker or brokerage firm with at least 5 years' experience in the San Francisco real estate market, ***[if occupied buildings exist on the Site]*** and (3) review proprietary rent roll and sublease information from the following operating buildings at the Site _____, after signing a non-disclosure agreement (Attachment 11).

b. In evaluating the estimated construction period and development costs of the anticipated development of the Subject Property for the purposes of a residual land value analysis, the Appraiser shall consult with a general contractor or construction cost estimator with at least 5 years' experience in estimating construction costs of similar

developments in San Francisco and may consider construction cost estimates provided by the Port and Developer.

c. The Appraiser shall provide a detailed analysis of the method(s), data and information relied upon in determining each capitalization rate used in the Appraisal. In making this determination, the Appraiser shall conduct and document (name, title, company and opinion summary) market participant interviews regarding market capitalization rates for fee simple ***[and leasehold]*** transactions and for transactions involving completed buildings and development sites, and consult with at least 2 Qualified Investment Advisors. "**Qualified Investment Advisor**" means a firm providing real estate investment banking or real estate investment advisory services, including real estate investment brokerage services, with at least 10 years' experience in the San Francisco real estate market, selected from the list of firms set forth on Schedule 5, or another comparable firm approved by Port and Developer.

d. Based on the comparables set, market participant interviews and consultation with at least 2 Qualified Investment Advisors, the Appraiser shall quantify the capitalization rate differential between fee simple and the subject leasehold transactions. The Port and Developer understand that the capitalization rate differential between fee simple and leasehold transactions has historically been greater than 5 basis points. The Appraisal shall include a reasoned narrative to support the conclusion set forth in the Appraisal regarding the capitalization rate differential, including any deviation from the historic differential.

e. The Appraiser shall select approaches to value that are applicable to the assignment, but shall include a residual land value analysis as one approach.

VI. Appraisal Procedures.

The following sets forth the procedures for the preparation of each Appraisal; these procedures may be modified or waived by mutual agreement of Port and Developer, each agreeing to such modification or waiver in its sole discretion.

A. Contracting Parties. The Appraiser will be engaged jointly by Developer and Port (collectively, the "**Contracting Parties**") and will be provided with points of contact for each to assist in completing the assignment. For questions regarding the appraisal and subject documents, please contact both of the following:

Port Contact:

Port of San Francisco
Pier 1
San Francisco, CA 94111
Att'n: Michael Martin, Director, Real Estate & Development

Telephone: (415) 274-0400
Facsimile: (415) 274-0495
Email: michael.martin@sfport.com

With a copy to: City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Att'n: Eileen Malley, General Counsel

Telephone: (415) 274-0485
Facsimile: (415) 274-0494
Email: eileen.malley@sfgov.org

Developer Contact:

Name, Address, Phone #, Email address

B. Pre-Work Conference: At the request of the Contracting Parties, the Appraiser will attend a pre-work conference for discussion and understanding of these Instructions, including a timing update. The pre-work conference may be held in conjunction with an inspection of the Subject Property.

C. Inspection: Inspection of the Subject Property is to be coordinated with the property contacts who will both have the option of having representatives attend the inspection with the Appraiser.

D. Draft Report: The Appraiser will submit to the Contracting Parties an initial draft appraisal report (the "**Draft Report**"), consisting of an unprotected PDF copy of such report, within the period specified within the fully executed contract for appraisal services. The Appraiser shall maintain a well-documented workfile, available on request for review by the Contracting Parties, containing supporting documents, meeting and interview notes, and other materials relied upon but not included in the Appraisal.

E. Review and Comment Period: Following its receipt of the Draft Report, the Contracting Parties will review such Draft Report and, within 15 calendar days thereafter, provide any comments or feedback to the Appraiser.

F. Final Appraisal: Following receipt of any comments, the Appraiser will, within a reasonable time (not to exceed 15 calendar days without the Contracting Parties' written consent), revise the Draft Report as appropriate after considering any such comments or feedback and deliver to the Contracting Parties a final Appraisal, by emailing a PDF report and delivering by overnight delivery service two (2) signed hard copies of the Final Appraisal.

VII. Confidentiality.

The Contracting Parties and the Appraiser acknowledge and agree that, in the course of preparing an Appraisal pursuant to these Instructions, the Contracting Parties may disclose confidential information, which has been approved and authorized by Contracting Parties for release, to the Appraiser.

The Appraiser agrees not to disclose such confidential information to any third party and to treat it with the same degree of care as it would its own confidential information. It is understood, however, that the Appraiser may disclose such confidential information on a "need to know" basis to the Appraiser's employees and subcontractors. As a condition precedent to any such disclosure, each and all of such employees and subcontractors will have executed a written confidentiality agreement with the Contracting Parties which obligates such employees and subcontractors to maintain the confidentiality of such confidential information.

Each Appraisal, the Fair Market Value determination included therein, and the supporting documentation, also constitute confidential information, and the Appraiser will strictly abide by the confidentiality and ethics provisions of the Appraisal Institute and USPAP.

The Appraiser must obtain written authorization from the Contracting Parties before disclosure of any confidential information. The passage of time in and of itself will not extinguish either the Appraiser's responsibility for confidentiality or the appraiser/client relationship. The appraiser/client relationship is extinguished only upon written release from the Contracting Parties. Even though the appraiser/client relationship may terminate, the Appraiser will at all times remain subject to the confidentiality and ethics provisions of Appraisal Institute and USPAP.

VIII. ATTACHMENTS AND SCHEDULES

The following Attachments and Schedules attached to these Joint Appraisal Instructions are incorporated herein by this reference:

Attachment 1: Subject Property

Attachment 2: SUD and Design for Development

Attachment 3: Interagency Cooperation Agreement

Attachment 4: Form of Vertical DDA

Attachment 5: Form of Development Agreement Assignment, Assumption and Release

Attachment 6: Form of Master CC&Rs

Attachment 7: Form of Vertical Cooperation Agreement

Attachment 8: Summary of Lien of Special Taxes

Attachment 9: Rate and Method of Apportionment

Attachment 10: Final Subdivision Map

Attachment 11: Form of Non-Disclosure Agreement

Schedule 1: Subject Property Special Instructions

Schedule 2: DDA Defined Terms

Schedule 3: Background

Schedule 4: Appraisal Notice

Schedule 5: List of Qualified Investment Advisors

Schedule 6: DDA Section [__]

SCHEDULE 1: SUBJECT PROPERTY SPECIAL INSTRUCTIONS

[Special Instructions to include, without limitation:

- ***Description of the grading, excavation and geotechnical condition of the site (as certified by Developer's geotechnical engineer), and the applicable standard of remediation.***
- ***If the Subject Property includes a basement level, description of the condition of the site, which may be left as-is, or partially pre-excavate.***
- ***Separate Special Instructions for Residential and Commercial-Office if the Subject Property is Flex and a dual appraisal is requested by Developer.]***

SCHEDULE 2: DDA DEFINED TERMS

SCHEDULE 3: BACKGROUND

A. <u>Entitlement and Legal Framework</u>. The applicable zoning for the Project Site consisting of Seawall Lot 337, a portion of Terry A. Francois Boulevard, a portion of the wharf between Pier 48 and Pier 50, China Basin Park, and certain other property, all as more specifically described in the Mission Rock Special Use District (the "**SUD**") and Design for Development that govern the development standards and guidelines for Vertical Development. The DDA is the principal agreement governing development of the Project Site, including both "horizontal" and "vertical" development of the Project, delivery of public benefits and the financial structure for the transaction. The City has entered into a Development Agreement with Developer that provides vested rights to both horizontal and vertical development to proceed in accordance with the Project Approvals and Transaction Documents.

B. Horizontal Development and Deferred Infrastructure.

1. Developer is responsible under the DDA for horizontal development of the Project, including entitlement, site preparation (including grading and environmental remediation), subdivision and construction work related to streets and sidewalks, public realm amenities (e.g., parks and open space), public utilities and shoreline improvements to create development parcels and support and protect buildings (including affordable housing). Standards for horizontal development are set forth in the Infrastructure Plan attached to the DDA and the and Streetscape Plan subsequently approved by the Port. Under the Interagency Cooperation Agreement, the City and Port agree to process applications for Horizontal Improvements and subdivision maps consistent with the DDA (including the Infrastructure Plan and Streetscape Plan) and in accordance with the streamlined review and approval procedures set forth therein.

2. The DDA establishes the scope and timing of Project phasing through a Phasing Plan and Schedule of Performance that establishes deadlines by which Developer must submit development applications for each Phase, commence and complete the Phase Improvements within each Phase, and deliver Associated Public Benefits, subject to Excusable Delay. The DDA also allows Port and Developer to identify Deferred Infrastructure associated with Option Parcels which may be assigned to Vertical Developers. Vertical Developer will be obligated to construct the designated Deferred Infrastructure, subject to the Schedule of Performance attached as DDA Exhibit B2 and as outlined in the Vertical Cooperation Agreement.

C. Phase Submittals. The Subject Property is included within the Phase Submittal for Phase [XX] of the Project, a copy of which is attached hereto as Attachment 2. The Phase Submittal sets forth all applicable obligations and timing for completion of Phase Improvements within the applicable Phase, the range of residential density and maximum off-street parking that can be allocated to each Option Parcel and the public benefits that will be provided with the delivery of Vertical Improvements within the applicable Phase, including child-care facilities, community facilities and affordable housing.

D. Conveyance of Subject Property and Vertical Development. Pursuant to Section __ of the DDA, Developer has triggered the appraisal process for the Subject Property by

delivering to the Port the Appraisal Notice attached hereto as Schedule 4. In the Appraisal Notice, Developer has identified the Subject Property, provided a detailed program of uses planned for the parcel, including the area programmed for each type of use, the location, and amount of office development on the Subject Property that would be counted against the maximum annual limit under Planning Code Section 321 and identified the inclusionary housing, fee and program requirements that will be binding on the Subject Property consistent with the Affordable Housing Plan.

SCHEDULE 4: APPRAISAL NOTICE

SCHEDULE 5: LIST OF QUALIFIED INVESTMENT ADVISORS

SCHEDULE 6: SECTION __ OF THE DDA

Lodged with Board of Supervisors 2/1/18

DDA EXHIBIT D4

"Bidder Qualifications"

EXHIBIT D4
BIDDER SELECTION CRITERIA

I. RESIDENTIAL PARCELS

Financial Requirements
-Bidder is able to demonstrate the financial ability to perform the obligations it is assuming in association with the development of the Option Parcel. For purposes of this section, this includes net worth as defined in VDDA, evidence of access to adequate equity and debt capital along with commitment letters from those financing sources, and the ability to post the required security associated with the development of the Option Parcel.

- Provision of a commitment letter to fund a 10% refundable deposit within 1 business days of being selected as the Vertical Developer through the Public Offering

Experience Requirements
-The managing principal of the bidder has at least five (5) years of experience in developing the type of residential product to be developed on the Option Parcel the bidder is seeking to purchase or lease.

-The principals of the bidder have collectively completed at least three (3) development projects containing at least 75% of the number of units proposed for the Option Parcel.

Entity in Good Standing Requirements
-Documentation evidencing that the bidder and its constituent members, if any, have been duly formed, made all filings and are in good standing in the State of California and in the state of their respective incorporation. If the bidder is a joint venture, then the bidder shall provide evidence demonstrating the existence of a duly executed contractual relationship between the applicable parties.

-Bidder has not defaulted on its obligations on another lot or project within the Project area.

No Unfair Advantage Requirement
-Bidder has not received an unfair advantage by receiving any non-public information regarding the bid package that is different from or in advance of the bid package being made available to other interested bidders.
-Bidder does not have any financial agreements with Developer related to the Option Parcel that would provide that Bidder with an unfair advantage. Bidders may be affiliates of Developer, and common ownership and management shall not be considered to provide a Bidder with an unfair advantage.

DRAFT

Compliance with Transaction Documents and Port/City Requirements

-Bidder has indicated its willingness to enter into the Vertical DDA [and form of Ground Lease] in the form included in the bid package, and its ability to comply with applicable Port and City requirements thereunder, including the Workforce Development Plan.

II. COMMERCIAL PARCELS

Financial Requirements
-Bidder is able to demonstrate the financial ability to perform the obligations it is assuming in association with the development of the Option Parcel. For purposes of this section, this includes net worth as defined in VDDA, evidence of access to adequate equity and debt capital along with commitment letters from those financing sources, and the ability to post the required security associated with the development of the Option Parcel.

- Provision of a commitment letter to fund a 10% refundable deposit within 1 business days of being selected as the Vertical Developer through the Public Offering

Experience Requirements
-The managing principal of the bidder has at least five (5) years of experience in developing the type of commercial product to be developed on the Option Parcel the bidder is seeking to purchase or lease.

-The principals of the bidder have collectively completed at least three (3) development projects containing at least 75% of the commercial square footage proposed for the Option Parcel.

Entity in Good Standing Requirements
-Documentation evidencing that the bidder and its constituent members, if any, have been duly formed, made all filings and are in good standing in the State of California and in the state of their respective incorporation. If the bidder is a joint venture, then the bidder shall provide evidence demonstrating the existence of a duly executed contractual relationship between the applicable parties.

-Bidder has not defaulted on its obligations on another lot or project within the Project.

Compliance with Transaction Documents and Port/City Requirements
Bidder has indicated its willingness to enter into the Vertical DDA and form of Ground Lease in the form included in the bid package, and its ability to comply with applicable Port and City requirements thereunder, including the Workforce Development Plan.

DRAFT

No Unfair Advantage Requirement

-Bidder has not received an unfair advantage by receiving any non-public information regarding the bid package that is different from or in advance of the bid package being made available to other interested bidders.

- Bidder does not have any financial agreements with Developer related to the Option Parcel in submitting its bid. Bidders may be affiliates of Developer, and common ownership and management shall not be considered to provide a Bidder with an unfair advantage.

