

**ORDINANCE NO. 2543**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF REDWOOD CITY AND LANE PARTNERS (1900 BROADWAY)**

**WHEREAS**, Lane Partners (“Developer”) submitted a planning application for a development project located at 1900 Broadway (Assessor’s Parcel Numbers 053-231-210 and 053-231-200) (“Property”), consisting of a 7-story, 92-foot tall, approximately 256,205 square foot mixed-use commercial office building with approximately 10,060 sq. ft. of ground floor retail space, approximately 1,000 sq. ft. for a community room, 715 sq. ft. for a storage space, and an approximately 12,085 sq. ft. public plaza (the “Project”); and

**WHEREAS**, Government Code Sections 65864 through 68569.5 provide the statutory authority for development agreements between municipalities and owners of real property; and

**WHEREAS**, on January 24, 2011, the City Council of Redwood City adopted Resolution No. 15086, certifying the Final Environmental Impact Report for the Redwood City Downtown Precise Plan, State Clearinghouse No. 2006052027 (“DTPP EIR”), and adopted California Environmental Quality Act (“CEQA”) Findings of Fact, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (“MMRP”) and in conjunction, the City Council adopted and approved the DTPP, and amendments the General Plan to ensure consistency between the DTPP and the General Plan; and

**WHEREAS**, in March 2020, the Applicant submitted a Project proposal for 1900 Broadway for consideration of General Plan Amendment as part of the City of Redwood City implementation of a one-time process to evaluate multiple pending General Plan Amendment initiation requests which are necessary because the Maximum Allowable Development cap for office has been reached in the DTPP area (“Gatekeeper Project”); and

**WHEREAS**, on May 24, 2021, the City Council adopted Resolution No. 15954 and initiated General Plan Amendment proceedings for 1900 Broadway as one of the six Gatekeeper Projects located within the DTPP and also to require a DTPP Amendment; and

**WHEREAS**, on June 26, 2023, in consideration of the Gatekeeper Projects (including 1900 Broadway), the City Council adopted Resolution No. 16153, certifying the Final Subsequent Environmental Impact Report for amendments to the DTPP, referred as the “DTPP Plan Wide Amendments”, State Clearinghouse No. 2021090249 (“DTPP SEIR”), and adopting CEQA Findings of Fact, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program and in conjunction, the City Council adopted and approved the amendments to the DTPP and amendments to the General Plan to ensure consistency between the DTPP and the General Plan; and

**WHEREAS**, on June 26, 2023, the City Council adopted Resolution Nos. 16154 and 16155, and approved the General Plan Mixed Use Downtown and the DTPP Plan-Wide Amendments that evaluated the potential for new office development up to 1,167,100 sq. ft. in the DTPP area (including the redevelopment of 1900 Broadway) and included a process change requiring City Council approval for any DTPP Large Project requesting General Plan Amendments and that such projects would also negotiate a Development Agreement; and

**WHEREAS**, the Project would create office space within the downtown and General Plan and DTPP Amendments are required by the DTPP to increase the Maximum Allowed Development office capacity currently allowed in the General Plan and DTPP; and

**WHEREAS**, Developer applied for a General Plan Amendment, a Downtown Precise Plan (“DTPP”) Amendment, a Development Agreement, a Vesting Tentative Parcel Map to combine lots and adjust lot lines for Project site assembly, a Downtown Community Permit, a Use Permit, subject to Conditions of Approval to allow for the construction of the Project; and

**WHEREAS**, under Article 29 of the Redwood City Zoning Ordinance (“Affordable Housing Ordinance”), nonresidential development projects must mitigate the impact of new development on the need for affordable housing. As applied, the Project requires either: (1) the creation of twenty-five (25) units of affordable housing; or (2) the payment of an Affordable Housing Impact Fee in the approximate amount of Five Million Seven Hundred Seventy-Three Thousand Four Hundred Thirty-Seven Dollars (\$5,773,437). The Affordable Housing Ordinance allows alternative means of compliance including land donation that meets the requirements set forth in the Affordable Housing Ordinance Program Guidelines (“Program Guidelines”); and

