RECORDING REQUESTED BY, AND WHEN RECORDED RETUR	N TO:
Attn:	
Lot: Block:	(Space above this line reserved for Recorder's use only)

The undersigned declares this instrument to be exempt from recording fees (Govt. Code § 27383) and Documentary Transfer Tax (Rev. & Tax. Code § 11922).

# QUITCLAIM DEED AND RESERVATION OF EASEMENT

(Blythdale Avenue)

THE CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), is executing this Quitclaim Deed and Reservation of Easement (this "Deed") as of \_\_\_\_\_\_\_, 2019, on the basis of the following facts, intentions and understandings:

- A. Pursuant to that certain Ordinance No. 22-19, adopted by the San Francisco Board of Supervisors on January 20, 2019 and approved by the Mayor on February 15, 2019 (the "**Ordinance**"), a copy of which was recorded on February 22, 2019 as Document No. 2019-K733294-00 in the Official Records of the City and County of San Francisco, the City conditionally approved vacating Blythdale Avenue in San Francisco, which is legally described and depicted on **Exhibit A** (the "**Vacation Area**"), to permit the development of Sunnydale HOPE SF Project (the "**Project**"), as more particularly described in the Ordinance.
- B. The Housing Authority of the City and County of San Francisco ("SFHA") owns that certain real property described as Lot 1, Lot 2, Lot B, and Lot D on the Final Map (to be recorded contemporaneously with this Deed) attached hereto as **Exhibit B** (the "SFHA **Property**"), excluding the Vacation Area. SFHA intends to enter into a short-term ground lease (the "Ground Lease") with Sunnydale Infrastructure, LLC, a California limited liability company (the "Developer"), which is an affiliate of the Master Developer (as defined below), who will be solely responsible for the construction and development of infrastructure improvements and other City requirements in connection with the tentative subdivision map, "Tentative Subdivision Map 9537", approved by the City's Director of the Department of Public Works, subject to certain requirements and conditions required for the "proposed Final Map No. 9537.

- C. In connection with the Project, the City entered into a Development Agreement ("**DA**") with SFHA and Sunnydale Development Co. LLC (the "**Master Developer**"), by Ordinance 18-17, and the Master Development Agreement with SFHA and the Master Developer, by Resolution 20-17; both the DA and the MDA were approved by SFHA's Board of Commissioners by Resolution 0093-16.
- D. In connection with City vacating the Vacation Area, City desires to reserve for itself an easement for the operation, maintenance, repair, and removal of existing City-owned utilities within the area described and depicted on **Exhibit C** (the "**Easement Area**"), all on the terms and conditions set forth below.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which is hereby acknowledged, City and agrees as follows:

- 1. **Quitclaim**. Subject to the reservation in Section 2 below, City hereby RELEASES, REMISES, AND QUITCLAIMS to SFHA all right, title, and interest City may have in and to the Vacation Area.
- 2. Reservation of Sewer Easement. City hereby reserves to itself a perpetual nonexclusive easement (the "Easement") over, across and under the Easement Area for (i) the operation, maintenance, repair, inspection, removal, and replacement of the Facilities (as defined below) and (ii) the right of access over, across or under (including via surface entry) the Easement Area for all such purposes. The Easement also includes the right to trim and cut trees and vegetation, if any, that may be a hazard to the Facilities and the right to do such other things as are necessary for the full enjoyment and accomplishment of the purposes of the Easement. City's rights with respect to the Easement may be exercised by City's agents, contractors, subcontractors, suppliers, consultants, employees, or representatives, or by other authorized persons acting for or on behalf of City. "Facilities" means, collectively, any existing Cityowned water, sewer, power, and communication facilities and all accessories and appurtenances thereto, including without limitation, hatches, hatch covers, fittings, air valves, braces, connections, fastenings, conduits, conductors, streetlights, and other utility facilities and appurtenances.
- 3. <u>Maintenance, Repair and Operation</u>. City will, at its sole expense, maintain and repair the Facilities in a reasonably safe and good condition and repair.
- 4. <u>Developer's Obligations</u>. SFHA will transfer Developer's obligations, as stated in this Deed, to all future users of the Vacation Area so long as the Easement is in effect.
- 5. Restrictions on Surface Use. The Easement Area is located on land that will be improved with buildings and infrastructure constructed for the Project and accordingly construction of the Project will require disturbance of the Easement Area, including excavation of and construction of improvements within and around the Easement Area ("Project Work"). All Project Work will be subject to building and street improvements permits issued by City. Prior to the issuance of any building and street improvement permits, the Developer will provide City with copies of all plans and specifications for City's review and approval, which approval