DRAFT

DDA EXHIBIT A1

Approved Arbiters Pool

DDA SCHEDULE 1
APPROVED ARBITERS POOL

Qualified arbiters with Real Estate expertise from the AAA's National Panel of Arbitrators and Mediators

1. **Matthew Geyer** http://www.geyerlawandadr.com/resume.htm

Qualified arbiters with Real Estate expertise from JAMS Global Engineering and Construction Group

2. **Bruce Edwards** https://www.jamsadr.com/edwards/
3. **Hon. William J. Cahill** https://www.jamsadr.com/cahill/
4. **Zela G. Claiborne** https://www.jamsadr.com/claiborne/

Lodged with Board of Supervisors 2/1/18

DDA SCEHDULE 2

"Qualified Appraiser Pool"

SWL 337
DDA SCHEDULE 2
QUALIFIED APPRAISER POOL

1. **R. Blum and Associates (Ronald Blum)**
   505 Sansome Street, Suite 850
   San Francisco CA 94111
   415.944.4441 (phone)
   Rblum@rbaapraisal.com

2. **Cushman + Wakefield (Elizabeth Champagne)**
   Cushman & Wakefield Western, Inc.
   201 California Street, Suite 800
   San Francisco, CA 94111
   415.397-1700
   Elizabeth.champagne@cushwake.com

3. **Integra Realty Resources (Jan Keleczewski)**
   101 Montgomery Street, Suite 1800
   San Francisco, CA 94104
   (415) 310-3360 Phone
   Jkleczewski@irr.com

4. **CBRE, Inc. (Bruce Jamgot Chian)**
   350 Sansome Street, Suite 850
   San Francisco, CA 94103
   415.334.4051 (phone)
   Bruce.jamgotchian@cbre.com

5. **Newmark Cornish & Carey**
   One Bush Street
   Suite 1500
   San Francisco, CA 94104
   T. 415.445.8888

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DDA SCHEDULE 3

"Qualified Brokers Pool"

SWL 337
DDA SCHEDULE 3
QUALIFIED BROKERS POOL

1. **JLL (Chris Roeder, Elizabeth Hearle)**
   One Front Street
   Suite 1100
   San Francisco, CA 94111
   415.393-4900

2. **Eastdil Secured (Jeff Weber, Paul Nelson, Mark Penrod)**
   101 California Street, Suite 2950
   San Francisco CA 94111
   415.228.2900 (phone)

3. **HFF (Bruce Ganong, Michael Leggett)**
   101 Second Street, Suite 800
   San Francisco, CA 94105
   415.276.6300

4. **Colliers International (Tony Crossley)**
   101 Second Street, 11th Floor
   San Francisco, CA 94105
   United States
   Tony.Crossley@colliers.com
   415.288.7807 (phone)

5. **CBRE, Inc. (Russell Ingrum)**
   101 California Street
   44th Floor
   San Francisco, CA 94111
   415.772.0459 (phone)

6. **Newmark Cornish & Carey (Mike Taquino)**
   One Bush Street
   Suite 1500
   San Francisco, CA 94104
   United States
   415.477.9200 (phone)
   mtaquino@newmarkccarey.com

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7. **Moran & Co. (Maryann King)**
   2 Embarcarcadero, 8th Floor
   San Francisco, CA 94111
   415.634.7030 (phone)
   maryannk@moranandco.com

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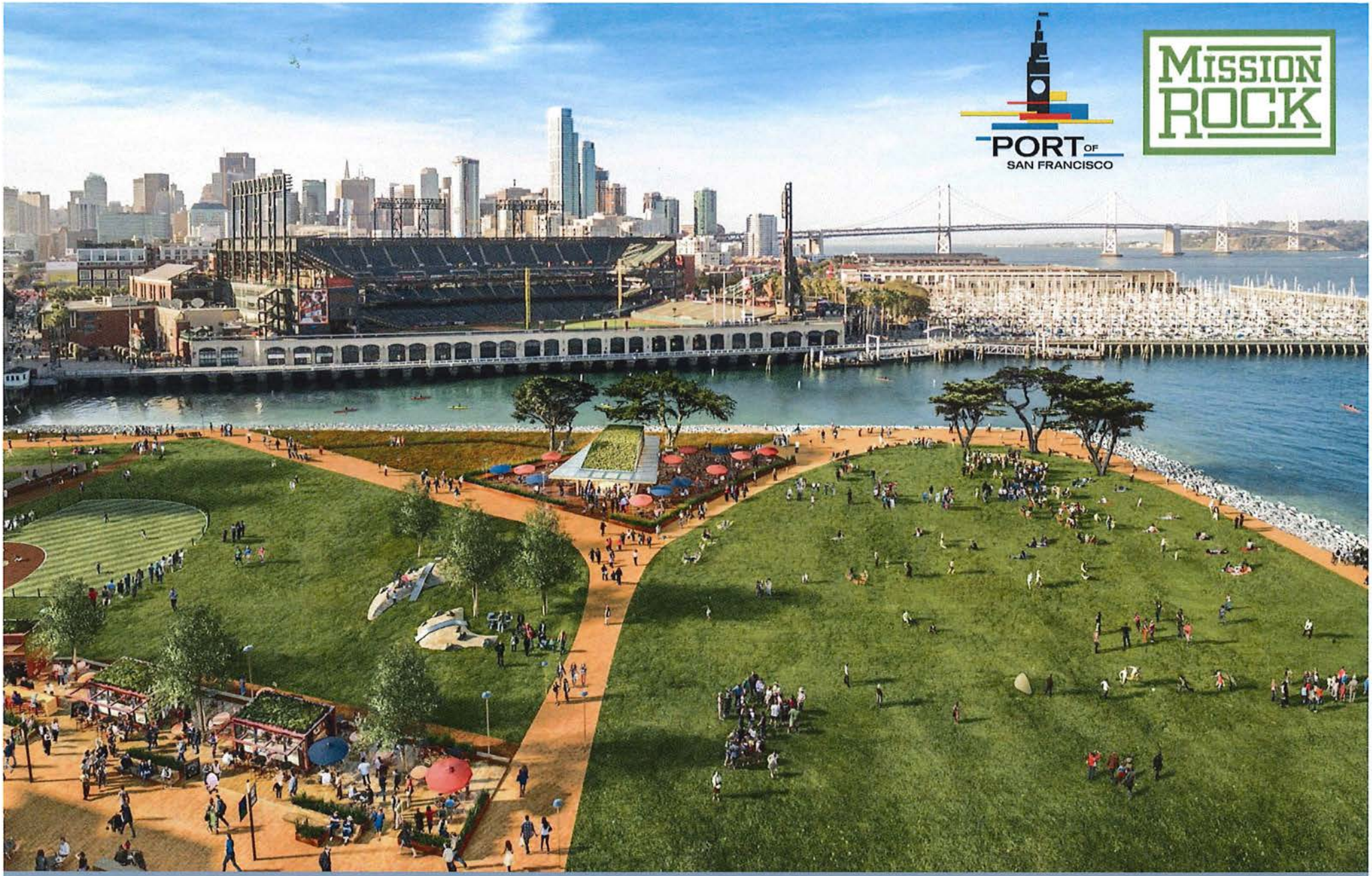
SCHEDULE 3
QUALIFIED BROKERS POOL



MISSION ROCK

GOVERNMENT AUDIT
& OVERSIGHT
COMMITTEE 2.7.2018

Request to GAO Committee

Recommend Mission Rock transaction document legislation to full Board:

- Development Agreement
- Development and Disposition Agreement
- Interagency Cooperation Agreement among Port and City agencies
- Memorandum of Understanding approving Port Commission as agent of financing districts

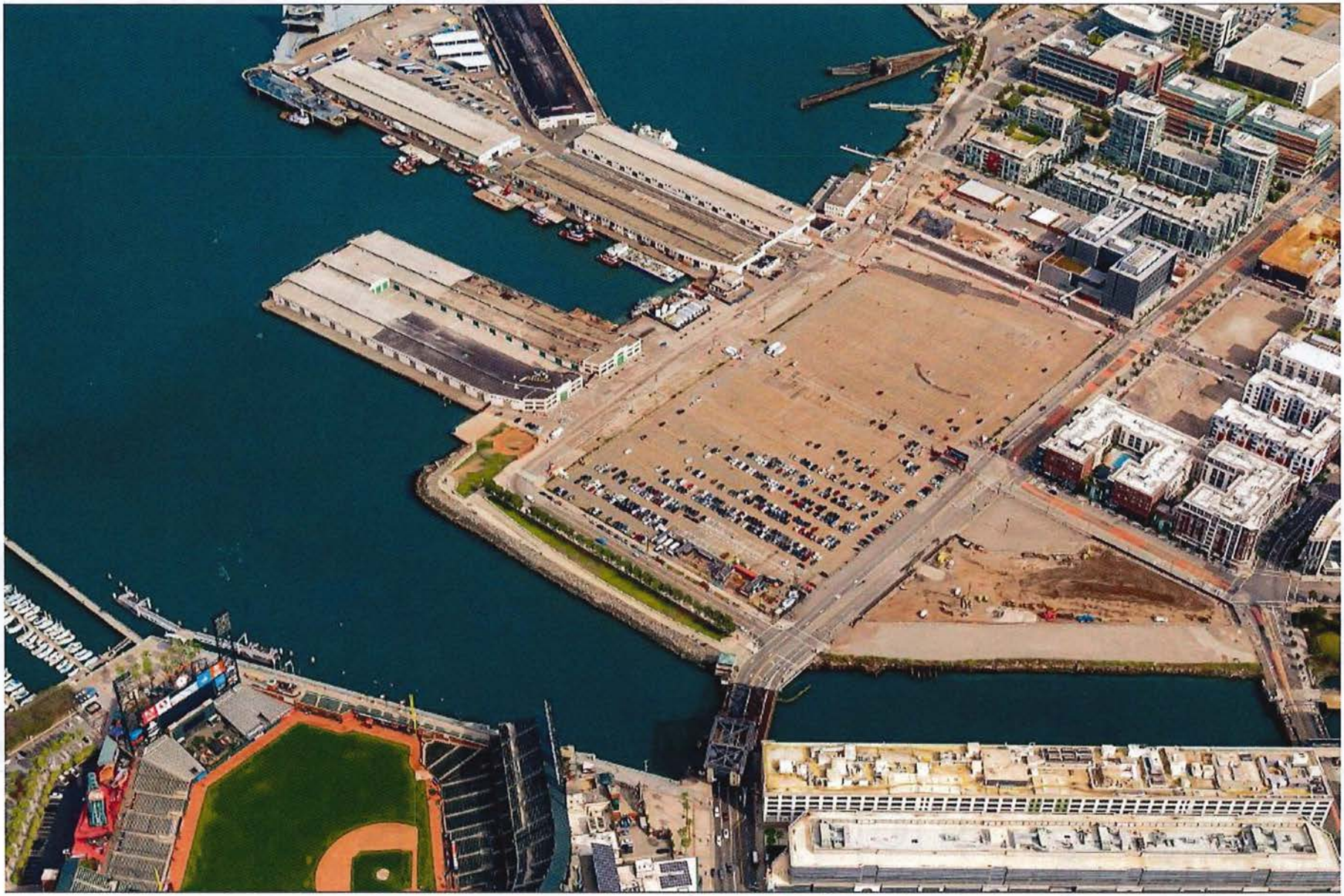
Mission Rock Site Context

Timeline

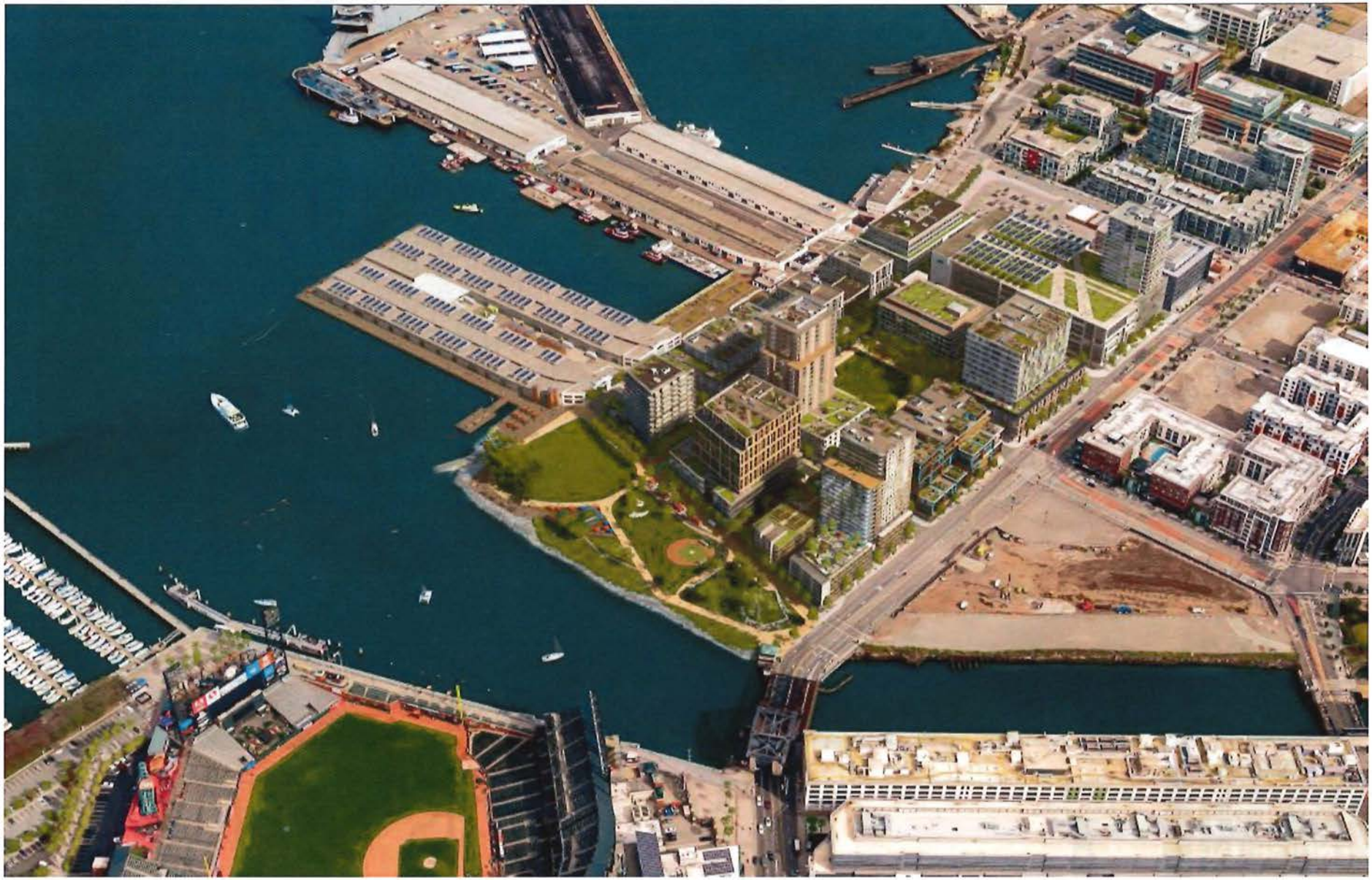
February 2018: Request Board Approvals
April 2018: Seek State Lands Commission Approvals