**WHEREAS**, Developer has proposed the donation of real property generally located at 847 Woodside Road (Assessor Parcel Number 059-240-810) (“Affordable Site”). The Affordable Site is valued at Nine Million Three Hundred Sixty Thousand Dollars (\$9,360,000). Developer proposes to donate the Affordable Site to Eden Housing, Inc., a California nonprofit public benefit corporation (“Affordable Housing Partner”), for the development of seventy-one (71) deed-restricted affordable rental units, as set forth in an Affordable Land Donation Agreement. Developer’s affordable housing obligation with regards to the Project will be considered fulfilled only upon completion of the land transfer of the Affordable Site to the qualifying Affordable Housing Partner; and

**WHEREAS**, consistent with the requirements of Government Code Section 65863, the City’s Housing Element inventory will continue to have sufficient capacity at all income levels to accommodate the City’s remaining share of the Regional Housing Needs Allocation upon approval of the Project; and

**WHEREAS**, the City and Developer have negotiated the terms of a Development Agreement that, among other things, includes the following terms: (1) Developer shall convey the Affordable Site to the Affordable Housing Partner for the development of seventy-one (71) deed-restricted affordable rental units, subject to an Affordability Covenant recorded against the Affordable Site for a period of fifty-five (55) years; (2) Developer agrees to partially assign and transfer its rights and obligations under the Development Agreement to the Affordable Housing Partner, as set forth in the Partial Assignment and Assumption Agreement; (3) Developer shall develop a 1,000 square foot community space at the Property or use by the City and City-approved community groups without charge, and a 715 square foot storage space at the Property for City's exclusive use, subject to a lease agreement; (4) Developer shall construct and maintain a 12,085 square foot public plaza area for use by the public as well as the City and City-approved community groups for events, subject to a license agreement; (6) Developer shall provide a one-time voluntary financial contribution of Twenty-Five Thousand Dollars (\$25,000) to the City for any start-up expenses for the community space; (7) Developer shall provide a one-time voluntary contribution of One Hundred Thousand Dollars (\$100,000) to the City for expenses incurred in activating the public plaza area and an additional voluntary contribution of Ten Thousand Dollars (\$10,000) for the design, fabrication and installation of historic plaques or other signage at the public plaza area; (8) Developer shall enter into a Shared Parking Covenant, in which the newly constructed underground parking lot will be made available for public parking on weekday nights, weekends and all day on holidays; in addition to designating thirty-five (35) parking spaces for retail use during the daytime, and twenty-five (25) spaces for use for the future renovated Hotel Sequoia; (9) Developer shall purchase City-owned exempt surplus property, or parklet, located at Spring and Marshall Streets for the fair market value of Ten Million Seven Hundred and Fifty Thousand Dollars (\$10,750,000) and shall submit an application to vacate a portion of Spring Street on the Property as part of its land assembly to develop the Project; (10) Developer agrees to make certain public improvements including reconfiguring the intersection of Main/Marshall streets and Walnut/Marshall streets, including constructing more traditional right-angled intersections with shorter crossing distances and matching bulb-outs, and shall plant twenty-eight (28) new trees off-site, install new pedestrian lights on Broadway Street, and shall improve Walnut Street to comply with DTPP width and design requirements, street trees and sufficient emergency vehicle access; (11) Developer shall use good faith efforts to require all persons and entities providing construction materials to obtain either a use tax direct payment permit, a subcontractor permit for contracts valued at Five Million Dollars (\$5,000,000) or more, or otherwise designate the Property as the Sales Tax Point of Sale Designation; (12) Developer shall use its best efforts to employ union labor in constructing the Property; and ,(13) Developer shall use or make a good faith effort to employ or engage local vendors for contracts that exceed Twenty Five Thousand Dollars (\$25,000); and

**WHEREAS**, on September 17, 2024, at a duly noticed public hearing, the Planning Commission made the required findings for approval of the Development Agreement and recommended approval of the Development Agreement and Project approvals to the City Council; and