will not be unreasonably withheld. Except as required to complete the Project Work, as approved by City, the Developer's use of the Easement Area will be subject to the following covenants and conditions:

- (a) Developer will not cause or allow Developer's agents, employees, consultants or contractors to excavate, unless contemplated by the City's approval described above.
- (b) The "axle loading" of vehicles and equipment operating on the roadway within ten (10) feet of the new pipe centerline must not exceed that allowed for "AASHTO Standard H-20 Loading." If Developer proposes to use or allow any vehicle or equipment with axle loading exceeding the H-20 specifications, Developer will submit to City for review and approval an engineering calculation prepared by a civil engineer registered in the State of California showing that City's Facilities will not be adversely affected. Developer will be responsible for providing City with adequate evidence that Developer's equipment and vehicles meet the foregoing requirements.
- (c) Developer will not engage in any construction activities that could cause deep vibrations to the Facilities (a "**DV Activity**") without City's prior written consent. A DV Activity includes sheet or pile driving, but does not include use of typical hand-operated backfill compaction tools, such as wackers.
- (d) Developer will not cause or allow any trees to be planted or cultivated or any structures of any kind to be constructed, placed or maintained on, under, over, along, within or across the Easement Area.
- (e) No excavation, grading or installation of improvements may occur on the Easement Area, unless contemplated by the City approval described above.
- (f) For so long as the Easement remains in effect, Developer will keep the Easement Area open and free from structures of any kind that may damage or interfere with the proper use, function, maintenance, repair, or replacement of the Facilities or City's rights under this Deed.
- (g) If the surface is disturbed by City's use of the Easement, City will restore the surface to Base Conditions or the cost equivalent. "Base Conditions" is defined as three inch (3") thick asphalt concrete over eight inch (8") thick Portland cement concrete, for paved easements, and native backfill for unpaved easements. Special finishes, structures and surface improvements (including irrigation lines) removed or damaged in connection with City's activities performed in accordance with the terms of this Easement will not be replaced by City. City will not be held liable for any damage to plants or any other surface improvement aside from Base Conditions or the cost equivalent in the Easement Area that may occur as a result of the City's activities performed in accordance with the terms of this Easement.
- 6. <u>Indemnification</u>. City will indemnify, defend (with counsel reasonably approved by SFHA and SFHA's agents), and hold SFHA harmless from and against any cost, expense, liability, damage or injury to property or persons to the extent caused by City's active negligence or willful misconduct (or that of City's agents) in the exercise of the rights reserved by City

under this Deed. Notwithstanding anything herein to the contrary, this Section will survive the expiration and termination of this Easement.