May 2018: Seek BCDC Major Permit
Summer 2018: Seek CFD formation

Mission Rock Site Today

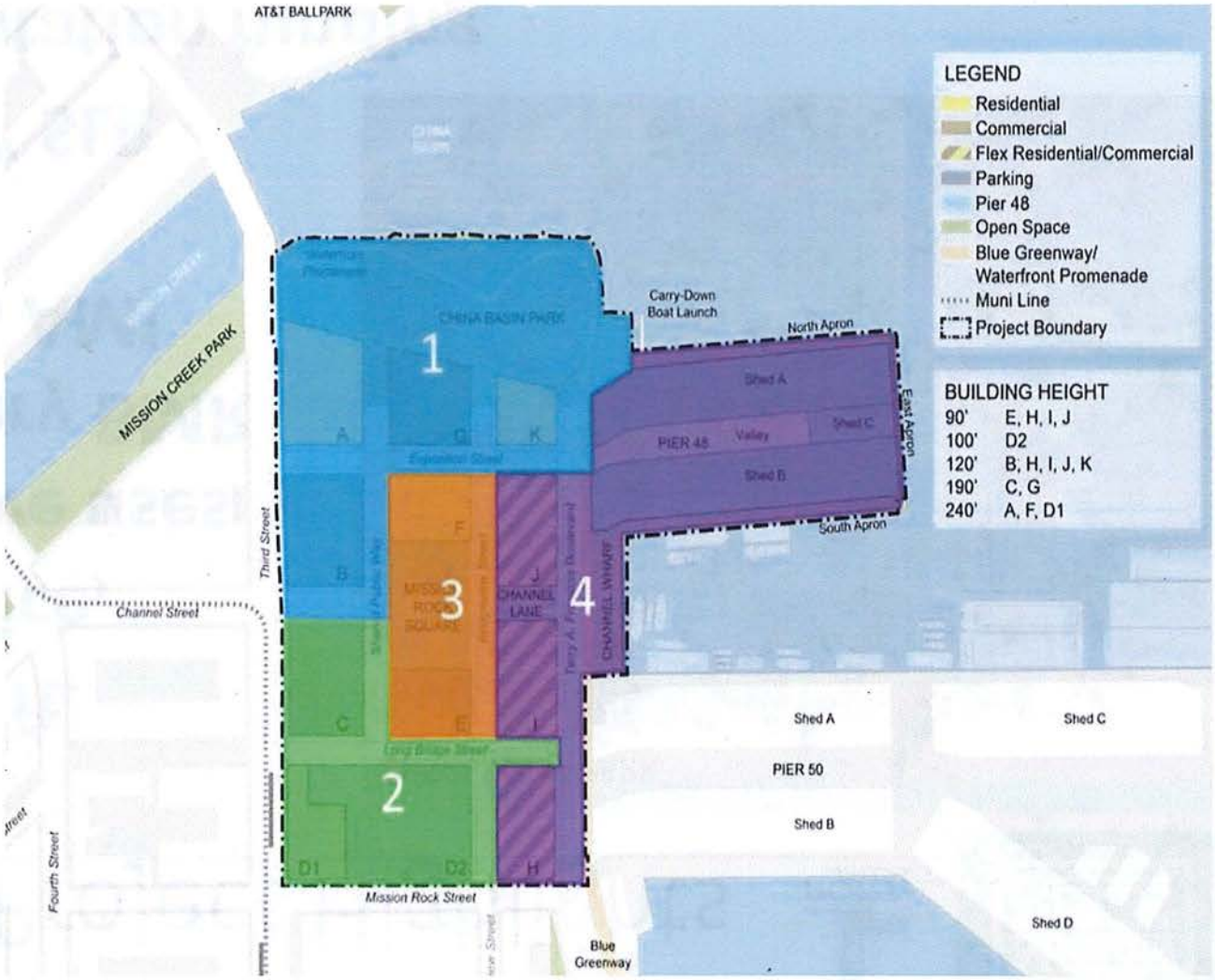


Mission Rock Site at Full Buildout



Mission Rock Infrastructure Plan

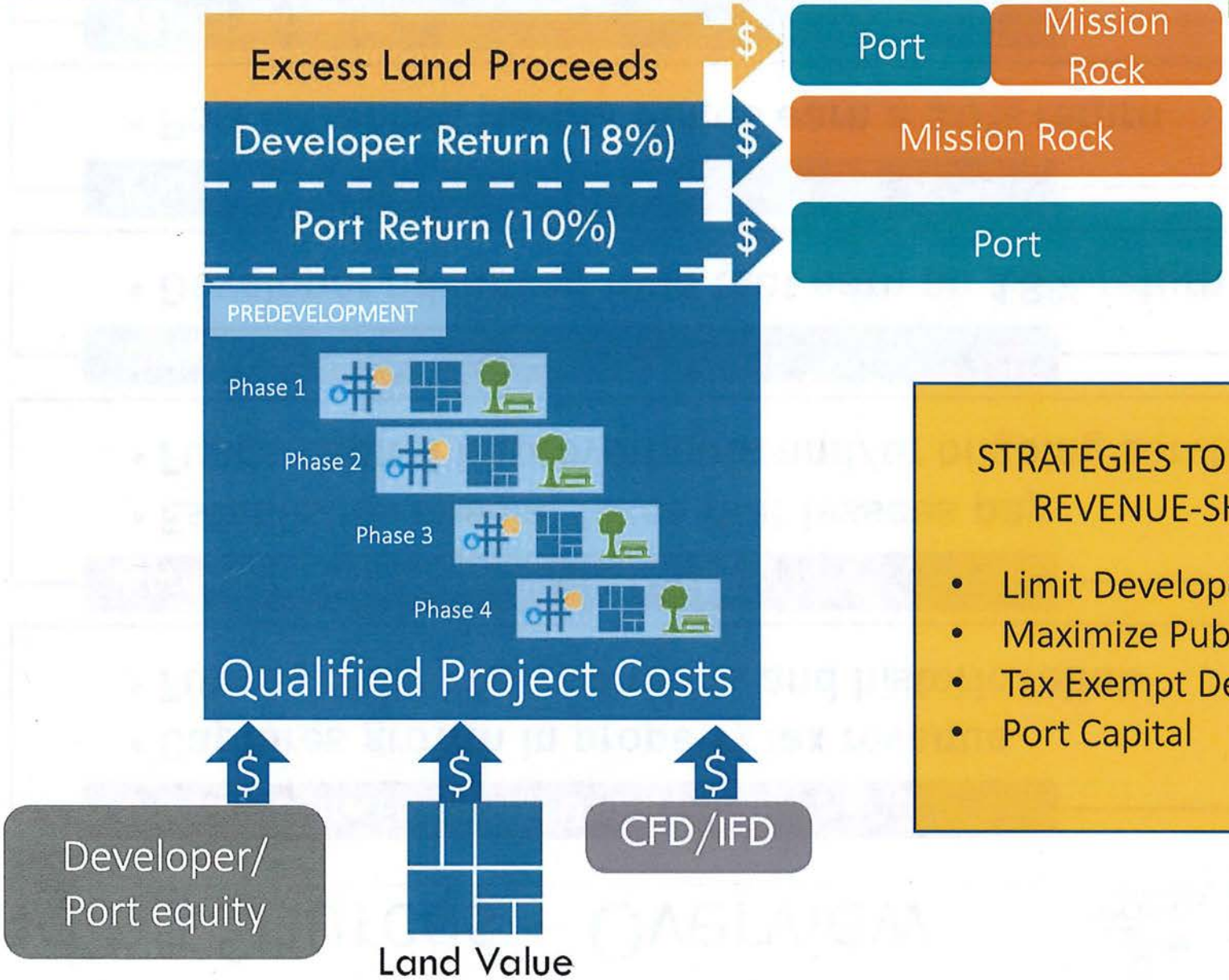
Infrastructure anticipated to be delivered in 4 phases, linked closely to vertical construction



Mission Rock Project Highlights

- **2.7M gross sq. ft. residential, office, retail, and active uses**
- **40% inclusionary BMR units, 45-150% AMI**
- **8 acres parks**
- **Resilient to 66" SLR**
- **Shoreline adaptation funding**
- **Comprehensive planning and design framework**
- **Exemplary sustainability planning**

Funding Structure – Investment & Return



STRATEGIES TO MAXIMIZE REVENUE-SHARING

- Limit Developer Capital
- Maximize Public Financing
- Tax Exempt Debt
- Port Capital

Funding Sources – Overview

Infrastructure Financing District (IFD)

- Captures growth in property tax revenue
- Funds public improvements and historic rehab

Community Facilities District (CFD)

- Establishes special taxes that lessees pay
- Funds capital improvements and/or ongoing services