**WHEREAS**, in compliance with the California Environmental Quality Act (“CEQA”) regulations, on October 28, 2024, the City Council found that, pursuant to a CEQA Guidelines Section 15183 Consistency Checklist, dated September 13, 2024 (“CEQA Consistency Checklist”), the Project is exempt from further environmental review pursuant to Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183 and does not require further environmental review; and

**WHEREAS**, on October 28, 2024, the City Council conducted a duly noticed public hearing and adopted a General Plan Amendment to increase the DTPP Maximum Allowable Development office cap (the “General Plan Amendment”), and also considered and adopted a DTPP Amendment to increase the DTPP Maximum Allowable Development office cap (the “DTPP Amendment”); and

**WHEREAS**, on October 28, 2024, the City Council conducted a duly noticed public hearing and approved the Affordable Housing Plan, Affordable Housing Partner, Land Donation and Land Donation Agreement, Vesting Tentative Parcel Map, Downtown Planned Community Permit, Use Permit, subject to Conditions of Approval, and Development Agreement related to the Project.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF REDWOOD CITY DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** The recitals set forth above are true and correct and are hereby incorporated herein by this reference as if fully set forth in their entirety.

**SECTION 2.** Pursuant to Government Code Section 65867.5, the City Council finds that:

(a) The provisions of the Development Agreement are consistent with the general plan and any applicable specific plan provides for the development of the Project as an office complex with ancillary improvements, such as the community space, storage space and a privately-owned and maintained public park for the public and community’s use, which use is consistent with the General Plan, as amended.

1. The Project General Plan Mixed-Use Downtown Amendments to increase the DTPP Maximum Allowable Development office cap are consistent with the goals and policies of the General Plan (as amended) including but not limited to the General Plan goals, policies and programs listed in the Staff Report prepared for the Project: BE-1.4, BE-11.6, BE-18.2, BE-18.5, BE-18.7, BE-18.8, BE-23.7, BE-25, BE-26, BE-29, BE-30, BE-31 and H-2.3. The Mixed-Use Downtown Amendments appropriately implement the General Plan’s vision for the Mixed Use–Downtown land use designation as the approved DTPP Plan Wide Amendments allow increases to the office development cap.

2. The Project General Plan Mixed-Use Downtown Amendments are limited to an increase in the allowed office development cap and will not create conditions that would be detrimental to the public health, safety, or general welfare. These amendments would instead enhance the DTPP area by promoting planned, transit-oriented development, including increased office development, active retail space, and an open space plaza consistent with General Plan goals and policies. The Project will revise the General Plan and DTPP Maximum Allowable Development office cap consistent with the amount of office development previously analyzed by the DTPP SEIR.

3. The Project DTPP Maximum Allowable Development (MAD) Amendments are consistent with the goals and policies of the DTPP (as amended), the prescribed process for increasing the MAD, and appropriately implements the DTPP's vision for the land use designations in the DTPP as a mixed-use office development is permitted in this area of the DTPP. The Amendments will allow a Project that meets all of DTPP Standards and Guidelines, subject to two minor Guideline deviations that were found appropriate to activate the proposed retail space. The Project meets the requirements of the Historic Preservation Ordinance and Secretary of Interior Standards.

4. The Project DTPP amendments are limited to an increase in the Maximum Allowable Development office cap and will not create conditions that would be detrimental to the public health, safety, or general welfare. These amendments would instead enhance the DTPP area by promoting planned, transit-oriented development, including increased office, active retail space, and an open space plaza and community spaces, consistent with the vision of the General Plan and the DTPP. The Project would reconfigure and redevelop an underutilized property located at a key intersection in Redwood City's downtown, consistent with the community's goals for revitalizing the area. The development would be required to comply with all applicable code requirements for building and fire safety and to mitigate environmental impacts to the extent feasible.

Further, the Development Agreement provides for the construction of seventy-one (71) deed-restricted affordable units to be constructed at the Affordable Site. This is consistent with General Plan Goal H-2 that seeks to protect and increase the supply of affordable housing, both deed restricted and unsubsidized affordable units. It is further supported by policy H-2.1 that supports construction of affordable housing and policy H-2.3 that encourages affordable housing as part of non-residential construction projects.

