

**FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT**

*Note: Form will be modified to reflect specific assignment and assumption agreements  
pertaining to the applicable Former Agency Properties*

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Real Estate Division  
City and County of San Francisco  
25 Van Ness Avenue, Suite 400  
San Francisco, California 94102  
Attn: Director of Property

The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt. Code §27383 and §27388.1) and Documentary Transfer Tax (CA Rev. & Tax Code §11922 and S.F. Bus. & Tax Reg. Code §1105)

APN: Block 3731, Lots 240 and 241

(Space above this line reserved for Recorder's use only)

**ASSIGNMENT AND ASSUMPTION OF PROJECT AGREEMENTS**  
**(Health Clinic Parcel and Garage Parcel)**

This Assignment and Assumption of Project Agreements (“**Agreement**”) is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2019 (the “**Effective Date**”), by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, organized and existing under the laws of the State of California (“**Successor Agency**”), as “Assignor”, and the City and County of San Francisco, a municipal corporation (the “**City**”), as “Assignee”. Together, the Assignor and the Assignee are the parties to this Agreement (the “**Parties**”).

**RECITALS**

A. In 2008, the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic, (the “**Former Agency**”) acquired the property at 227-255 7th Street located in the South of Market Redevelopment Project Area. 227-255 7th Street was developed into Westbrook Plaza, a mixed-use project containing an affordable family housing airspace parcel (the “**Affordable Housing Parcel**” on Block 3731, Lot 242), a health clinic airspace parcel (the “**Health Clinic Parcel**” on Block 3731, Lot 241), and a subsurface parking garage airspace parcel (the “**Garage Parcel**,” including underlying land, Block 3731, Lot 240). As part of the development of Westbrook Plaza (the “**Project**”), the Former Agency entered into certain agreements, as more particularly described below.

B. On October 7, 2008, the Former Agency and San Francisco Medical Center Outpatient Improvement Programs, Inc., a California nonprofit public benefit corporation, d/b/a South of Market Health Center (“**SMHC**”) or “Tenant”, entered into an unrecorded ground lease for the Health Clinic Parcel (the “**Ground Lease**”). A Memorandum of Lease was recorded in the Official Records of the City on December 23, 2008 as file I701077-00, Reel J793, Image 0181.

C. On October 7, 2008, the Former Agency provided a \$3,600,000 forgivable loan to San Francisco Medical Center Outpatient Improvement Program, Inc. for construction of the Health Clinic Parcel improvements (the “**Loan Agreement**”). The Loan Agreement requires that the Health Clinic Parcel be restricted for use as a health clinic for a minimum of forty years. The Loan Agreement identifies ancillary loan documents, including a promissory note, a deed of trust, declaration of site restrictions, and an intercreditor and subordination agreement (collectively, the “**Loan Documents**”). Together, the Loan Documents, the Ground Lease, a declaration establishing easements (“**REA**”) for the Project, and certain related recorded and unrecorded documents related to the development and operation of the Project are known as the “**Project Agreements**”, which are described in Exhibit A.

D. On February 1, 2012, California law dissolved all redevelopment agencies, including the Former Agency, pursuant to California Health and Safety Code Sections 34170 et seq. (“**Redevelopment Dissolution Law**”). By operation of law, the assets and obligations of the Former Agency were transferred to the Successor Agency. These assets and obligations included the Health Clinic Parcel, the Garage Parcel, and the Project Agreements.

E. The Board of Supervisors of the City and County of San Francisco (the “**Board of Supervisors**”) elected, under California Health and Safety Code Section 34176 (a) (1) and Resolution No. 11-12 (Jan. 26, 2012), to retain certain housing functions of the Former Agency and designated the Mayor’s Office of Housing and Community Development (“**MOHCD**”) to perform those housing functions and to accept the housing assets of the Former Agency.

F. Redevelopment Dissolution Law requires successor agencies to former redevelopment agencies to transfer, to housing successors, “housing assets,” which include any real property, interest in, or restriction on the use of real property that was acquired for low- and moderate-income housing purposes (California Health and Safety Code 34176 (e)). On February 1, 2012, the Affordable Housing Parcel was transferred pursuant to Redevelopment Dissolution Law and Board of Supervisors Resolution No. 11-12 to the City, as housing successor, acting by and through MOHCD. The Affordable Housing Parcel is leased to Mercy Housing California (“**Mercy Housing**”) and contains 48 units of affordable housing for low-income families.

G. The Successor Agency owns the Health Clinic Parcel and the Garage Parcel (the “**Property**”). The Property is described in the quitclaim deed, which transferred the Property to the City, and was recorded in the Official Records of the City and County of San Francisco on the \_\_\_\_ day of \_\_\_\_\_, 2019 as Document No. \_\_\_\_\_ (the “**Quitclaim Deed**”).

H. Redevelopment Dissolution Law requires successor agencies to former redevelopment agencies to dispose of the former agencies’ property assets under a Long-Range Property Management Plan (the “**PMP**”), pursuant to Cal. Health and Safety Code, Section 34191.5 (b). On November 23, 2015, the Oversight Board to the Successor Agency (the “**Oversight Board**”) approved, by Resolution No. 14-2015, the Successor Agency’s PMP. On December 7, 2015, the California Department of Finance approved the Oversight Board’s resolution regarding the PMP, which provides, among other things, for the transfer of the Property and all rights, titles and interests related thereto to the City as a mixed-use housing asset (Cal. Health & Safety Code Section 34176 (f)).