Developer Capital

- Developer advanced fund that earn an 18% return

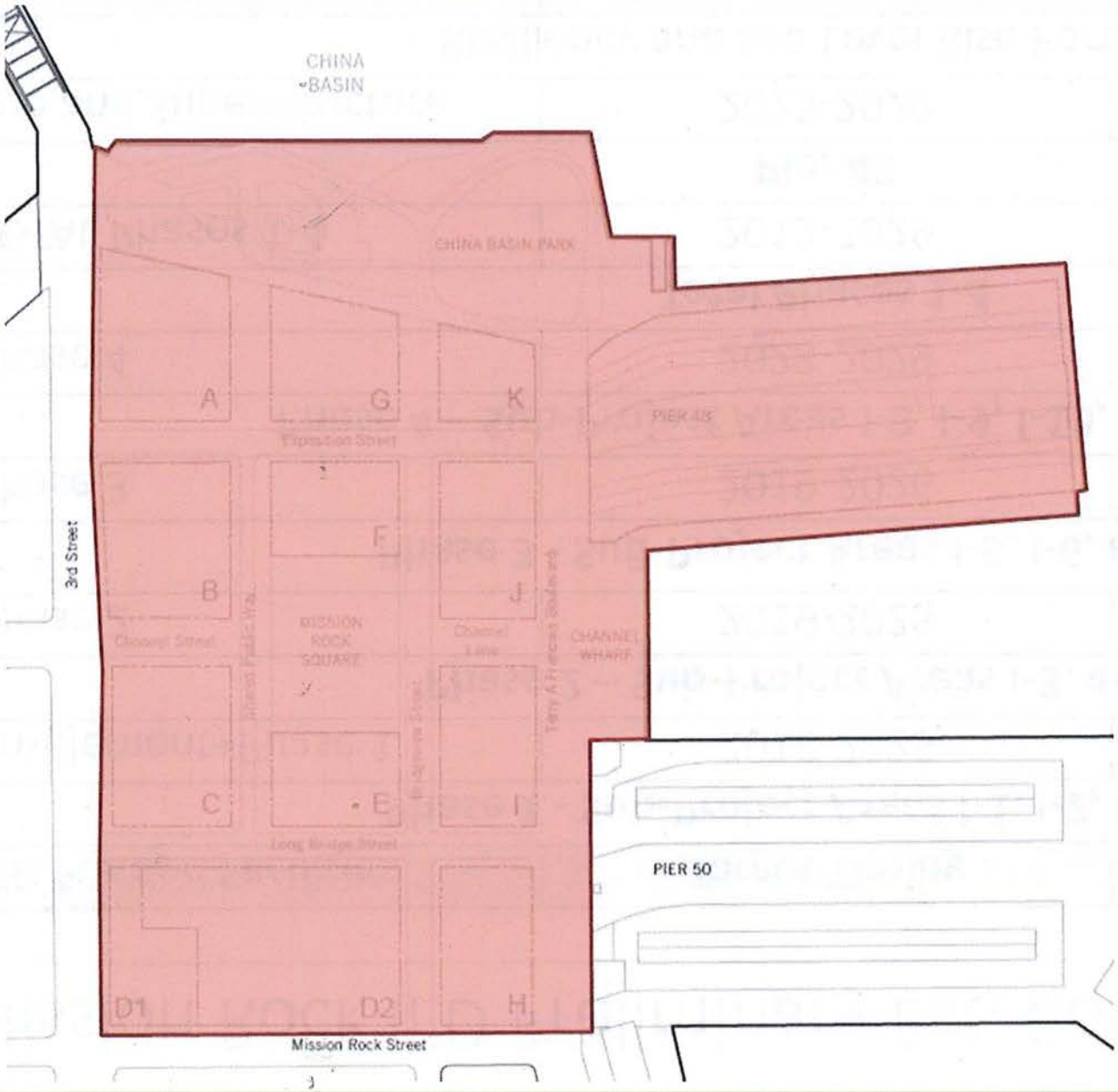
Port Capital

- Port advanced Harbor Funds earn a 10% return

Land Proceeds

- Revenues generated from the lease of Port land

Funding Sources – IFD

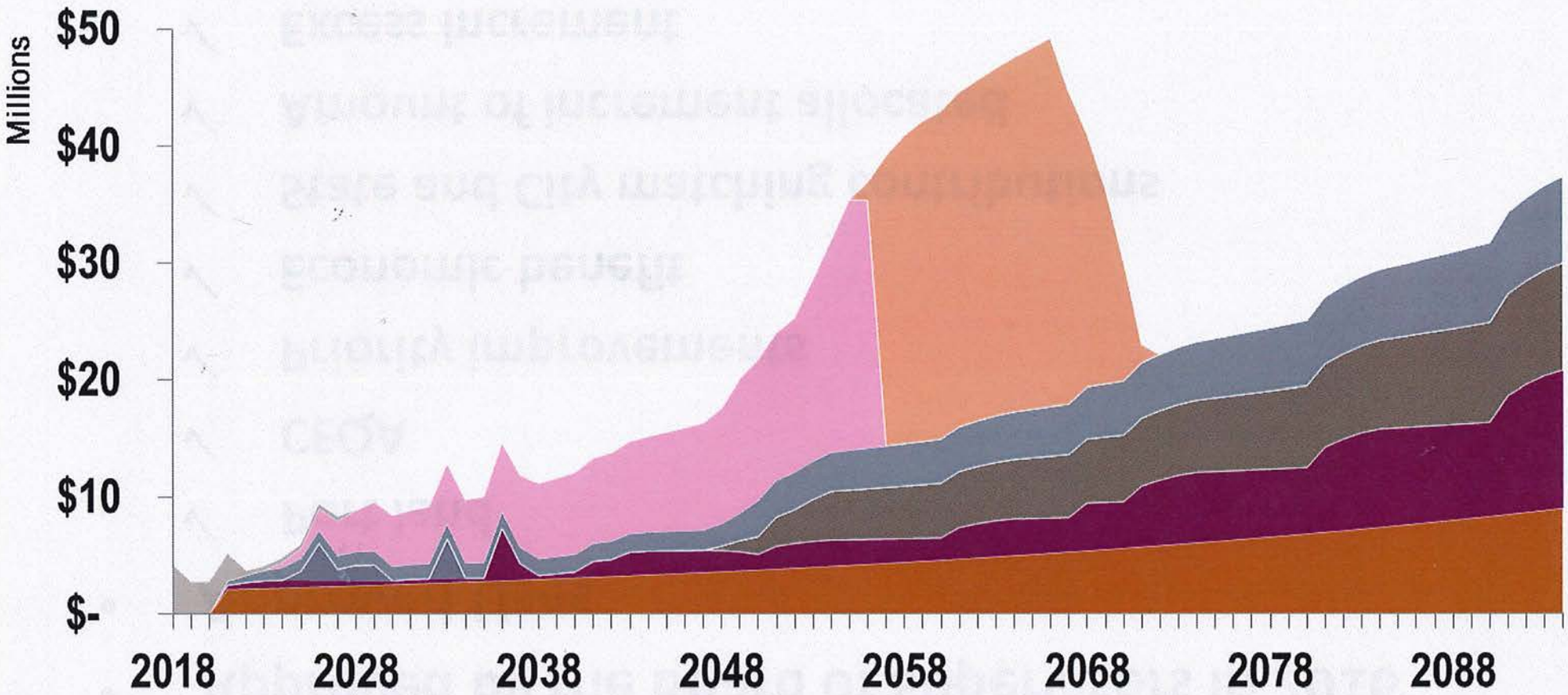


- Encompasses entire Site
- **Captures future tax increment,** growth in Local shares of property taxes
- **65% for public infrastructure**, e.g. streets, utilities, parks, historic rehabilitation and shoreline protection

Mission Rock IFD Preliminary Est. Costs

IFD Funded Facilities	Target Timing	Estimated Cost (2017 $)
Phase 1 - Sub-Project Areas I-1, I-2, I-7, I-11		
Entitlement+Phase 1	2018-2025	$106,200,000
Phase 2 – Sub-Project Areas I-3, and I-4		
Phase 2	2019-2025	$39,800,000
Phase 3 - Sub-Project Areas I-5, I-6, and I-13		
Phase 3	2019-2026	$21,670,000
Phase 4 – Sub-Project Areas I-8, I-9, I-10, I-11 and I-12		
Phase 4	2023-2029	$23,320,000
Total Phases 1-4		
TOTAL Phases 1-4	2012-2029	**$190,990,000**
Pier 48		
Sub and Superstructure	2025-2029	**$90,400,000**
Resiliency and Sea Level Rise Portwide		
Seawall & Sea Level Rise, Portwide	Throughout IFD Term	*

Projected Port Revenue



- Unrestricted S Ground Rent
- Participation Rent
- Port Transfer Fees
- Other CFD Special Tax Payments
- Resiliency Tax
- Prepaid Leases Payback [IFD]
- All Other TI
- Interim Parking+Pier 48 Rent

City's IFD Policy for the Port

- **Approved by the Board of Supervisors in 2016**
- **Approved Uses**
  - ✓ **Port land**
  - ✓ **CEQA**
  - ✓ **Priority improvements**
  - ✓ **Economic benefit**
  - ✓ **State and City matching contributions**
  - ✓ **Amount of increment allocated**
  - ✓ **Excess increment**
  - ✓ **Port capital program**
  - ✓ **Funding for maintenance**

Next Steps

January 30th
Port Commission Approves Transaction Documents and CEQA Findings

February 5th
Land Use Committee

February 7th
GAO Committee

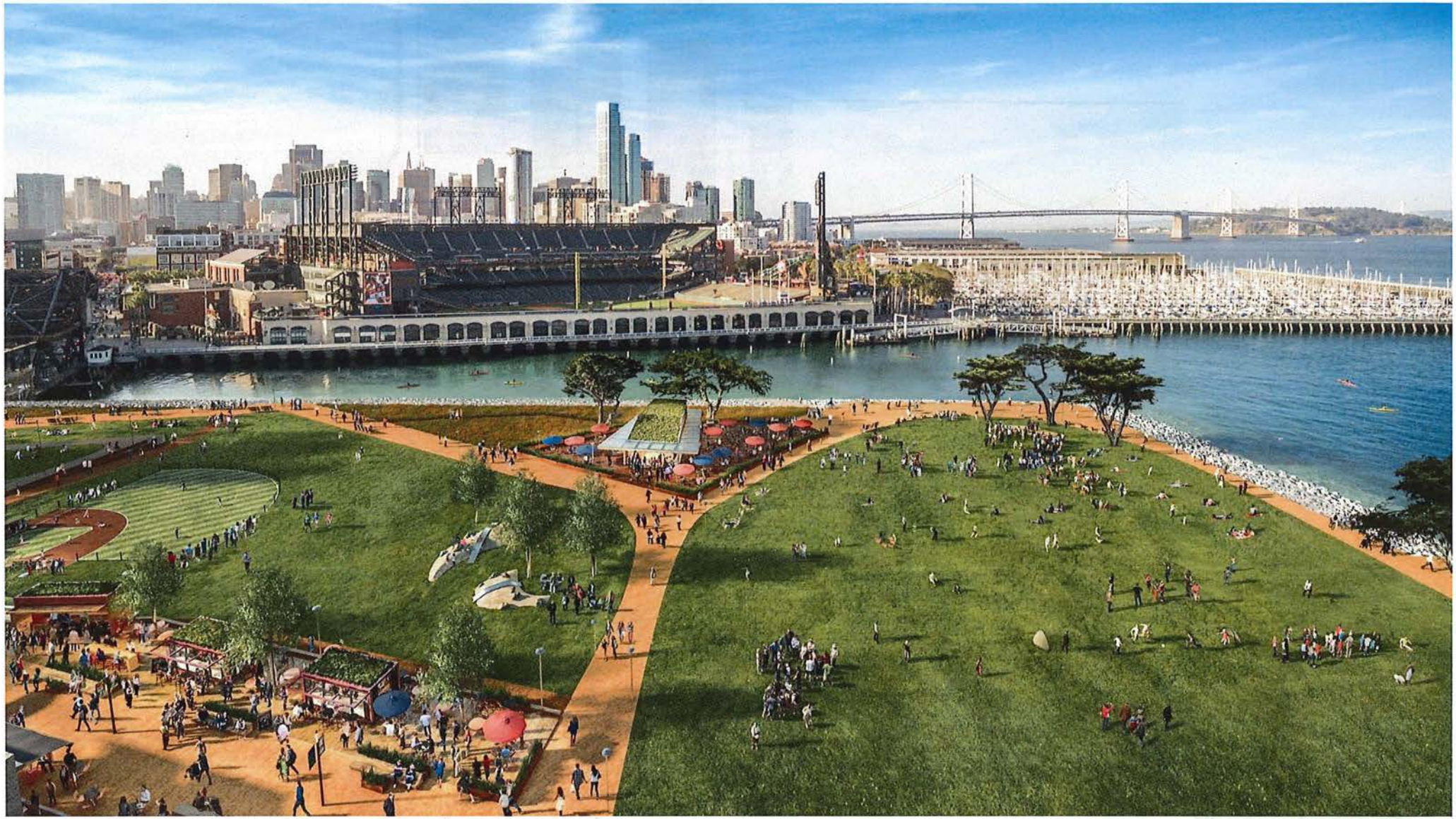
February 13th
Board of Supervisors Consideration

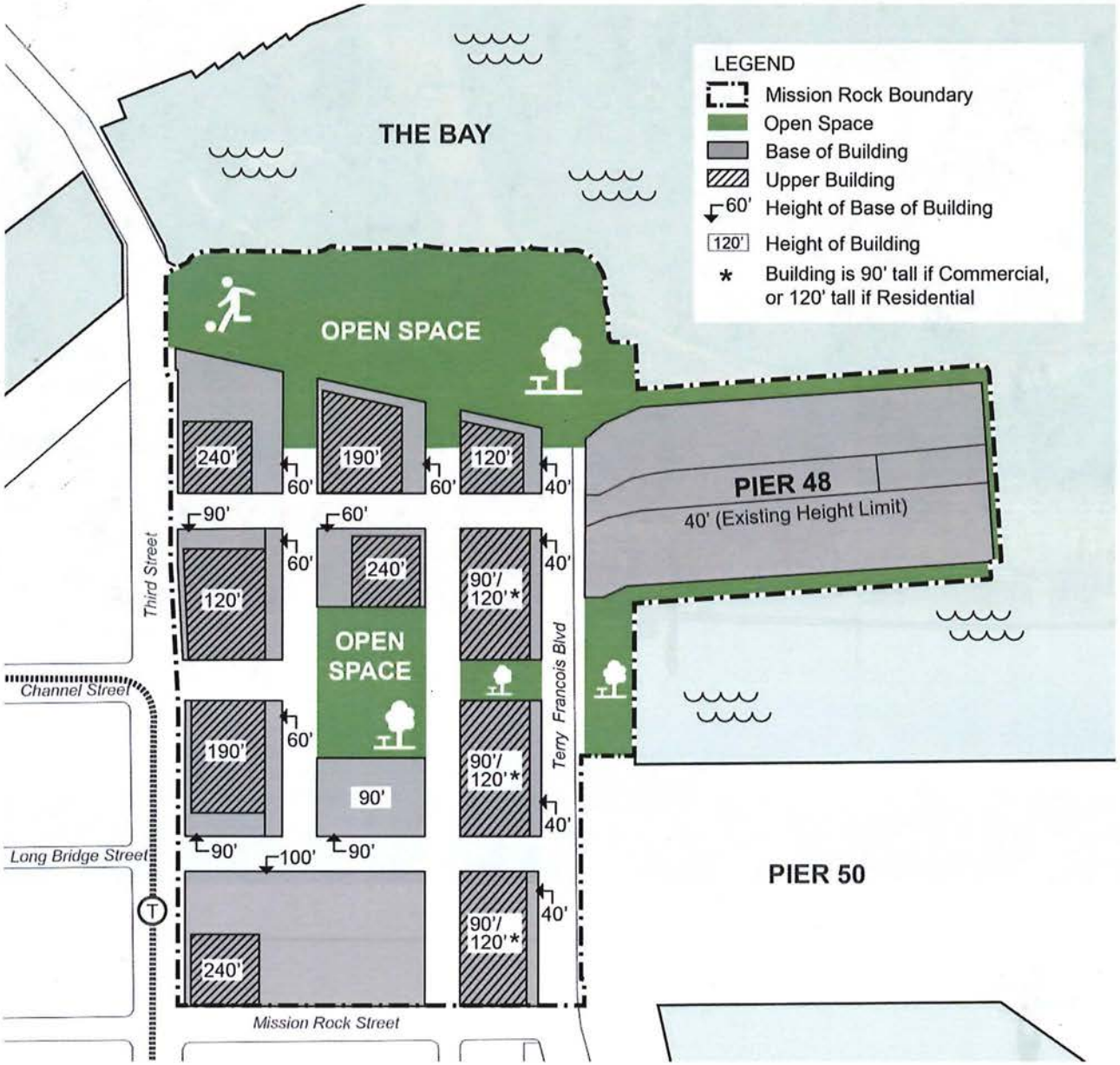
January | February

Request to GAO Committee

Recommend Mission Rock transaction document legislation to full Board:

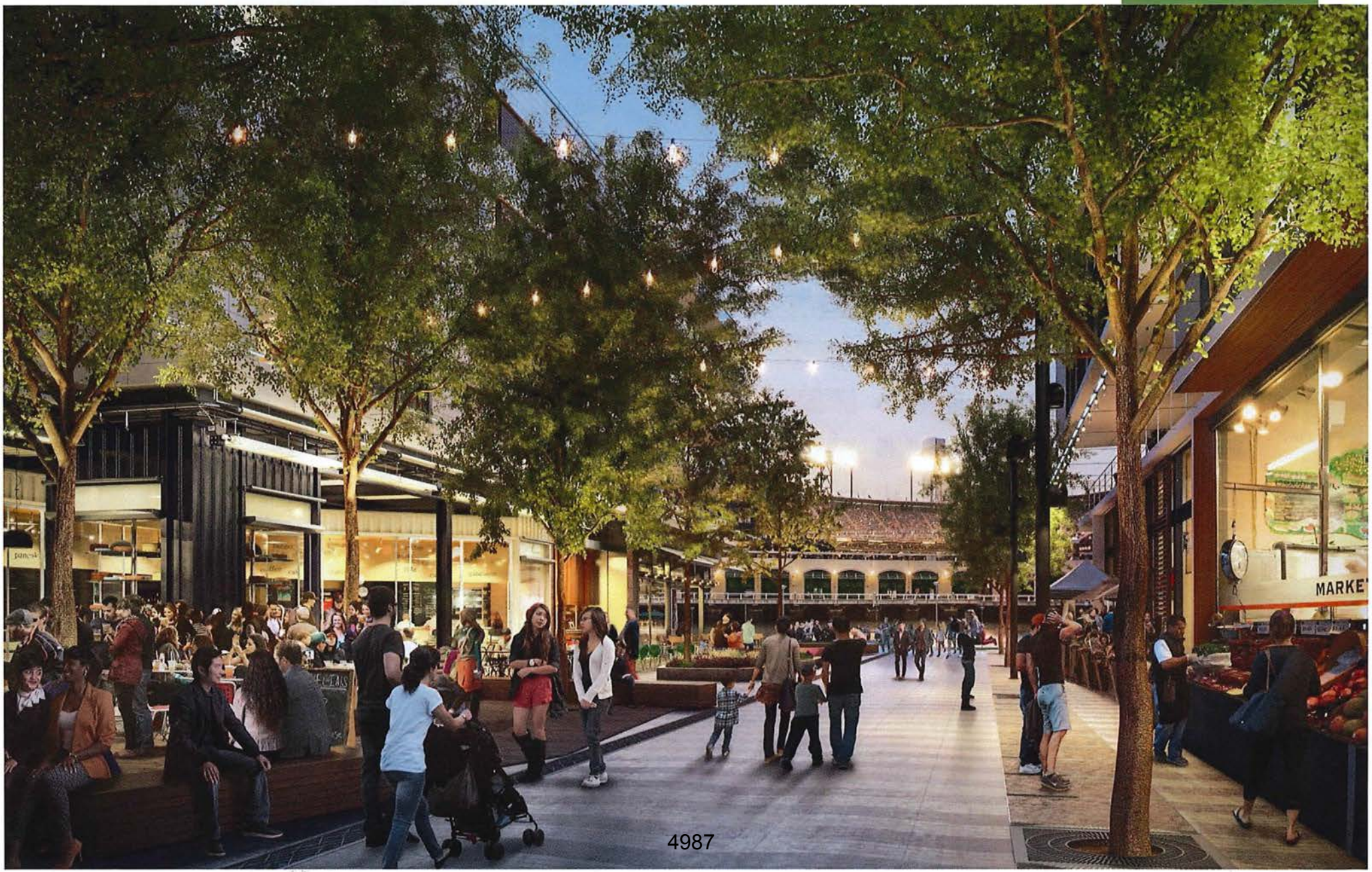
- Ordinance approving **Development Agreement**
- Resolution approving **Development and Disposition Agreement**
- Resolution approving **Interagency Cooperation Agreement** among Port and City agencies
- Resolution approving **Memorandum of Understanding** approving Port Commission as agent of financing districts