**SECTION 3.** The City Council hereby approves and adopts the Development Agreement that was presented to the City Council at the October 28, 2024 meeting, filed and made available at the Office of the City Clerk, and attached hereto as Exhibit A. The

City Manager is hereby authorized and directed to execute the Development Agreement on behalf of the City of Redwood City, with minor conforming or technical revisions as may be approved by the City Manager in consultation with the City Attorney.

**SECTION 4.** The City Clerk shall publish this ordinance in accordance with applicable law.

**SECTION 5.** This ordinance shall be effective thirty (30) days after its adoption, contingent upon the effectiveness of the General Plan Amendment and DTTP Amendment.

\* \* \*

**EXHIBIT A**

**1900 BROADWAY DEVELOPMENT AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:**

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Clerk

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*Space Above This Line Reserved for Recorder's Use  
Exempt from Recording Fee Per Government Code Section 27383*

**DEVELOPMENT AGREEMENT**

**BY AND BETWEEN**

**CITY OF REDWOOD CITY,**  
a California charter city and municipal corporation

**AND**

**LANE 1900 BROADWAY OWNER LLC**

**Adopted by Ordinance No. \_\_\_\_\_**

**Effective Date: \_\_\_\_\_, 2024**

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**LIST OF EXHIBITS:**

Exhibit A	Property Map
Exhibit B-1	Legal Description of 1900 Broadway
Exhibit B-2	Legal Description of City Parcel
Exhibit C	Affordable Housing Properties Map and Legal Description
Exhibit D	Annual Review Form
Exhibit E	Form of Assignment and Assumption Agreement
Exhibit F	Affordable Housing Land Donation Agreement
Exhibit G	Form of Partial Assignment and Assumption Agreement
Exhibit H	Existing Impact Fees

## DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT (“**Agreement**”) dated for reference purposes as of \_\_\_\_\_, 2024 (“**Agreement Date**”), is entered into by and between Lane 1900 Broadway Owner LLC, a California limited liability company, (“**Developer**”) and the CITY OF REDWOOD CITY, a California charter city and municipal corporation (“**City**”). Developer and City are sometimes referred to individually herein as a “**Party**” and collectively as “**Parties.**”

### RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the Parties, and the following recitals are a substantive part of this Agreement and incorporated herein; terms are defined throughout this Agreement as indicated in **bold** language.

A. In order to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic costs and risks of development, the Legislature of the State of California enacted Government Code Section 65864 *et seq.* (“**Development Agreement Law**”), which authorizes a city and a developer having a legal or equitable interest in real property to enter into a binding, long-term development agreement establishing certain development rights and obligations pertaining to real property.

B. Developer currently has a legal and/or equitable interest in approximately 48,771 square feet of that certain real property commonly known as 1900 Broadway, Redwood City, California, (Assessor’s Parcel Numbers 053-231-210 and 053-231-200), depicted on Exhibit A and more particularly described in Exhibit B-1 (“**1900 Broadway**”). 1900 Broadway is located in the City’s downtown, comprising the entire block bordered by Broadway, Main Street, Walnut Street and Marshall Street, and is currently developed with a vacant commercial two (2)-story commercial office and retail building and adjacent surface parking lot. Developer proposes to acquire from the City an additional approximately 21,104 square feet of real property adjacent to 1900 Broadway (“**City Parcel**”) which includes the Spring/Marshall Parklet and a segment of Spring Street between Main and Walnut Streets (“**Spring Street Segment**”) as depicted in Exhibit A and more particularly described in Exhibit B-2. 1900 Broadway and the City Parcel are collectively referred to herein as the “**Property.**”