- 7. Nonexclusive Easement. The Easement is nonexclusive, and SFHA may convey additional easements and install additional subsurface utility lines within the Easement Area provided that such additional easements and lines do not materially interfere with the Facilities and the Easement, and provided further that any additional subsurface utility lines in the Easement Area will meet City's standards for separation of utilities.
- 8. Abandonment; Quitclaim. City may abandon all or part of the Easement by recording a quitclaim deed in the form attached hereto as **Exhibit D**. In addition, immediately following acceptance by the City of replacement facilities for any portion of the Facilities, which replacement facilities may be located outside of the Easement Area, or earlier at the discretion of the City's Public Works Director in accordance with the Ordinance, City will record a quitclaim deed in the form attached as **Exhibit D** with respect to the portion of the Easement Area in which the replaced Facilities are located. For the sake of clarity, as contemplated by the Ordinance, to permit the development of the first phase of the Project, City intends to quitclaim that portion of the Easement Area depicted and described on **Exhibit E** attached hereto in the timeframe provided in the preceding sentence. Upon recording any quitclaim deeds pursuant to this Section, the affected Easement Area and all rights, duties and liabilities hereunder with respect to such Easement Area will be terminated and of no further force or effect. No temporary nonuse of the Easement Area or other conduct, except for recordation of the quitclaim deed as provided in this paragraph, will be deemed abandonment of the Easement.
- 9. <u>Covenants Run with the Land</u>. The provisions of this Deed will run with the land, burden the Easement Area, and bind and inure to the benefit of the respective successors of City and the owner of the SFHA Property.
- 10. No Acceptance of Infrastructure Improvements. The provisions of this Deed will not be construed as acceptance of any infrastructure improvements by City.
- 11. <u>Third Party Beneficiaries</u>. This Deed and the provisions hereof are made for the express benefit of the Developer and its tenants and such persons will have the right to enforce the terms of this Deed against City.
- 12. **SFHA Obligations**. The parties do not anticipate any use of the Vacation Area by SFHA. However, should SFHA's negligence or willful misconduct damage or interfere with the Facilities, SFHA will be responsible to repair the damage or resolve the interference.
- 13. <u>HUD Requirements</u>. The Parties acknowledge and agree that this Deed is subject to the review and approval of the United States Department of Housing and Urban Development ("HUD").
- (a) <u>Conflict Clause</u>. To the extent that any of the foregoing is in conflict with the requirements of the United States Housing Act of 1937 ("1937 Act"), as amended, federal regulations, and the Annual Contributions Contract ("ACC"), as amended, and other HUD requirements, the HUD requirements shall control and govern in such instances of conflict.

- (b) Indemnification Clause. It is acknowledged and agreed that SFHA has no authority to provide guarantees, indemnifications, rights of set off, or other pledges involving the assets of any Public Housing Project (as the term 'Project' is defined in the ACC between SFHA and HUD (the "Public Housing Project") or other assets of SFHA, including and Housing Choice Voucher ("HCV") related assets of SFHA. Accordingly, except as approved by HUD in writing, it is acknowledged that there is no legal right of recourse against: (1) any Public Housing Project of SFHA; (2) any operating receipts (as the term "operating receipts" is defined in ACC), HCV receipts or Capital or Operating Funds of SFHA; (3) any public housing operating reserve of SFHA reflected SFHA's annual operating budget and required under the ACC, or (4) any other asset of SFHA related to the 1937 Act. Should any assets of SFHA be identified at a later date as meeting the criteria set forth above, any guarantees, indemnifications, right of set off, or other pledges involving those assets will be deemed null, void, and unenforceable.
- (c) <u>Termination Clause</u>. If HUD approves the termination of the ACC at the public housing project and/or release of the DOT/DORC (e.g., through a disposition under Section 18 of the 1937 Act, the Rental Assistance Demonstration (RAD) program or any other removal action of the SAC), SFHA may terminate this Deed. In addition, if HUD determines that this Deed does not comply with federal public housing requirements, SFHA may terminate the Deed.
- (d) <u>HUD is not a Guarantor</u>. HUD is not a Guarantor of SFHA and is not liable for the actions of SFHA under this Deed.
- (e) <u>No Assignment Rights or Rights of Mortgage or Security Interests</u>. This Deed does not include any assignment rights or rights of mortgage or security interests unless HUD approval under section 30 of the 1937 Act has been obtained.
- 14. Attorneys' Fees. In the event any action is brought by any person to enforce this Deed, obligations hereunder or any indemnity rights herein contained, or to seek a clarification of the terms herein contained, or for the breach of any of the terms, covenants or conditions contained in this Deed, including any action or proceeding in a bankruptcy case, the prevailing party will be entitled to recover from the non-prevailing party reasonable attorneys' fees and costs, which will include fees and costs of any appeal, all as fixed by the court.
- 15. **Exhibits.** The exhibits attached to and referenced in this Deed are incorporated into and made a part of this Deed.
- 16. <u>Miscellaneous</u>. This Deed will be recorded in the Official Records of the City and County of San Francisco, California (the "Official Records"). City will take such additional actions and to execute such additional documents as may be necessary or proper to carry out the transactions contemplated by this Deed and effect the purposes of this Deed. Except as otherwise provided herein, this Deed may be amended at any time only by the recordation of a written instrument among the Official Records signed by City and consented to by SFHA or their respective successors or assignees. This Deed will be governed by and construed in accordance with the laws of the State of California. If any provision of this Deed is or becomes invalid, illegal, or unenforceable, it will not affect or impair the validity, legality, or enforceability of any