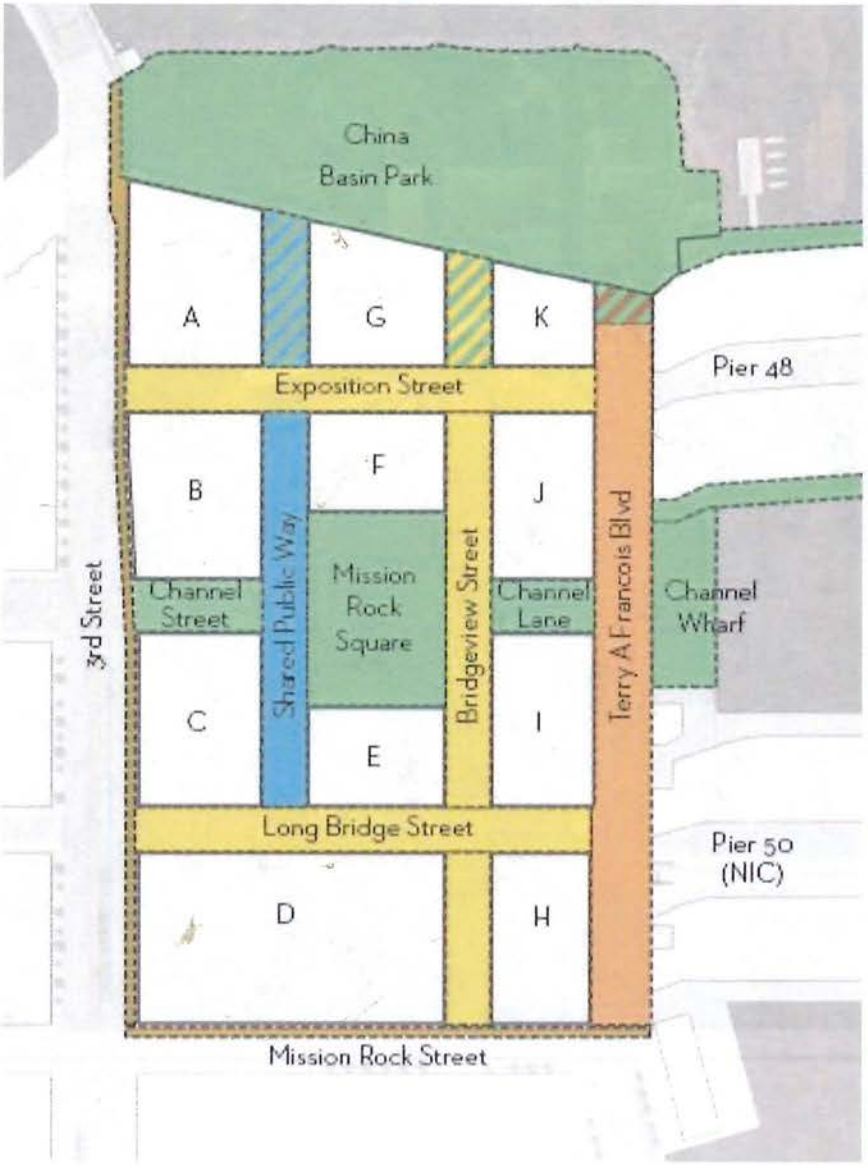

LEGEND
Mission Rock Boundary
Open Space
Base of Building
Upper Building
60' Height of Base of Building
120' Height of Building
* Building is 90' tall if Commercial, or 120' tall if Residential
THE BAY
OPEN SPACE
240'
60'
190'
60'
120'
40'
PIER 48
40' (Existing Height Limit)
90'
60'
120'
60'
240'
90'/ 120'*
40'
OPEN SPACE
Third Street
Channel Street
190'
60'
90'/ 120'*
40'
90'
Terry Francois Blvd
Long Bridge Street
90'
100'
90'
PIER 50
90'/ 120'*
40'
240'
Mission Rock Street

PORT OF SAN FRANCISCO

MISSION ROCK



Street Types



LEGEND: STREET TYPOLOGIES

- Shared Public Way (one-way traffic)
- Working Waterfront (two-way traffic)
- Neighborhood Streets (two-way traffic)
- Paseos (Pedestrian-only street extension)
- District Street
- Open Space

Site Target Goals

Resilience

Site Elevation Meets

2100

Projection For Sea Level Rise

Water

Meet

100%

Of non-potable water demand with non-potable sources

Waste

75%

Construction Waste Diversion

5% -10%

Increase In Occupant Waste Diversion

Transportation

20%

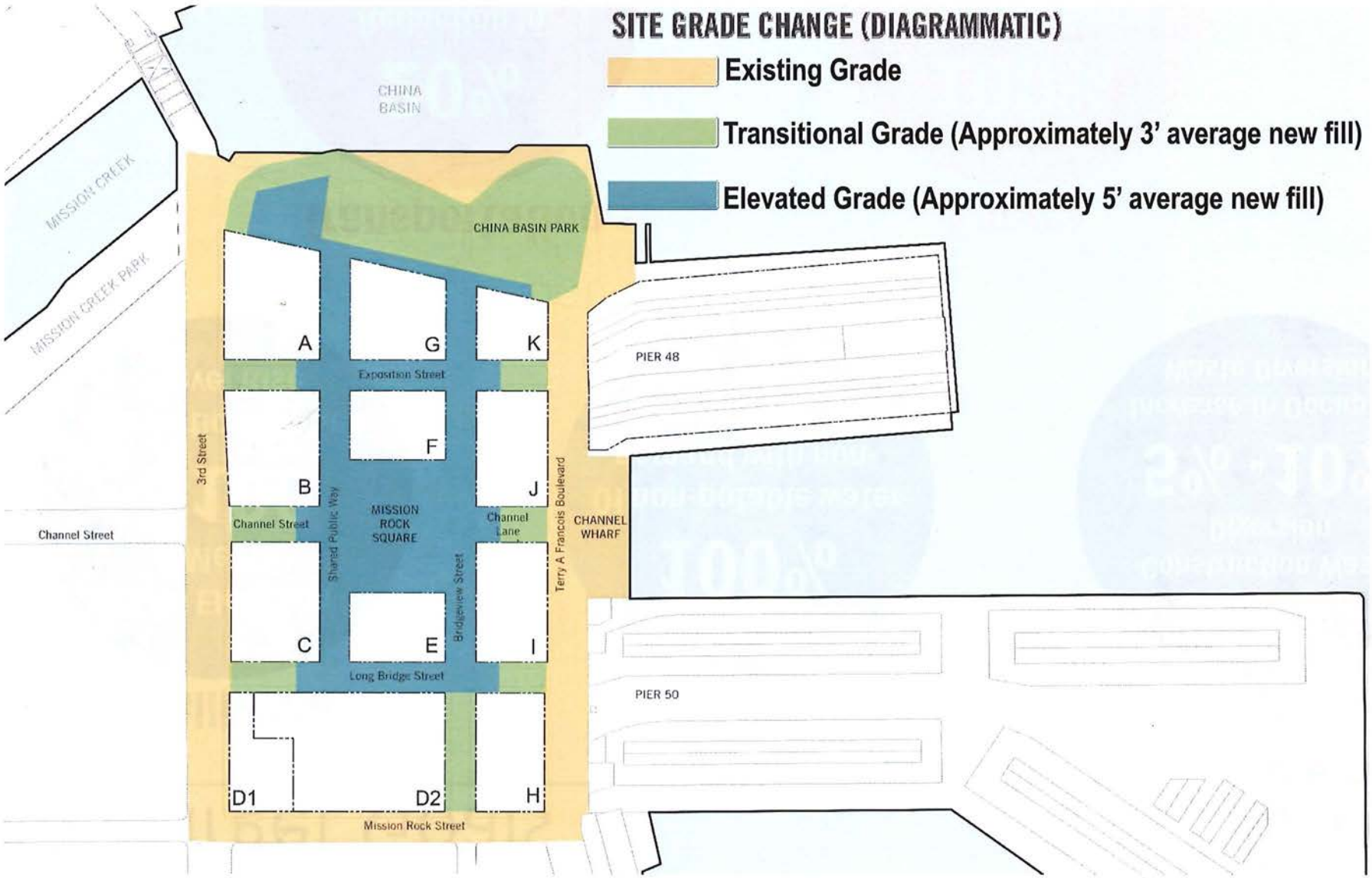
Reduction In Transportation-related Carbon Emissions

Energy

100%

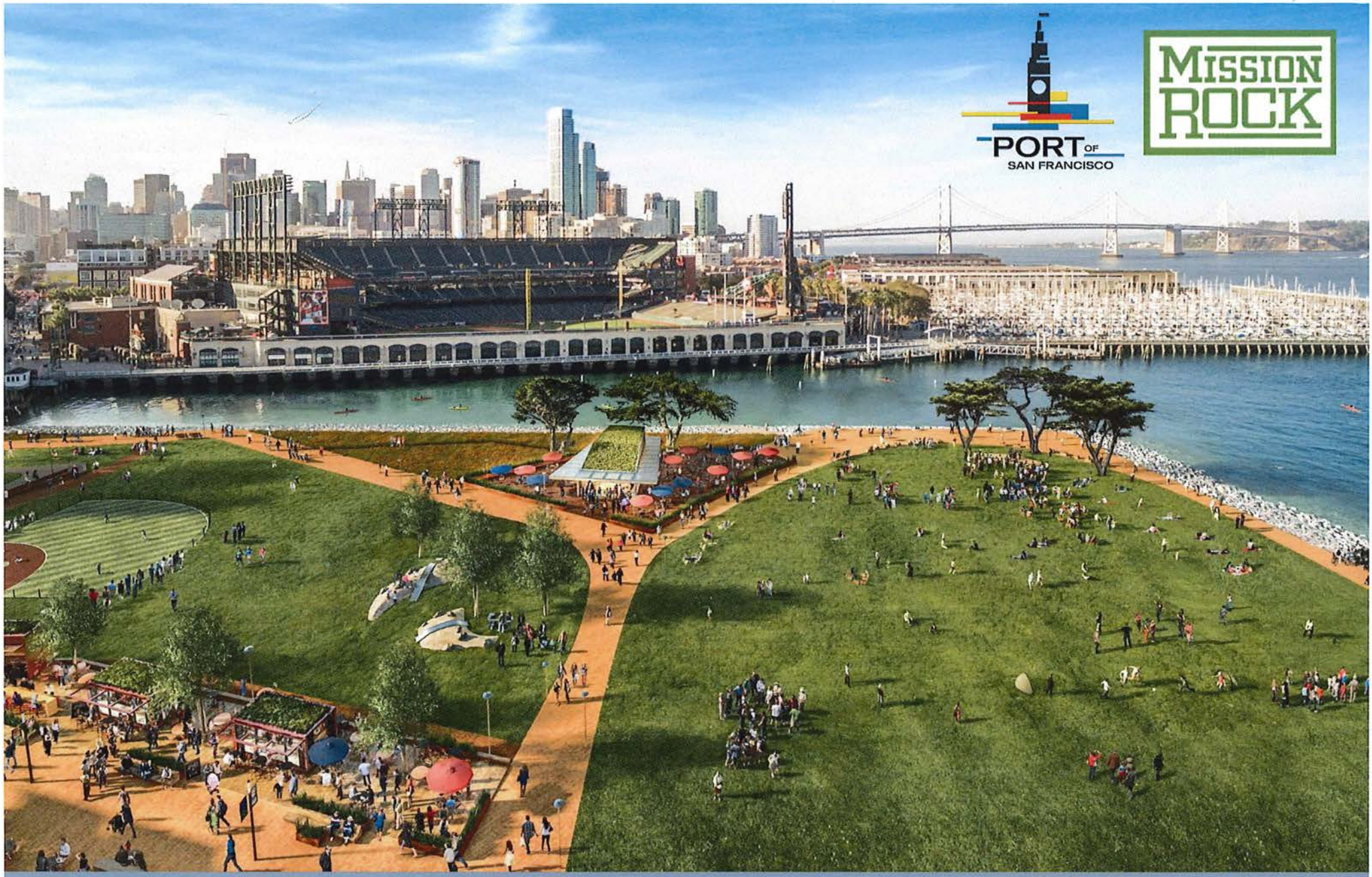
Of Building Energy Demand Met With Renewable Energy Sources