C. Developer proposes to develop the Property by constructing a seven (7)-story, 92-foot mixed-used commercial office building consisting of approximately 256,205 square feet of development, including approximately 238,300 square feet of office, 10,060 square feet of ground floor retail, 12,085 square feet of public plaza, approximately 1,000 square feet public community room with an additional 715 square feet of storage for the City’s use, and includes two levels of underground parking (538 spaces) and 127 bicycle parking spaces in accordance with the approved project plans included in the Project Approvals. Developer also proposes to purchase the City Parcel and submit an application to vacate the Spring Street Segment and any existing public access and utility easements on the Property (“**Public Easements**”) to create a “squared” parcel for development. This development and land assembly hereinafter is collectively referred to as the “**Project.**”

D. Lane 847 Woodside, LLC (an affiliated company of Developer and hereinafter referred to as “**Affiliate**”), currently has a legal and/or equitable interest in a 41,504 square foot parcel located at 847 Woodside Road, Redwood City, California (Assessor’s Parcel Number 059-240-810), depicted and more particularly described in Exhibit C (“**Affordable Site**”). For purposes of this Agreement, “**Affiliated Company**” means a corporation, limited liability company, partnership, trust or business entity controlling, controlled by or under common control of the Developer. The Affordable Site is located off-site from the Property, at 847 Woodside Road, between Horgan Avenue to the south and Orchard Avenue to the north, in a Mixed-Use Neighborhood zoning district and designated as for Mixed-Use Neighborhood under the City’s current General Plan. The Affordable Site includes an existing church use, subject to a month-to-month lease, and is located adjacent to multi-family and commercial uses, and a residential neighborhood to the east of the parcel.

E. In order to satisfy the requirements of Article 29 of the Redwood City Zoning Code (“**Affordable Housing Ordinance**”), Developer has submitted an Affordable Housing Plan (“**Affordable Housing Plan**”) as part of its project approval application. In the Affordable Housing Plan approved by the City prior to or concurrently with the approval of this Agreement, the Developer proposes to donate and transfer, or cause the Affiliate to donate and transfer, the fee title to the Affordable Site to a City Council-approved qualifying affordable housing developer designee (“**Affordable Housing Partner**”), currently identified as Eden Housing, Inc., a California non-profit affordable housing developer, for the development of seventy-one (71) affordable residential dwelling units and one (1) manager’s unit, (hereinafter collectively referred to as the “**Affordable Housing Project**”). The Developer, the Affordable Housing Partner and the City are concurrently entering into an Affordable Housing Land Donation Agreement, attached hereto as Exhibit F, incorporated herein by this reference. Once the land transfer is completed, Developer proposes to enter into a Partial Assignment and Assumption of Development Agreement with the Affordable Housing Partner, the form of which is attached as Exhibit G, incorporated herein by this reference (“**Partial Assignment and Assumption Agreement**”) in which the Developer shall assign and delegate to the Affordable Housing Partner, and the Affordable Housing Partner shall assume from the Developer, the rights, title, duties, and interest of the Developer in this Agreement with respect to the development of the Affordable Site and construction of the Affordable Housing Project.

F. On October 11, 2010, the City Council of Redwood City (“**City Council**”) adopted its General Plan, which serves as the blueprint for the growth and development of Redwood City through 2030. At the same time, the City Council also approved and adopted an Environmental Impact Report (“**General Plan EIR**”), which assessed and evaluated the potential environmental effects of the adoption and long-term implementation of the General Plan under the California Environmental Quality Act, as set forth in Public Resources Code Section 2100 *et seq.* (“**CEQA**”). In addition, on February 13, 2023, and prior to adopting an update to its Housing Element of the General Plan for the period of 2023 – 2031, and amendments to the Built Environment, Public Safety, Building Community, and Natural Resources Element (“**Housing Element Update**”), the City Council adopted Resolution No. 16124, certifying the Final Environmental Impact Report for the Housing, Built Environment, Public Safety, Building Community, Natural Resources & Environmental Justice Elements Update to the General Plan (“**Housing Element Update EIR**”).

and associated Mitigation Monitoring Program (“**Housing Element Update MMRP**”).