other provision of this Deed, and there will be substituted for the affected provision a valid and enforceable provision as similar as possible to the affected provision. The recitals set forth above are made a part of this Deed. Each writing or plat referred to herein as being attached hereto as an exhibit or otherwise designated herein as an exhibit hereto is hereby made a part hereof. Except as set forth in Section 8 with respect to SFHA and its tenants, neither the declaration and reservation of any easement nor the use and enjoyment pursuant to the provisions of this Deed, will be deemed in any way to create or confer in or on any other person, any member of the public, or any public authority any right to use or enjoy the same, or any estate therein.

(Signature Page Follows)

**IN WITNESS WHEREOF**, the undersigned has executed this Deed as of the date first above written.

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By:

Andrico Q. Penick
Director of Property

APPROVED AS TO FORM

DENNIS J. HERRERA City Attorney of San Francisco

By:

Heidi Gewertz

Deputy City Attorney

### CERTIFICATE OF ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Californi	a				
County of		<del></del>			
On	, 20 be	efore me,			
On Notary Public, pe who proved to me	rsonally appeared	d b			,
who proved to me subscribed to the in his/her/their au the person(s), or to	within instrument thorized capacity	t and acknowle (ies), and that	edged to me that by his/her/their	at he/she/they ex r signature(s) on	tecuted the same the instrument
I certify under PE foregoing paragra		a contract of the contract of	the laws of the	State of Californ	nia that the
WITNESS my ha	nd and official se	eal.			
Signature of Nota	ry Public		·····		
(Notary Seal)					

# **CERTIFICATE OF ACCEPTANCE**(Pursuant to Government Code 27281)

This is to certify that the interest in real property conveyed by the foregoing Quitclaim Deed and Reservation of Easement (Blythdale Avenue) dated \_\_\_\_\_\_, 2019, from the HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic (the "Authority"), is hereby accepted on \_\_\_\_\_\_, 2019, by the undersigned officer or agent on behalf of the Authority pursuant to authority conferred by resolution of the Authority's Board of Commissioners adopted on July 22,20,19 2019, and the Authority Board of Commissioners consents to the recordation of said document in the Office of the Recorder of City and County of San Francisco, State of California.

HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body corporate and politic

By:

Barbara T. Smith

Acting Executive Director

Dated: <u>Sept. 12</u>, 2019

\*

APPROVED AS TO FORM AND LEGALITY:

By:

Dianne Jackson McLean

Goldfarb & Lipman LLP

Special Legal Counsel to Authority

### CERTIFICATE OF ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California		
County of San Francisco		
On	e person(s) whose at he/she/they ex r signature(s) on	se name(s) is/are secuted the same the instrument
I certify under PENALTY OF PERJURY under the laws of the foregoing paragraph is true and correct.	State of Californ	nia that the
WITNESS my hand and official seal.		
Egy		
Signature of Notary Public		

# EXHIBIT A

## DESCRIPTION AND DEPICTION OF THE VACATION AREA

(See attached)