Sea Level Rise



PORT OF SAN FRANCISCO

MISSION ROCK



MISSION ROCK

GOVERNMENT AUDIT
& OVERSIGHT
COMMITTEE 2.7.2018

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 18-03

WHEREAS, Beginning in 2006, the Port initiated an intensive planning process that has culminated in a project that would restore and redevelop an approximately 28-acre site located along the Central Waterfront comprised of (1) Seawall Lot 337, bounded by Third Street on the west, Parcel P20 and Mission Rock Street on the south, Pier 48 to the east, and China Basin Park on the north; (2) Pier 48; (3) China Basin Park; (4) the marginal wharf between Pier 48 and Pier 50; and (5) Parcel P20 (collectively, the "Site"); and

WHEREAS, From 2007 to 2010, the Port conducted a community process that evaluated the unique site conditions and opportunities at the Site and built a public consensus for its future that nested within the policies established for the South Beach/China Basin Waterfront in the Port's Waterfront Land Use Plan; and

WHEREAS, In May 2010, by Resolution No. 10-32, the Port Commission awarded to Seawall Lot 337 Associates, LLC, a Delaware limited liability company ("Developer"), through a competitive process, the opportunity to negotiate exclusively for the mixed-use development of Seawall Lot 337 and Pier 48, and the Port Commission later added China Basin Park, the marginal wharf between Pier 48 and Pier 50, and Parcel P20 to the development (collectively, the "Project"); and

WHEREAS, Developer is a wholly-owned subsidiary of Giants Development Services, LLC, which in turn is a wholly-owned subsidiary of San Francisco Baseball Associates, LLC, the Major League Baseball franchise holder of the San Francisco Giants; and

WHEREAS, In March 2013, by Resolution No. 13-10, the Port Commission endorsed the Term Sheet for the Project; and

WHEREAS, In May 2013, by Resolution No. 142-13, the Board of Supervisors found the Project fiscally feasible under Administrative Code, Chapter 29 and endorsed the Term Sheet for the Project, which is now known as "Mission Rock"; and

WHEREAS, Port and City staff and Developer have negotiated the terms of the Disposition and Development Agreement ("DDA") and related transaction documents that are incorporated into the DDA and provide the overall road map for development of the Project, including a

Financing Plan, an Infrastructure Plan, a Housing Plan, a Transportation Plan and a Transportation Demand Management Plan, a Workforce Development Plan, an LBE Utilization Program, and forms of an interim Master Lease, a Vertical Disposition and Development Agreement and a Parcel Lease; and

WHEREAS, Developer has engaged in an extensive community outreach process including community meetings, workshops, focus groups, formal and informal presentations, open houses and site tours; and

WHEREAS In November 2015, 74% of voters supported the Mission Rock Affordable Housing, Parks, Jobs and Historic Preservation Initiative (Proposition D, November 2015) ("Proposition D"), the ballot measure supporting reuse of the area and increasing the height limits for the Project, conditional upon Port Commission approval of a development plan for the Project; and

WHEREAS, Port financial staff have reviewed and confirmed the financial capacity of Developer in amounts sufficient to satisfy its obligation to fund its obligations under the DDA; and

WHEREAS, The parties wish to enter into the DDA substantially in the form on file with the Commission Secretary and incorporated in this resolution by reference; and

WHEREAS, Concurrently with this resolution, the Port Commission has taken or intends to take a number of other actions in furtherance of the Project, including: (1) consenting to amendments to the Planning Code that create the Mission Rock Special Use District ("Mission Rock SUD") over the Site and related amendments to the zoning maps; (2) consenting to the Development Agreement as it relates to matters under Port jurisdiction; (3) approving the Design Controls, which provide more detailed land use controls for the Mission Rock SUD and conforming amendments to the Waterfront Land Use Plan; (4) approving and recommending that the Board of Supervisors approve a Memorandum of Understanding for Interagency Cooperation among the Port, and other City agencies with respect to approvals related to the subdivision of the Site and construction of infrastructure and other public facilities; (5) recommending that the Board of Supervisors approve formation proceedings for sub-project areas to Project Area I of City and County of San Francisco Infrastructure Financing District No. 2; and (6) a Memorandum of Understanding between the Port and the Treasurer-Tax Collector and the Controller regarding the collection and allocation of ad valorem and special taxes to the financing districts; and

WHEREAS, Under the DDA and other transaction documents, at full build-out, the Project will include: (1) 1.1 million to 1.6 million gross square feet ("gsf") of new residential uses (an estimated 1,000 to 1,950 new residential units), at least 40% of which will be on-site housing affordable to a range of low- to moderate-income households as described in the Housing Plan in the DDA; (2) 972,000 to 1.4 million gsf of new commercial and office space; (3) 241,000 to 244,800 gsf of active retail and production uses on 11 proposed development blocks on Seawall Lot 337 in buildings that would range in height from 90 to 240 feet, consistent with Section 5 of Proposition D; (4) the rehabilitation and reuse of Pier 48, a significant contributing resource to the Port of San Francisco Embarcadero Historic District; (5) up to approximately 1.1 million gsf of above- and below-grade parking in one or two garages; (6) transportation demand management on-site and payment of impact fees that the Municipal Transportation Agency will use to improve transportation service in the area; (7) approximately 5.4 acres of net new open space for a total of approximately 8 acres of new and expanded open space, including an expansion of China Basin Park, a new central Mission Rock Square, and waterfront access along the shoreline; (8) public access areas, assembly areas, and an internal grid of public streets, shared streets, and utilities infrastructure; and (9) on-site strategies to protect against sea level rise; and

WHEREAS, The DDA governs: (1) Developer's obligations to complete horizontal development of the Project, including entitlements, site preparation, subdivision and construction work related to streets and sidewalks, public realm amenities (e.g., parks and open space), public utilities and shoreline area improvements (together, "Horizontal Development"), all to create development parcels and support and protect buildings; and (2) Developer's option to ground lease developable lots in the Site for vertical development, all in accordance with all of the governing land use and entitlement documents, including the Development Agreement, Mission Rock SUD, and Design Controls; and

WHEREAS, The DDA also governs Developer's obligations to deliver various public benefits, at full buildout, including: (1) reserving 40 percent of all on-site residential units for applicants making 45 to 150 percent of Area Median Income or less as further described in the Housing Plan; (2) approximately5.4 acres of net new open space for a total of approximately 8 acres of new and expanded public open space maintained by special taxes paid by the onsite vertical developments; (3) elevation of the Site and shoreline protection special taxes to protect against sea level rise, storm surges and periodic flooding along the Port's Bay waterfront; (4) robust local hiring, Local Business Enterprise commitments and good faith efforts as further described in the Workforce Development Plan and the LBE Utilization Program; (5)

commitments to renewable energy, vehicular trip reduction, water recycling and waste diversion as further described in the Sustainability Strategy; (6) commitment to in-lieu transportation fees and fair share contributions to City transit projects serving the Site and its surroundings; and (7) a City option for up to 15,000 square feet of on-site community facility space; and

WHEREAS, The DDA requires that, prior to Developer making any presentations to the Port Commission regarding the Schematic Design of public spaces, Developer will host at least one public presentation of its design and present the design to a committee of design professionals designated by the Port Director;

WHEREAS, The DDA includes a Schedule of Performance that includes outside dates for the completion of public infrastructure, including streets, utilities and parks; and

WHEREAS, The DDA provides the Port with remedies in the event that Developer does not meet its obligations under the Schedule of Performance or other provisions of the DDA, including specific performance and termination for material breach; and

WHEREAS, The DDA (1) establishes processes to ensure that the Port receives fair market value for the lease of all option parcels as established by appraisal or public offerings on the open market; (2) provides for on-site inclusionary affordable housing, with impact fees payable by developers of commercial parcels used to support development of the affordable housing; (3) provides for the use of nontrust revenue sources in the form of tax increment and special tax revenues to the extent necessary to ensure the Project's fiscal feasibility; and (4) provides for the Port to be repaid, with interest, from nontrust revenues for costs of constructing infrastructure and public facilities needed and desired to support development at the Site; and

WHEREAS, The Financing Plan provides that (1) Developer is responsible for funding all entitlement costs and the costs of constructing Horizontal Development to the extent other Project sources are not available, subject to reimbursement; (2) Developer's costs will be repaid with an 18% market rate of return (along with certain minimum return metrics) from a number of potential sources, including rent credits, lease proceeds, community facilities district and infrastructure financing district proceeds, and, at the Port's discretion, Port capital; and (3) after the Project reaches a certain rent threshold, Developer will participate in annual ground rent revenues as an incentive for efficient buildout of the Site; and

WHEREAS, The Housing Plan includes measures to ensure that at least 40% of all residential units produced at the Site are affordable to low- and moderate-income households, with 24 of the lowest income units to be provided to youth transitioning out of the foster care system; and

WHEREAS, The Port will enter into a memorandum of understanding with the Mayor's Office of Housing and Community Development ("MOHCD") to implement the Housing Plan and MOHCD will approve the on-site inclusionary unit locations, phasing, income verifications and marketing plan; and

WHEREAS, The Infrastructure Plan includes the conceptual level planning elements of all the infrastructure systems necessary to serve the Mission Rock SUD and describes Developer's obligation to complete streets and infrastructure to support development of the Site; and

WHEREAS, The Transportation Plan requires, among other things, that (1) vertical developers pay a transportation fee that the Municipal Transportation Agency will use and allocate for transportation improvements in the area; and (2) Developer, building owners, and tenants implement a Transportation Demand Management Plan designed to reduce Project-related one-way vehicular auto trips by 20%; and

WHEREAS, The Workforce Development Plan, together with the LBE Utilization Program, requires Developer and its contractors and subcontractors, vertical developers, and tenants, as applicable, to comply with applicable workforce provisions, including a 30% local hiring commitment, local business enterprise utilization, participation in the City's "First Source" hiring programs, and up to $1 million in funding to support expansion of CityBuild and workforce training; and

WHEREAS, The Master Lease is a form that sets forth the terms and conditions under which the Port will lease the Site, other than Pier 48. to Developer when it is ready to begin constructing horizontal improvements, including parks, streets and utilities in accordance with the DDA, and, in the interim, for parking and special events and ancillary uses; and

WHEREAS, Individual development parcels will be removed from the Master Lease upon completion of the horizontal improvements serving each parcel as they are leased to vertical developers, and streets and parks will be removed from the Master Lease upon acceptance by acquiring City agencies; and

WHEREAS, The Vertical Disposition and Development Agreement is a form that sets forth (1) the conditions to a vertical developer's acquisition of the

leasehold interest in each development parcel within the Site; and (2) applicable Port and City requirements for constructing the applicable vertical development project; and

WHEREAS, The Vertical Disposition and Development Agreement requires Vertical Developer to make an informational presentation regarding the consistency of its application to the Planning Department with the Mission Rock SUD and Design Controls to the Port's Central Waterfront Advisory Group ("CWAG") prior to final approval of each vertical development application; and

WHEREAS, The Parcel Lease is a form that sets forth the terms and conditions under which vertical developers will ground lease development parcels for a term of 75 years, and will be modified, as described in the DDA, to address circumstances unique to the development parcels; and

WHEREAS, The Project has been planned and designed, in consultation with the California State Lands Commission ("State Lands") and in accordance with Senate Bill 815 ("SB 815") (stats. 2007, ch. 660), as modified by Assembly Bill 2797 ("AB 2797") (stats 2016, ch. 529), to produce multiple public trust benefits; and

WHEREAS, After completion of a Public Trust Study that is approved by State Lands, SB 815 and AB 2797 authorize the Port to lease all or any portion of the Site free from the public trust use requirements for a term not to exceed 75 years from the initial occupancy date of the improvements developed on the parcel, but not beyond December 31, 2105; and

WHEREAS, Developer and Port staff have completed the Public Trust Study that describes the proposed uses in the Project and demonstrates their value to the public trust, and a copy of the Public Trust Study is on file with the Port Commission Secretary; and

WHEREAS, On October 5, 2017, the Planning Commission (1) reviewed and considered the Final Environmental Impact Report for the Seawall Lot 337 and Pier 48 Mixed-Use Project ("FEIR") (Case No. 2013-0208E); (2) found the FEIR to be adequate, accurate and objective, thus reflecting the independent analysis and judgment of the Planning Department and the Planning Commission; and (3) by Motion No. 20017, certified the FEIR as accurate, complete and in compliance with the California Environmental Quality Act ("CEQA"), the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, At the same hearing, the Planning Commission approved the Project and in so doing, adopted findings under CEQA by Motion No. 20018, including a Statement of Overriding Considerations (the "Mission Rock CEQA Findings"), and adopted a Mitigation Monitoring and Reporting Program ("MMRP"). A copy of the Planning Commission Motions, the Mission Rock CEQA Findings, and the MMRP are on file with the Port Commission Secretary and may be found in the records of the Planning Department at 1650 Mission Street, San Francisco, CA, and are incorporated in this resolution by reference as if fully set forth herein; and

WHEREAS, The Port Commission has reviewed the FEIR, the MMRP and the CEQA Findings, and finds that the approvals before the Port Commission are within the scope of the FEIR and that no substantial changes in the Project or the circumstances surrounding the Project have occurred and no new information that could not have been known previously showing new significant impacts or an increase in severity in impacts has been discovered since the FEIR was certified; now, therefore be it

RESOLVED, That the Port Commission adopts the Mission Rock CEQA Findings as its own and adopts the MMRP. Where applicable, the Port Commission has imposed the measures in the MMRP as conditions in the approval documents for the Project; and be it further

RESOLVED, That the Port Commission hereby approves the Public Trust Study; and be it further

RESOLVED, That the Port Commission hereby approves the DDA and finds that the Project is consistent with and furthers the purposes of the common law public trust and the statutory trust under the Burton Act; and be it further

RESOLVED, That the Port Commission approves the development plan described in the DDA as a Development Plan under Section 4 of Proposition D; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director of the Port, or her designee, to execute the DDA, subject to Board of Supervisors' approval, and recommends to the Board of Supervisors approval of the DDA; and be it further

RESOLVED, That to the extent that implementation of the DDA involves the execution and delivery of additional agreements, notices, consents and other instruments or documents by the Port, including, without limitation, the Master Lease and instruments leasing development

parcels to vertical developers (such as the Parcel Leases and Vertical Disposition and Development Agreements) (collectively, "Subsidiary Agreements"), the Executive Director, or her designee, as she may deem necessary or appropriate in consultation with the City Attorney, is authorized to execute all such Subsidiary Agreements so long as the transactions governed by such Subsidiary Agreements are contemplated in, and comply with the terms of, the DDA, and with respect to the Master Lease, Parcel Leases and Vertical Disposition and Development Agreements, are substantially in the form of the Master Lease, Parcel Lease and Vertical Disposition and Development Agreement attached as Exhibits to the DDA; and be it further

RESOLVED, That the Port Commission authorizes and urges all officers, employees, and agents of the Port and the City to take all steps that they deem necessary or appropriate, to the extent permitted by applicable law, in order to implement the DDA in accordance with this resolution, including preparation and attachment of exhibits, execution of subsequent documents, or to otherwise effectuate the purpose and intent of this resolution and the DDA as described in the in the staff memorandum accompanying this resolution; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director of the Port, or her designee, to enter into any amendments or modifications to the DDA that the Executive Director determines, in consultation with the City Attorney, are in the best interests of the Port, do not materially decrease the benefits to or materially increase the obligations or liabilities of the Port, and are in compliance with all applicable laws.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of January 30, 2018.