G. On January 24, 2011, the City Council adopted its Downtown Precise Plan (“**DTPP**”) to establish new land use and development regulations in order to produce a unique and robust downtown, within the context of a rich, historic, and valued built environment. Concurrently with the adoption of the DTPP, on January 24, 2011, the City Council also certified a Final Environmental Impact Report for the DTPP (“**DTPP Final EIR**”). The DTPP area consists of approximately one hundred eighty-three acres within City’s historic center and is generally bounded on the north by Veteran’s Boulevard, on the east by Maple Street, to the southwest by properties located on El Camino Real, and to the northwest by Brewster Avenue. The DTPP streamlined the analysis and public review of projects within the DTPP area by establishing development standards and limits or caps of maximum allowable development (“**MAD Caps**”) for dwelling units per acre and floor area ratios for office, retail and hotel development. Residential capacity limits in the DTPP area were eliminated by the City Council on November 28, 2022 with the approval of Resolution No. 16104. The Property for the Project is located within the DTPP area.

H. The MAD Caps of maximum allowable development for office space established under the DTPP have been reached. Accordingly, future projects seeking to exceed the DTPP MAD Caps would require amendments to the City’s General Plan and DTPP.

I. Commencing in 2020, and in response to a large number of projects requesting amendments to the City’s General Plan and DTPP, the City Council implemented a process to evaluate the pending amendment requests, collectively referred to as the “**Gatekeeper**” process, which enabled the City Council to conceptually consider one or more General Plan Amendment and DTPP Amendment requests simultaneously. Throughout 2020 through 2021, the City Council conducted several study sessions and considered multiple potential projects at a high level and identified which projects should be reviewed and considered for General Plan and DTPP Amendments as applicable as a project under the Gatekeeper process (“**Gatekeeper Projects**”). On October 12, 2020, and later on May 24, 2021, pursuant to Redwood City Municipal Code Chapter 18, Article XI (Adoption and Amendment of General Plan), the City Council initiated General Plan Amendment and DTPP Plan-Wide Amendment proceedings in anticipation of six Gatekeeper Projects in the DTPP boundary area and two Gatekeeper Projects located outside the DTPP area. The City Council selected the Property and Project to be one of the six initiated Gatekeeper Projects located in the DTPP.

J. On June 26, 2023, the City Council considered and approved amendments to its General Plan and DTPP to accommodate the potential for additional office and residential development in the DTPP area, as informed by the proposed Gatekeeper Projects (“**DTPP Plan-Wide Amendments**”), and as indicated in City Resolution Nos. 16154 and 16155. Adoption of the DTPP Plan-Wide Amendments included but was not limited to amendments to the DTPP and the Redwood City General Plan, to revise certain development standards, guidelines and policies, including, but not necessarily limited to, those with respect to permitted or conditionally permitted land uses; streets and circulation (including pedestrian, bicycle, and vehicular circulation); building placement; building height and massing (including allowing the development of

recreational rooftop structures within existing height limitations); parking requirements; historical resources; and open space. The proposed amendments would also allow for exceptions, at certain sites, to requirements concerning building placement, minimum heights, and stepdown zones. It was also contemplated that each Gatekeeper Project would thereafter request amendments to the General Plan and DTPP as relevant to each individual Gatekeeper Project's needs.

K. While the Plan-Wide Amendments did not propose significant changes to the MAD Caps or an extension of the DTPP boundary, the environmental impacts of doing so were studied in anticipation of the Gatekeeper Projects. Prior to its approval of the DTPP Plan-Wide Amendments, on June 26, 2023, the City Council certified a Subsequent Environmental Impact Report to the DTPP Final EIR ("**DTPP SEIR**") by Resolution No. 16153, which analyzed the potential environmental impacts of the proposed DTPP Plan-Wide Amendments and included a CEQA analysis of the six Gatekeeper Projects on a programmatic level, including the subject Project. The City Council also approved and adopted a MMRP ("**DTPP Plan-Wide Amendments MMRP**") in connection with the DTPP SEIR, which requires project implementation of certain measures designed to reduce or avoid significant project impacts, including but not limited to the Developer's responsibility to the extent applicable to upgrade the water system, sanitary sewer system, stormwater system and install recycled water infrastructure as part of the Project.