#### LEGAL DESCRIPTION

#### BLYTHDALE AVENUE QUITCLAIM

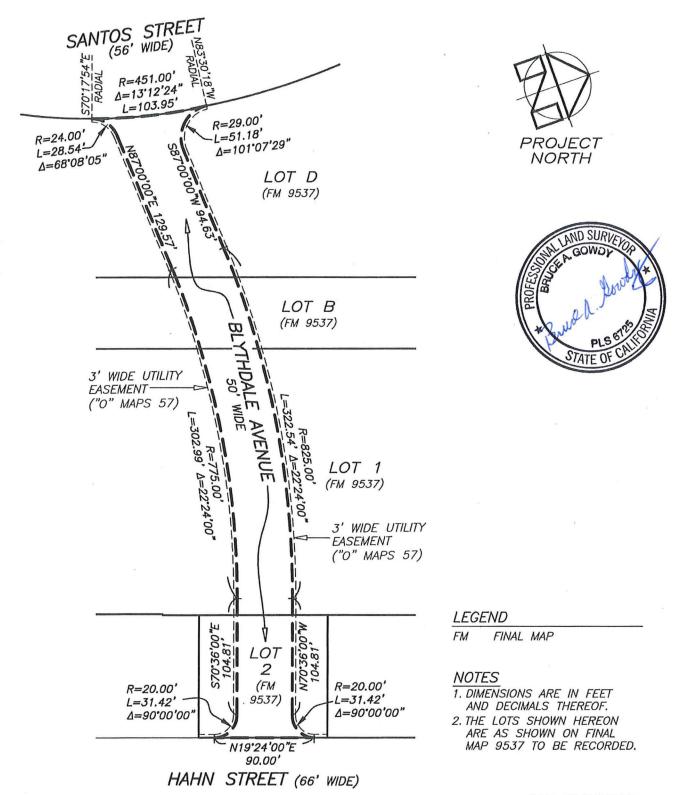
ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF BLYTHDALE AVENUE (50.00 FEET WIDE) LYING BETWEEN THE WESTERLY LINE OF HAHN STREET (66.00 FEET WIDE) AND THE EASTERLY LINE OF SANTOS STREET (56.00 FEET WIDE) AND AS SHOWN ON FINAL MAP 9537, TO BE RECORDED.

TOGETHER WITH A PORTION OF THAT CERTAIN 3 FOOT WIDE UTILITY EASEMENT SHOWN ON THAT CERTAIN MAP ENTITLED, "MAP OF SUNNYDALE LOW RENT HOUSING PROJECT, SHOWING STREET OPENING", RECORDED DECEMBER 30, 1941, IN MAP BOOK "O", PAGE 57, OFFICIAL RECORDS, THAT IS ADJACENT TO THE NORTHERLY AND SOUTHERLY RIGHT OF WAY LINES OF ABOVE SAID BLYTHDALE AVENUE AND AS SHOWN ON FINAL MAP 9537, TO BE RECORDED.



\S-8996\BLYHDALE AVE QUITCLAIM 06-14-19



BLYTHDALE AVE. QUITCLAIM

SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 7-31-19 SCALE 1"=80' SHEET 1 OF 1 JOB NO. S-8996