Amy Quesada Digitally signed by Amy Quesada DN: cn=Amy Quesada, o=Port of San Francisco, ou=Port Executive, email=amyquesada@sfport.com, c=US Date: 2018.01.31 13:23:58 -08'00'

Secretary

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Planning Commission Resolution No. 20019

HEARING DATE: OCTOBER 5, 2017

Case No.:	**2013.0208 ENV/PCA/MAP/DVA**
Project Name:	**Mission Rock (aka Seawall Lot 337 / Pier 48)**
Existing Zoning:	Mission Bay Open Space (MB-OS); M-2 (Heavy Industrial) Zoning District; Mission Rock Height and Bulk District
Block/Lot:	8719/ 006; 9900/048
Proposed Zoning:	Mission Mixed-Use Zoning District / Mission Rock Special Use District; Mission Rock Height and Bulk District
Project Sponsor:	Port of San Francisco and SWL 337 Associates, LLC
Staff Contact:	Mat Snyder – (415) 575-6891 mathew.snyder@sfgov.org

RESOLUTION RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE AMENDMENTS TO THE PLANNING CODE TO ESTABLISH THE MISSION ROCK MIXED-USE DISTRICT, THE MISSION ROCK SPECIAL USE DISTRICT, ALONG WITH OTHER RELATED MINOR CHANGES TO ARTICLE 2 AND ARTICLE 9 OF THE PLANNING CODE; AND BY AMENDING ZONING MAP ZN 08 BY DESIGNATING ASSESSOR'S BLOCK AND LOT: 8719/ 006 AND 9900/-48 AS PART OF THE MISSION ROCK MIXED-USE DISTRICT AND BY AMENDING SPECIAL USE DISTRICT MAP SD 08 BY DESIGNATING ASSESSOR'S BLOCK AND LOTS: 8719/ 006 AND 9900/048 AS PART OF THE MISSION ROCK SPECIAL USE DISTRICT; ADOPT FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1 AND FINDINGS UNDER PLANNING CODE SECTION 302, AND INCORPORATING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, on September 5, 2017, Mayor Edwin Lee and Supervisor Jane Kim introduced an ordinance (Board File 170940) for Planning Code Text Amendments to establish the Mission Rock Mixed-Use District and the Mission Rock Special Use District (herein "SUD"), and for Planning Code Map Amendments by amending Zoning Map ZN08 by designating Assessor's Block and Lot: 8719/006 as part of the Mission Rock Mixed-Use District and by amending Special Use District Map SD08 by designating assessor's block and lots: 8719/ 006 and 9900/048 to the Mission Rock SUD.

WHEREAS, pursuant to Planning Code Section 302(b), on September 5, 2017, the San Francisco Board of Supervisors initiated these Planning Code Text and Map Amendments.

WHEREAS, these Planning Code Text and Map Amendments would enable the Project. The Project includes new market-rate and affordable residential uses, commercial uses, retail, light industrial uses, parking, shoreline improvements, infrastructure development and street improvements, and public open space. Depending on the uses proposed, the Project would include approximately 1.1. to 1.6 million gross square feet (gsf) of residential uses (estimated as between 1,000 to 1,600 residential units) (of which 40% will be below market rate), approximately 972,000 to 1.4 million gsf of commercial-office uses, and a maximum of approximately 245,000 gsf of retail uses. The Project also includes construction of transportation and circulation improvements, new and upgraded utilities and infrastructure, geotechnical

and shoreline improvements, up to 3,000 off-street parking spaces in one or two new garages and 100 spaces elsewhere throughout the site. The Project is more comprehensively described in the Seawall Lot 337 and Pier 48 Mixed-Use Project Draft EIR.

WHEREAS, the Project would construct new buildings that would range in height from 90 to 240 feet, as is consistent with Proposition D which was passed by the voters of San Francisco in November 2015.

WHEREAS, these Planning Code Text Amendments would establish the Mission Rock Mixed Use District and Mission Rock SUD, which would outline the land use controls for the Project site.

WHEREAS, these Planning Code Map Amendments would designate the newly created Mission Rock Mixed-Use District and the Mission Rock Special Use District to the Project Site; the newly created SUD outline the land use controls for the Project site.

WHEREAS, this Resolution approving these Planning Code Text and Map Amendments is a companion to other legislative approvals relating to the Project, including approval of the Mission Rock Design Controls document, and recommendation for approval of the Development Agreement.

WHEREAS, as part of the implementation of the Project, the Office of Community Investment and Infrastructure (OCII) will consider removing certain property identified as Mission Bay Parcel P20 (a 0.3-acre, approximately 20-foot-wide strip of land adjacent to the south side of Seawall Lot 337, along the north side of Mission Rock Street) from the Mission Bay South Redevelopment Plan, and such removal would be part of the Project implementation as described in the Development Agreement. Parcel P20 is currently subject to the Mission Bay South Redevelopment Plan and is designated in that plan as a small open-space buffer. When it adopted AB 2797, the state legislature recognized the need to remove P20 from the Redevelopment Plan, on the basis that "the revitalization of Seawall Lot 337 . . . is of particular importance to the state." As such, AB 2797 calls for the amendment of the Redevelopment Plan to remove P20 without State-level review under Health & Safety Code Sections 34163(c)-(f) and 34164(a) and (b).

WHEREAS, on October 5, 2017, the Planning Commission reviewed and considered the Final EIR for the Mission Rock Project ("FEIR") and found the FEIR to be adequate, accurate and objective, thus reflecting the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR, and certified the FEIR for the Project in compliance with the California Environmental Quality Act ("CEQA"), the CEQA Guidelines and Chapter 31 by Motion No. 20017.

WHEREAS, on October 5, the Commission by Motion No. 20018 approved CEQA Findings, including adoption of a Mitigation Monitoring and Reporting Program (MMRP), under Case No. 2013.0208ENV, for approval of the Project, which findings and MMRP are incorporated by reference as though fully set forth herein.

WHEREAS, on October 5, 2017, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on the proposed Planning Code Text and Map Amendments and has considered the information included in the File for these Amendments, the staff reports and presentations, public testimony and written comments, as well as the information provided about the Project from other City departments.

WHEREAS, a draft ordinance, substantially in the form attached hereto as Exhibit A, approved as to form, including those minor changes to Exhibit A as provided by staff on September 28, 2017, would

establish the Mission Rock Mixed Use District, Mission Rock SUD, and make other related Planning Code Text and Map amendments.

NOW THEREFORE BE IT RESOLVED, that the Planning Commission hereby finds that the Planning Code Text Amendments and Zoning Map Amendments promote the public welfare, convenience and necessity for the following reasons:

1. The Amendments would help implement the Mission Rock Mixed-Use Project development, thereby evolving currently under-utilized surface parking lot for needed housing, commercial space, and parks and open space.
2. The Amendments would help implement the Mission Rock Mixed-Use Project, which in turn will provide employment opportunities for local residents during construction and post-occupancy, as well as community facilities and parks for new and existing residents.
3. The Amendments would help implement the Mission Rock Mixed-Use Project by enabling the creation of a mixed-use and sustainable neighborhood, with fully rebuilt infrastructure. The new neighborhood would improve the site's multi-modal connectivity to and integration with the surrounding City fabric, and connect existing neighborhoods to the City's waterfront.
4. The Amendments would enable the construction of a new vibrant, safe, and connected neighborhood, including new parks and open spaces. The Amendments would help ensure a vibrant neighborhood with active streets and open spaces, high quality and well-designed buildings, and thoughtful relationships between buildings and the public realm, including the waterfront.
5. The Amendments would enable construction of new housing, including new on-site affordable housing, and new retail and manufacturing uses. These new uses would create a new mixed-use neighborhood that would strengthen and complement nearby neighborhoods.
6. The Amendments would facilitate the preservation and rehabilitation of Pier 48 - an important historic resource listed in the National Register of Historic Places.

AND BE IT FURTHER RESOLVED, that the Planning Commission finds the Planning Code Text and Map Amendments are in general conformity with the General Plan and Planning Code Section 101.1 as set forth below.

AND BE IT FURTHER RESOLVED, that the Planning Commission finds the Project and its approvals associated therein, including the amendment to the Mission Bay South Redevelopment Plan to remove Parcel P20 from that Plan, all as more particularly described in Exhibits B and C to the Development Agreement on file with the Planning Department in Case No. 2013.0208DVA, are on balance consistent with the Objectives and Policies of the General Plan, as described herein as follows:

HOUSING ELEMENT

OBJECTIVE 1
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

POLICY 1.1
Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

POLICY 1.8
Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

POLICY 1.10
Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Project is a mixed-use development with approximately 1.1 to 1.6 million gsf of residential uses (estimated at between 1,100 and 1,600 dwelling units) at full project build-out, which will provide a wide range of housing options. As detailed in the Development Agreement, the Project substantially exceeds the inclusionary affordable housing requirements of the Planning Code, through a partnership between the developer and the City to reach a 40% affordable level.

OBJECTIVE 11
SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

POLICY 11.1
Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

POLICY 11.2
Ensure implementation of accepted design standards in project approvals.

POLICY 11.7
Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

The Project, as described in the Development Agreement and controlled in the Design Controls (DC), includes a program of substantial community benefits and detailed plans designed to create a vibrant new mixed-use amenity-rich neighborhood at the location of an existing surface parking lot. The new neighborhood will feature small blocks and well-articulated buildings with a human scale modeled off of features characteristic of San Francisco neighborhoods. Through the standards and guidelines in the DC and through the Development Agreement (DA), the Project Sponsor has committed to the rehabilitation of Pier 48 pursuant to the Secretary of Interior Standards.

OBJECTIVE 12
BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

POLICY 12.1
Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

POLICY 12.2
Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

The Project appropriately balances housing with new and improved infrastructure and related public benefits.

The project site is located proximate to both major regional and local public transit, including Muni Metro and Caltrain. The Project includes incentives for the use of transit, walking and bicycling through its TDM program. In addition, the Project's streetscape design would enhance vehicular, bicycle and pedestrian access and connectivity through the site. Therefore, new residential and commercial buildings constructed as part of the Project would rely on transit use and environmentally sustainable patterns of movement.

The Project will provide over eight acres of new open space for a variety of activities, including an expanded China Basin Park, a central town square-like space, a waterfront wharf, and other small plazas and pedestrian connections throughout.

The Project includes substantial contributions related to quality of life elements such as open space, affordable housing, transportation improvements, childcare, public art, workforce development, youth development, and historic preservation.

<u>COMMERCE AND INDUSTRY ELEMENT</u>

OBJECTIVE 1
MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

POLICY 1.1
Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

The Project is intended to provide a distinct mixed-use development with residential, office, retail, cultural, and open space uses. The Project would leverage the Project site's location on the waterfront and close proximity to major regional and local public transit by building a dense mixed-use development that allows people to work and live close to transit. The Project would incorporate varying heights, massing and scale, maintaining a strong human-scaled streetwall along streets, and focused attention around public open spaces. The Project would create a balanced commercial center with a continuum of floorplate sizes for a range of users, substantial new on-site open space, and sufficient density to support and activate the new active ground floor uses and open space in the Project.

The Project would help meet the job creation goals established in the City's Economic Development Strategy by generating new employment opportunities and stimulating job creation across all sectors. The Project would also construct high-quality housing with sufficient density to contribute to 24-hour activity on the Project site, while offering a mix of unit types, sizes, and levels of affordability to accommodate a range of potential residents. The Project would facilitate a vibrant, interactive ground plane for Project and neighborhood residents, commercial users, and the public, with public spaces that could accommodate a variety of events and programs, and adjacent ground floor building spaces that include elements such as transparent building frontages and large, direct access points to maximize circulation between, and cross-activation of, interior and exterior spaces.

OBJECTIVE 2
MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

POLICY 2.1
Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

See above (Commerce and Industry Element Objective 1 and Policy 1.1) which explain the Project's contribution to the City's overall economic vitality.

OBJECTIVE 3
PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

POLICY 3.2
Promote measures designed to increase the number of San Francisco jobs held by San Francisco residents.

The Project would help meet the job creation goals established in the City's Economic Development Strategy by generating new employment opportunities and stimulating job creation across all sectors. The Project will provide expanded employment opportunities for City residents at all employment levels, both during and after construction. The Development Agreement, as part of the extensive community benefit programs, includes a Workforce Development Plan, including a local hire participation level of 30% per trade. Vertical developers will contribute $1,000,000 to OEWD in 11 parcel-by-parcel installments. Half of the funds will support community-based organizations that provide barrier removal services and job readiness training for individuals within at-risk populations, and half will support city programs that provide job training for local residents.

OBJECTIVE 6
MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

POLICY 6.1 *Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.*

POLICY 6.2
Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society

POLICY 6.4
Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and personal services are accessible to all residents.

POLICY 6.5
Discourage the creation of major new commercial areas except in conjunction with new supportive residential development and transportation capacity.
POLICY 6.7
Promote high quality urban design on commercial streets.

The Project meets and furthers the Objectives and Policies of the Commerce and Industry Element by reinforcing the typical San Francisco pattern of including resident serving uses along with mixed-use development. The Amendments will generally permit small-scale retail and community-related uses throughout the site by requiring it at key locations along China Basin Park and along the pedestrian-oriented "Shared Pubic-Way." The Project calls for neighborhood commercial and other retail be established in a pedestrian-oriented active environment typical of San Francisco neighborhoods and specifically called for in the Commerce and Industry Element. The provision of retail space will provide entrepreneurial opportunities for local residents and workers. As noted above, streets will be designed to Better Streets standards with the particular goal of assuring an active and engaging environment for pedestrians.