L. Prior to or concurrently with the approval of this Agreement, City has taken numerous actions in connection with the development of the Project on the Property, and the development of the Affordable Housing Project at the Affordable Site, and has determined that the Project complies with the plans and policies set forth in the General Plan, Housing Element Update, and DTPP, as proposed to be amended. The City also has determined that the Affordable Housing Project at the Affordable Site complies with the City's development standards, the plans and policies set forward in the General Plan, and meets the requirements of the City's Affordable Housing Ordinance. The project plans, approvals and determinations described in this Recital are collectively referred to herein as the "**Project Approvals.**" These Project Approvals include:

1. As further described in Recitals J and K above, on June 26, 2023, by adopting Resolution No. 16153, the City Council certified the DTPP SEIR, approved the DTPP Plan-Wide Amendments, adopted CEQA Findings of Fact, a Statement of Overriding Considerations, and the DTPP Plan-Wide Amendments MMRP;

2. On October 28, 2024, and as set forth in City Resolution Nos. \_\_\_\_\_ and \_\_\_\_\_, the City Council considered the CEQA Guidelines Section 15183 Consistency Checklist for the Project and Affordable Housing Project, dated September 13, 2024, and its findings prepared by the City's Planning Division (collectively, the "**Consistency Checklist**"), the DTPP EIR and the DTPP SEIR and DTPP Plan-Wide Amendments MMRP as well as the Housing Element Update EIR and Housing Element Update MMRP, as recommended by the Planning Commission on September 17, 2024, in Resolution No. 24-07 in connection with the Project Approvals, and in Resolution No. 24-06 in connection with the Affordable Housing Project approvals, and determined that there are no environmental effects which are peculiar to the Project, the Property, the Affordable Housing Project and Affordable Site, nor are there any new significant effects, potentially significant off-site impacts or cumulative impacts, or substantial new

information which was not known at the time of the DTPP EIR and DTPP SEIR or Housing Element Update EIR that identifies any significant effects that were not already identified and analyzed in the certified DTPP EIR and DTPP SEIR or Housing Element EIR;

3. On October 28, 2024, by City Resolution Nos. \_\_\_\_\_ and \_\_\_\_\_, the City Council approved General Plan and DTPP Amendments specific to the Project;

4. On August 13, 2024, pursuant to the Surplus Land Act (Government Code Sections 54220 *et seq.*), the State of California Department of Housing and Community Development determined that the City Parcel was found to be exempt surplus land pursuant to Government Code Section 54221(f)(1)(B) as the City Parcel is less than one-half acre and is not contiguous to land owned by a state or local agency that is used for open space or low- and moderate-income housing purposes;

5. On October 28, 2024, as set forth in City Resolution No. \_\_\_\_\_, the City Council approved a Vesting Tentative Parcel Map (“VTPM”), a Downtown Planned Community Permit, and Use Permit, subject to Conditions of Approval for the Project, and also approved an Affordable Housing Plan authorizing the alternative compliance with the Affordable Housing Ordinance, approved the Affordable Housing Partner as a qualified designee, and approved the Affordable Housing Land Donation Agreement and land donation contemplated thereunder;

6. On October 28, 2024, as set forth in City Resolution No. \_\_\_\_\_ and in connection with approving the development of the Affordable Housing Project at the Affordable Site, the City Council approved an Affordable Housing Plan, an Architectural Permit, Vesting Tentative Parcel Map, Density Bonus with associated Concessions and Waivers, with Conditions of Approval, an Affordable Housing Plan, Land Donation, and Affordable Housing Land Donation Agreement.

M. Pursuant to DTPP Section 2.0.3, the Project qualifies as a “Large Project” within the DTPP given its size and height. Because the Project requested a General Plan Amendment to adjust the MAD Caps, a development agreement is desired to address alternative phasing for residential and nonresidential project components otherwise required by Section 29.6(B)(2) of the City’s Affordable Housing Ordinance and to identify the community benefits offered by the Project.