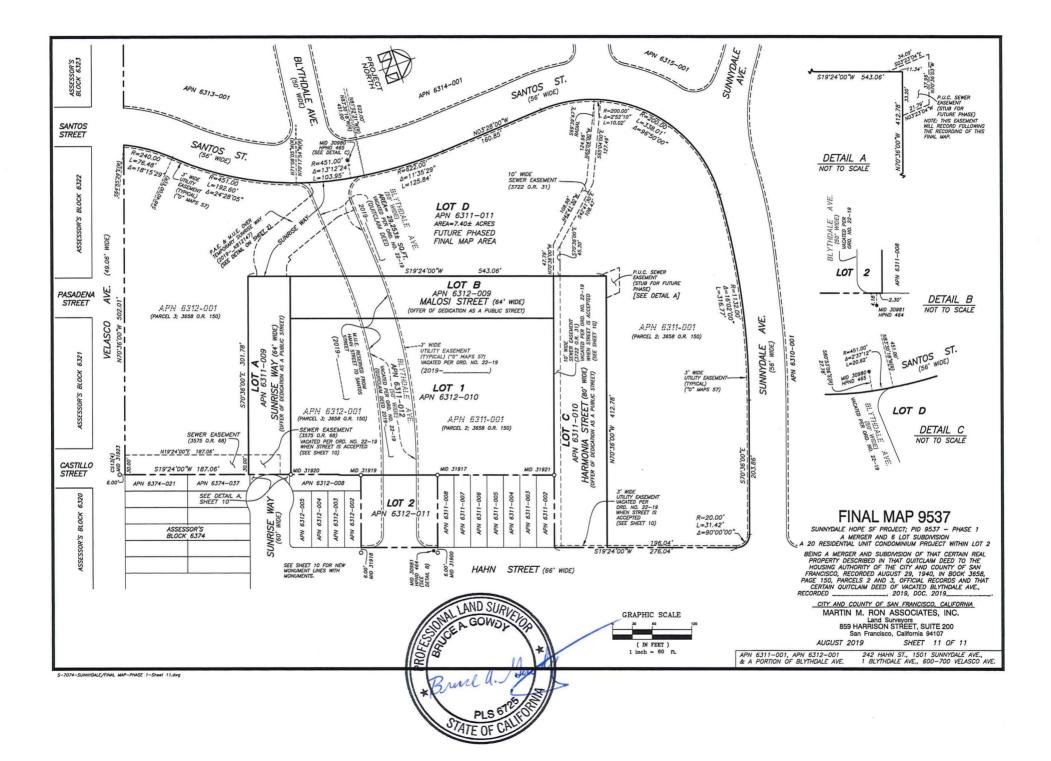
MARTIN M. RON ASSOCIATES, INC. LAND SURVEYORS

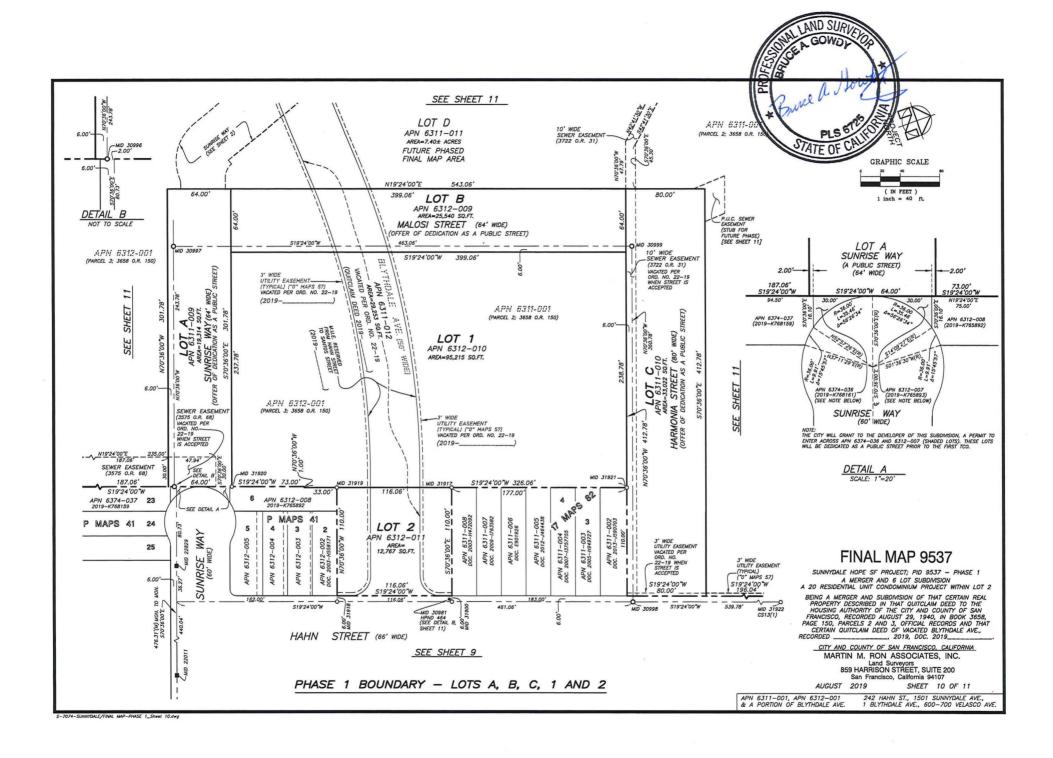
859 HARRISON STREET SAN FRANCISCO, CA. 94107 (415) 543—4500 S-8996-ESMT PLATS FOR PHASE 1.DWG