TRANSPORTATION ELEMENT

OBJECTIVE 2
USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

POLICY 2.1
Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development, and coordinate new facilities with public and private development.

POLICY 2.5
Provide incentives for the use of transit, carpools, vanpools, walking and bicycling and reduce the need for new or expanded automobile and automobile parking facilities.

The Project is located along Third Street and the Muni T-Line, whose service will substantially expand in the near future with the opening of the Central Subway. The Project is also in close proximity to the San Francisco Caltrain station along with other major bus lines. The Project includes a detailed TDM program, including various performance measures, physical improvements and monitoring and enforcement measures designed to create incentives for

transit and other alternative to the single occupancy vehicle for both residential and commercial buildings. In addition, the Project's design, including its streetscape elements, is intended to promote and enhance walking and bicycling.

OBJECTIVE 23
IMPROVE THE CITY'S PEDESTRIAN CIRCULATION SYSTEM TO PROVIDE FOR EFFICIENT, PLEASANT, AND SAFE MOVEMENT.

POLICY 23.1
Provide sufficient pedestrian movement space with a minimum of pedestrian congestion in accordance with a pedestrian street classification system.

POLICY 23.2
Widen sidewalks where intensive commercial, recreational, or institutional activity is present, sidewalks are congested, where sidewalks are less than adequately wide to provide appropriate pedestrian amenities, or where residential densities are high.

POLICY 23.6
Ensure convenient and safe pedestrian crossings by minimizing the distance pedestrians must walk to cross a street.

The Project will establish a new tight-knit street network on the project site, and will provide pedestrian improvements and streetscape enhancement measures as described in the DC and reflected in the mitigation measures, the Transportation Plan, and in the Development Agreement. The Project would establish two new north-south rights-of-way and three new east-west rights-of-way through the site, increasing the sites connectivity and access. All streets will be constructed to Better Street standards; the transportation network will include robust bike facilities and will improve and complete a missing link in the Bay Trail and Blue Greenway.

<u>URBAN DESIGN ELEMENT</u>

OBJECTIVE 1
EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

POLICY 1.1
Recognize and protect major views in the city, with particular attention to those of open space and water.

As explained in the DC, the Project is very carefully designed with particular emphasis on assuring a vibrant and engaging pedestrian realm. Buildings are to be scaled and shaped specific to their immediate context by assuring streetwalls are well proportioned relative to adjacent streets and open spaces. The Project's proposed tallest buildings will be sited at key locations to mark important gateway locations assuring that the buildings taken together create a dynamic skyline. The overall heights of the project are harmonious with and complementary to the overall city skyline when viewed from various distances.

POLICY 1.2
Recognize, protect and reinforce the existing street pattern, especially as it is related to topography.

POLICY 1.3
Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

POLICY 1.5
Emphasize the special nature of each district through distinctive landscaping and other features.

POLICY 1.6
Make centers of activity more prominent through design of street features and by other means.

POLICY 1.7
Recognize the natural boundaries of districts, and promote connections between districts.

POLICY 2.9
Review proposals for the giving up of street areas in terms of all the public values that streets afford.

POLICY 2.10
Permit release of street areas, where such release is warranted, only in the least extensive and least permanent manner appropriate to each case.

The Project will create a new fine-knit street network on the project site where it does not currently exist, increasing public access and circulation through the site. Buildings will be constructed between a maximum height range of 90 and 240 feet, with buildings stepping down to bases of 40 to 65 feet along streets. Building heights and urban design requirements in the DC assure that Pier 48, the site's existing historic Pier, will be respected and retain its predominance along the bayfront. The Project is envisioned as an extension and improvement to the Mission Bay neighborhood

OBJECTIVE 2
CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

POLICY 2.4
Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.

POLICY 2.5
Use care in remodeling of older buildings, in order to enhance rather than weaken the original character of such buildings.

Pier 48 will be rehabilitated to Secretary of Interior's Standards.

OBJECTIVE 3
MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

POLICY 3.3
Promote efforts to achieve high quality of design for buildings to be constructed at prominent locations.

POLICY 3.4
Promote building forms that will respect and improve the integrity of open spaces and other public areas.

POLICY 3.5
Relate the height of buildings to important attributes of the city pattern and to the height and character of existing development.

POLICY 3.7
Recognize the special urban design problems posed in development of large properties.

POLICY 3.8
Discourage accumulation and development of large properties, unless such development is carefully designed with respect to its impact upon the surrounding area and upon the city.

While large in scope, the Project will be constructed in such a way to be an integral part of the San Francisco urban fabric. Blocks are being established at smaller-than-typical sizes to assure buildings are well-scaled, and that the site in permeable and accessible to all. Buildings will be shaped to assure that their fronting streetwalls are well proportioned relative to their adjacent streets and open spaces. The tallest of the site's buildings will be placed at key gateway and central locations and well-spaced to assure they work well together in adding to the City's skyline.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 1
ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM.

POLICY 1.1
Encourage the dynamic and flexible use of existing open spaces and promote a variety of recreation and open space uses, where appropriate.

POLICY 1.7
Support public art as an essential component of open space design.

The Project would build a network of waterfront parks, playgrounds and recreational facilities on the 28-Acre Site that will greatly enhance access to and along the Bay. China Basin Park will be significantly expanded to provide a multi-use Bayfront park that provides both active and

contemplative space, while providing a space for planned community events. A central town square-like space will enable the proposed high-retail corridor to spill into open space creating an active and engaging central civic space. The Project will provide approximately eight acres of new and expanded open space for a variety of activities, including a great lawn, a small ballfield, kayak boat launches, wharf, along with small pedestrian plazas throughout. In addition, the Project would provide new private and/or common open space for the new dwelling units.

POLICY 1.12
Preserve historic and culturally significant landscapes, sites, structures, buildings and objects.

See Discussion in Urban Element Objective 2, Policy 2.4 and 2.5.

OBJECTIVE 3
IMPROVE ACCESS AND CONNECTIVITY TO OPEN SPACE.

POLICY 3.1
Creatively develop existing publicly-owned right-of-ways and streets into open space.

The Project provides approximately eight acres of new and expanded public open space and opens up new connections to the shoreline in the Mission Bay neighborhood. The Project would encourage non-automobile transportation to and from open spaces, and would ensure physical accessibility within these open spaces. The Project features robust bike facilities to both assure continuity of the Bay Trail and Blue Greenway, and improve bike access for its residents, workers, and visitors.

ENVIRONMENTAL PROTECTION ELEMENT

OBJECTIVE 1
ACHIEVE A PROPER BALANCE AMONG THE CONSERVATION, UTILIZATION, AND DEVELOPMENT OF SAN FRANCISCO'S NATURAL RESOURCES.

Policy 1.4
Assure that all new development meets strict environmental quality standards and recognizes human needs.

OBJECTIVE 15
INCREASE THE ENERGY EFFICIENCY OF TRANSPORTATION AND ENCOURAGE LAND USE PATTERNS AND METHODS OF TRANSPORTATION WHICH USE LESS ENERGY.

POLICY 15.3
Encourage an urban design pattern that will minimize travel requirements among working, shopping, recreation, school and childcare areas.

The Project is consistent with and implements the Environmental Protection Element in that it calls for mixed-use, high density, transit-friendly, sustainable development.

The Project's approvals include a Sustainability Plan, that among other things, set goals for the Project Sponsor that include sea level resilience through the year 2100, 100% operational energy from renewable sources, 100% non-potable water met with non-potable sources, and 20% single occupancy vehicle trip reduction.

PUBLIC SAFETY ELEMENT

OBJECTIVE 2 REDUCE STRUCTURAL AND NON-STRUCTURAL HAZARDS TO LIFE SAFETY, MINIMIZE PROPERTY DAMAGE AND RESULTING SOCIAL, CULTURAL AND ECONOMIC DISLOCATIONS RESULTING FROM FUTURE DISASTERS.

POLICY 2.1 Assure that new construction meets current structural and life safety standards.

POLICY 2.3 Consider site soils conditions when reviewing projects in areas subject to liquefaction or slope instability.

POLICY 2.9 Consider information about geologic hazards whenever City decisions that will influence land use, building density, building configurations or infrastructure are made.

POLICY 2.12 Enforce state and local codes that regulate the use, storage and transportation of hazardous materials in order to prevent, contain and effectively respond to accidental releases.

The Project is consistent with and implements the Community Safety Element. All improvements, including infrastructure, buildings and open space improvements will be constructed to local seismic standards, taking into account, among other considerations, the geological condition of the soil.

AIR QUALITY ELEMENT

OBJECTIVE 3 DECREASE THE AIR QUALITY IMPACTS OF DEVELOPMENT BY COORDINATION OF LAND USE AND TRANSPORTATION DECISIONS.

POLICY 3.1 Take advantage of the high density development in San Francisco to improve the transit infrastructure and also encourage high density and compact development where an extensive transportation infrastructure exists.

POLICY 3.2 Encourage mixed land use development near transit lines and provide retail and other types of service oriented uses within walking distance to minimize automobile dependent development.

POLICY 3.6 Link land use decision making policies to the availability of transit and consider the impacts of these policies on the local and regional transportation system.

POLICY 3.9 Encourage and require planting of trees in conjunction with new development to enhance pedestrian environment and select species of trees that optimize achievement of air quality goals

OBJECTIVE 6 LINK THE POSITIVE EFFECTS OF ENERGY CONSERVATION AND WASTE MANAGEMENT TO EMISSION REDUCTIONS.

POLICY 6.2 Encourage recycling to reduce emissions from manufacturing of new materials in San Francisco and the region.

The Project is consistent with and implements the Air Quality Element in that it calls for mixed-use, high density, sustainable development that will enable efficient use of land and encourage travel by transit, bicycle and by foot, thereby reducing auto use. The Sustainability Plan and TDM Plan governing development of the Project mandate a 20% single occupancy vehicle trip reduction.

AND BE IT FURTHER RESOLVED, that the Planning Commission finds the Project and its approvals associated therein, all as more particularly described in Exhibits B and C to the Development Agreement on file with the Planning Department in Case No. 2013.0208DVA, are in general conformity with the Planning Code Section 101.1 priority policies, as follows:

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

   The Project will preserve and enhance existing neighborhood serving retail uses. The Project includes adding roughly 245,000 square feet of new retail uses, that will be focused along a central pedestrian "Shared Public Way" and fronting the site's major parks. The project does not include the removal of any existing neighborhood serving retail.

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

   The Project accommodates new development on land currently a surface parking lot. It would not accommodate removing or changing the character of existing residential neighborhoods. The Project includes a robust affordable housing program setting aside 40-percent of the on-site housing for below-market-rate units. The Project lays out requirements to assure the new development has characteristics of mixed-use neighborhoods throughout San Francisco, including but not limited to a fine-grained system of streets, well-modulated buildings with active frontages, and the ability to establish diverse retail and community uses where nothing exists today.

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

   The Project calls for development that would have a positive effect on the City's affordable housing stock. The Project would accommodate up to 1.6 million gsf of new residential units (estimated at 1,600 new units), of which 40-percent will be designated as Below-Market Rate. There is no housing on the site today; the Project would not accommodate the removal of any existing dwelling units.

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

The Project anticipates substantial new transit service improvements along Third Street with the opening of the Central Subway in 2019, as well as substantial improvement to nearby Caltrain service through the ongoing electrification project. Streets have been designed to emphasize travel by bicycle or by foot. On-street parking is generally not proposed thereby allowing more street space to be designated for bicyclists, pedestrians, and those arriving by transit, or taxi/TNCs, as well as for deliveries. While a large centralized parking facility (up to 3,000 spaces in one or two centralized garages) is proposed, the total number of spaces site-wide would not represent a substantial net gain of spaces for the site overall from existing conditions. At present, approximately 2,900 parking spaces are on the site between Lot A and Pier 48. Only 100 parking spaces are allowed elsewhere on the site in addition to the centralized garages.

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

The Project would not adversely affect the industrial sector or service sectors. No such uses would be displaced by the Project. The Project includes the rehabilitation of Pier 48, which will provide about 250,000 gsf of new or improved space for production uses. Additional small production spaces would also be required along Terry Francois Boulevard, providing industrial space where none exists today.

6. That the City achieves the greatest possible preparedness to protect against injury and loss of life in an earthquake.

All new construction would be subject to the City's Building Code, Fire Code and other applicable safety standards. Thus, the Project would improve preparedness against injury and loss of life in an earthquake by prompting development that would comply with applicable safety standards.

7. That landmarks and historic buildings be preserved.

Pier 48 would be rehabilitated pursuant to the Secretary of Interior's Standards.

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

The Project would not significantly adversely affect existing open spaces or their access to sunlight and vistas. The Project includes a robust parks and open space program including the substantial expansion of China Basin Park and the establishment of two new additional parks and

other pedestrian plazas throughout. The Project includes a fine-grained network of new streets thereby assuring the site permeability and access through it.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on Thursday, October 5, 2017.

Jonas P. Ionin

Commission Secretary

AYES: Hillis, Richards, Fong, Johnson, Koppel, Melgar, Moore

NAYS: None

ABSENT: None

ADOPTED: October 5, 2017

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- [x] 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- [ ] 2. Request for next printed agenda Without Reference to Committee.
- [x] 3. Request for hearing on a subject matter at Committee.
- [ ] 4. Request for letter beginning :"Supervisor _____ inquiries"
- [ ] 5. City Attorney Request.
- [ ] 6. Call File No. _____ from Committee.
- [ ] 7. Budget Analyst request (attached written motion).
- [x] 8. Substitute Legislation File No. _____
- [ ] 9. Reactivate File No. 180092
- [ ] 10. Question(s) submitted for Mayoral Appearance before the BOS on _____

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- [ ] Small Business Commission
- [ ] Youth Commission
- [ ] Ethics Commission
- [ ] Planning Commission
- [ ] Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

~~Clerk of the Board~~ Breed, Kim

Subject:

Disposition and Development Agreement - Seawall lot 337 Associates LLC - Mission Rock project

The text is listed:

Signature of Sponsoring Supervisor: London Breed

For Clerk's Use Only