I. As required under Redevelopment Dissolution Law, Cal. Health & Safety Code Section 34176 (f) and the PMP, this Agreement transfers all of the Successor Agency's rights, titles, covenants, agreements, obligations, conditions, provisions, and interests in and to the Project Agreements to the City, and the City has agreed to accept and assume the same.

NOW, THEREFORE, for good and valuable consideration received, Assignor and Assignee agree as follows:

### **1. Assignment**

a. Assignor represents to Assignee, to its knowledge: (1) Assignor has delivered a true and correct copy of the Project Agreements, any and all ancillary documents, and any amendments thereto to Assignee; (2) Assignor is not aware of any defaults under the Project Agreements; and (3) Assignor is not aware of any litigation pending or threatened against the Assignor that might detrimentally affect the use of the Property as intended.

b. Assignor irrevocably grants, conveys, assigns and transfers to Assignee all of Assignor's rights, titles, covenants, agreements, obligations, conditions, provisions, and interests in and to Project Agreements, any and all ancillary documents, and any amendments thereto, arising from and after the Effective Date.

### **2. Assumption**

a. Assignee assumes all of Assignor's rights, titles, covenants, agreements, obligations, conditions, provisions, and interests in and to the Project Agreements, and any and all ancillary documents and amendments thereto, and shall indemnify, defend and hold Assignor harmless from any and all costs, liabilities, losses, damages, or expenses (including, without limitation reasonable attorneys' fees), originating on or after the Effective Date and arising out of the Assignor's obligations under the Project Agreements.

### **3. Miscellaneous**

a. This Agreement shall bind on and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors in interest and assigns.

b. This Agreement may be executed in one or more counterparts, each of which so executed shall be deemed an original, regardless of its date and/or delivery, and said counterparts, taken together, shall constitute one document.

c. The Parties hereby agree to execute such other documents and perform such other acts as may be necessary or desirable to carry out the purposes of this Agreement.

d. Following the Effective Date, the Parties shall jointly notify the Tenant that Assignee has acquired the Property and has assumed the Assignor's interest in the Project Agreements. Notice to the Tenant shall be delivered to the following address:

South of Market Health Center  
229 7<sup>th</sup> Street  
San Francisco, CA 94103  
Attn: Asa Satariano

As of the Effective Date, all notices required to be provided to Assignor under the Ground Lease and Property Agreements shall now be delivered to the following notice address:

Mayor's Office of Housing and Community Development  
One South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: Director

e. This Agreement shall be enforced and interpreted according to the laws of the State of California as applied to contracts that are executed and performed entirely in the State of California, without regard to, or giving effect to, any choice of laws doctrine.

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

**ASSIGNOR:**

**Successor Agency to the  
Redevelopment Agency of the City  
and County of San Francisco**, a  
public body organized and existing  
under the laws of the State of  
California

By: \_\_\_\_\_  
Nadia Sesay\_  
Executive Director

Authorized by Successor Agency  
Oversight Board Resolution No.14-2015,  
adopted November 23, 2015.

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
James B. Morales  
General Counsel

**ASSIGNEE:**

**City and County of San Francisco**,  
a municipal corporation, acting by  
and through the Mayor's Office of  
Housing and Community  
Development

By: \_\_\_\_\_  
Dan Adams  
Acting Director

**APPROVED AS TO FORM:**  
Dennis J. Herrera, City Attorney

By: \_\_\_\_\_  
Deputy City Attorney

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 \_\_\_\_\_ before me, \_\_\_\_\_ ,  
personally appeared \_\_\_\_\_,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY  
under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

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

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_ ,  
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who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY  
under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_



**EXHIBIT A**  
**Project Agreements**

	<b>Document</b>	<b>Recorded in the Official Records of the City and County of San Francisco</b>	<b>Date of Document</b>	<b>Assessor's Parcel Number</b>
1.	Ground Lease between San Francisco Medical Center Outpatient Improvement Programs, Inc. and the Redevelopment Agency of the City and County of San Francisco	Unrecorded	October 7, 2008	3731-241
2.	Loan Agreement between San Francisco Medical Center Outpatient Improvement Programs, Inc. and the Redevelopment Agency of the City and County of San Francisco	Unrecorded	October 7, 2008	
3.	Promissory Note for \$3,600,000 loan	Unrecorded	December 22, 2008	
4.	Declaration of Restrictions by South of Market Health Center Westbrook, LLC in favor of the Redevelopment Agency of the City and County of San Francisco	December 23, 2008 in Reel J793, Image 0785 as Document #I701081	December 22, 2008	
5.	Deed of Trust between South of Market Health Center Westbrook, LLC, Old Republic Title Company, and the Redevelopment Agency of the City and County of San Francisco	December 19, 2008 in Reel J791, Image 0422 as Document #I700550	December 19, 2008	
6.	Intercreditor and Subordination Agreement between Capital Impact Partners and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco	December 22, 2015 as Document #K179921	December 18, 2015	
7.	Westbrook Plaza Mixed-Use Development Declaration Establishing Reciprocal Easements and Covenants Running with the Land between Mercy Properties California, San Francisco Medical Center Outpatient Improvement Programs, Inc., the Redevelopment Agency of the City and County of San Francisco, and the Mayor's Office of Housing and Community Development	December 18, 2008 in Reel J790, Image 0115 as Document #I696326	December 17, 2008	