# EXHIBIT B

## SFHA PROPERTY AS SHOWN ON FINAL MAP

(See attached)





# EXHIBIT C

## DESCRIPTION AND DEPICTION OF THE EASEMENT AREA

(See attached)

#### LEGAL DESCRIPTION

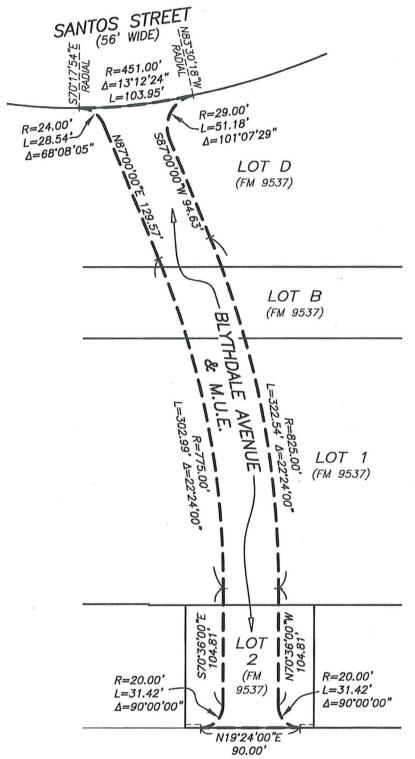
#### BLYTHDALE AVENUE MUNICIPAL UTILITY EASEMENT

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

ALL THAT PORTION OF BLYTHDALE AVENUE (50.00 FEET WIDE) LYING BETWEEN THE WESTERLY LINE OF HAHN STREET (66.00 FEET WIDE) AND THE EASTERLY LINE OF SANTOS STREET (56.00 FEET WIDE) AND AS SHOWN ON FINAL MAP 9537, TO BE RECORDED.



\S-8996\BLYHDALE AVE MUE-1 06-14-19







#### **LEGEND**

FM FINAL MAP M.U.E. MUNICIPAL UTILITY EASEMENT

#### **NOTES**

- 1. DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.
- 2. THE LOTS SHOWN HEREON ARE AS SHOWN ON FINAL MAP 9537 TO BE RECORDED.

HAHN STREET (66' WIDE)

BLYTHDALE AVE. M.U.E.

SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 7-31-19 SCALE 1"=80' SHEET 1 OF 1 JOB NO. S-8996

MARTIN M. RON ASSOCIATES, INC. LAND SURVEYORS

859 HARRISON STREET SAN FRANCISCO, CA. 94107 (415) 543-4500 S-8996-ESMT PLATS FOR PHASE 1.DWG

# EXHIBIT D

# FORM OF QUITCLAIM DEED

RECORDING REQUESTED BY, AND WHEN RECORDED RETURN TO:	
Attn:	
Lot:Block:	(Space above this line reserved for Recorder's use only)
Documentary Transfer Tax of \$ based upon full market va encumbrance	tlue of the property without deduction for any lien or
EASEMENT QU (Assessor's Parcel N	No, Block)
FOR VALUABLE CONSIDERATION, acknowledged, the CITY AND COUNTY OF S. ("City"), pursuant to that certain Ordinance No. Supervisors on January 20, 2019 and approved by which was recorded on February 22, 2019 as Do Records of the City and County of San Francisco QUITCLAIMS to THE HOUSING AUTHORIT and interest the City may have pursuant to that c Easement, dated as of, 2019, and County of San Francisco as Doc Reservation"), in and to the real property locate of California described on Annex 1 attached her by City pursuant to the 2019 Quitclaim and Reservation and Reserv	22-19, adopted by the San Francisco Board of by the Mayor on February 15, 2019, a copy of seument No. 2019-K733294-00 in the Official of hereby RELEASES, REMISES, AND TY OF SAN FRANCISCO any and all right, title ertain Quitclaim Deed and Reservation of and recorded in the Official Records of the City (the "2019 Quitclaim and d in the City and County of San Francisco, State eto, which is [a portion of] an easement reserved

(Signature Page Follows)

IN WITNESS WHEREOF, the undersigned has executed this Deed as of the date first above written. CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation By: **RECOMMENDED:** Department of Public Works By: **Public Utilities Commission** By: APPROVED AS TO FORM DENNIS J. HERRERA City Attorney of San Francisco

By:

Heidi Gewertz

Deputy City Attorney

## CERTIFICATE OF ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California County of
On
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature of Notary Public
(Notary Seal)

## ANNEX 1 TO EXHIBIT D

# LEGAL DESCRIPTION OF QUITCLAIMED PROPERTY

[to be inserted]

#### LEGAL DESCRIPTION

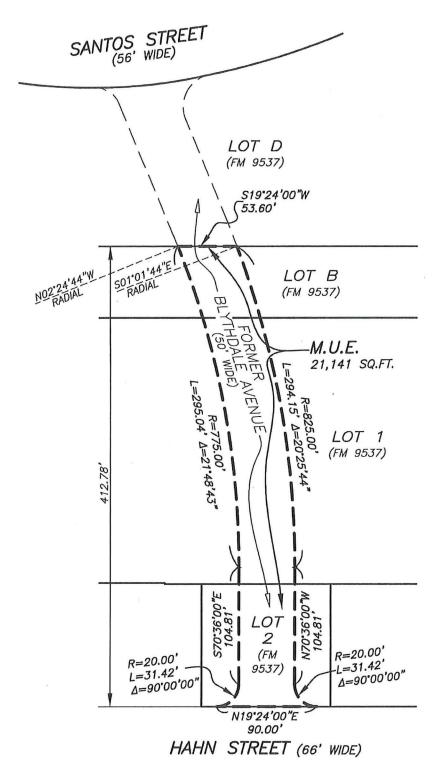
#### MUNICIPAL UTILITY EASEMENT

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

A PORTION OF BLYTHDALE AVENUE (50.00 FEET WIDE) LYING BETWEEN THE WESTERLY LINE OF HAHN STREET (66.00 FEET WIDE) AND THE WESTERLY LINE OF LOT B, AS SAID LOT IS SHOWN ON FINAL MAP 9537 (TO BE RECORDED), SAID LINE OF LOT B, BEING PARALLEL WITH AND PERPENDICULARLY DISTANT 412.78 FEET WESTERLY FROM SAID WESTERLY LINE OF HAHN STREET.



\S-8996 BLYTHDALE MUE-2 06-14-19







LEGEND

FM FINAL MAP M.U.E. MUNICIPAL UTILITY EASEMENT

#### NOTES

- 1. DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.
- 2. THE LOTS SHOWN HEREON ARE AS SHOWN ON FINAL MAP 9537 TO BE RECORDED.

MUNICIPAL UTILITY EASEMENT

SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 7-31-19 SCALE 1"=80' SHEET 1 OF 1 JOB NO. S-8996

MARTIN M. RON ASSOCIATES, INC. LAND SURVEYORS

859 HARRISON STREET SAN FRANCISCO, CA. 94107 (415) 543-4500 S-8996-ESMT PLATS FOR PHASE 1.DWG