N. Consistent with the Project Approvals, the parties anticipate that during the Term of this Agreement, as defined in Section 3.2 below, and subsequent to the Effective Date, as defined in Section 3.1 below, Developer shall seek from the City certain subsequent land use approvals, entitlements, and permits as will be necessary or desirable for implementation of the Project, collectively referred to as “**Subsequent Approvals**,” and as more particularly described in Article 9 of this Agreement. When any Subsequent Approval applicable to the Property is approved by the City, then such Subsequent Approval shall become subject to all of the terms and conditions of this Agreement applicable to the Project Approvals and shall be treated as part of the Project Approvals, as defined in Recital L above.

O. City has determined that by entering into this Agreement, City will further the purposes set forth in the Development Agreement Law by, among other things, ensuring that the Project will provide substantial community public benefits, (hereinafter referred to as “**Community Benefits**” and more particularly described in Article 2), as summarized below:

1. The donation of the Affordable Site for the development of seventy-one (71) deed-restricted affordable units at the Affordable Site;

2. The development and use of a community room on the Property to be leased to the City for the City and community’s use;

3. The development and use of a storage area on the Property to be leased to the City for the City’s exclusive use;

4. The development and use of a privately-owned public plaza area on the Property to be subject to a public use easement and a license agreement for the City and City-approved community groups;

5. The following voluntary financial contributions paid by Developer to the City: a) Twenty-Five Thousand Dollars (\$25,000) for start-up expenses for the community room; b) One Hundred Thousand Dollars (\$100,000) for activating the public plaza area; and, c) Ten Thousand Dollars (\$10,000) for signage and historical plaques at the public plaza area;

6. A shared parking covenant in which the newly constructed podium parking garage would be shared with the public for parking on nights and weekends, which shall designate at least thirty-five (35) spaces for retail use during the day, and shall designate at least twenty-five (25) parking spots for the future renovated Hotel Sequoia, in a form acceptable to the City Attorney (“**Shared Parking Covenant**”); and

7. Employment of union represented labor and local vendor preferences for all construction activities related to the Project.

P. A primary purpose of this Agreement is to assure that the Project can proceed without disruption caused by a change in City’s planning policies and requirements following the Project Approvals and to ensure that the Community Benefits are timely delivered by Developer. The terms and conditions of this Agreement have undergone review by City staff, the Planning Commission, and the City Council at publicly noticed meetings and have been found to be fair, just, and reasonable and in conformance with the Development Agreement Law and the goals, policies, standards, and land use designations specified in City’s General Plan and, further, the City Council finds that the economic interests of City’s citizens and the public health, safety, and welfare will be best served by entering into this Agreement.

Q. For the reasons recited herein, City and Developer have determined that the Project is a development for which this Agreement is appropriate. This Agreement will eliminate uncertainty regarding Project Approvals, thereby encouraging planning for, investment in, and commitment to use and development of the Property. Continued use and development of the

Property will in turn provide substantial employment, tax, and other public benefits to City.

R. On September 17, 2024, the Planning Commission, the initial hearing body for purposes of development agreement review, considered this Agreement and made a recommendation for approval to the City Council.

S. On November 25, 2024, the City Council adopted Ordinance No. \_\_\_\_\_ approving this Agreement (the “**Enacting Ordinance**”), which was introduced on October 28, 2024, and adopted on November \_\_\_, 2024.

NOW, THEREFORE, in consideration of the promises, covenants, and provisions set forth herein, the receipt and adequacy of which consideration is acknowledged, Developer and the City agree as follows:

## AGREEMENT

### ARTICLE 1. GENERAL PROVISIONS

Section 1.1 Property Subject to the Agreement. All of the Property shall be subject to this Agreement. The Affordable Site shall also be subject to this Agreement, to the extent provided in the Partial Assignment and Assumption Agreement. The Parties hereby acknowledge that, as of the Effective Date, with the exception of the City Parcel, Developer or the Affiliate has a legal and/or equitable interest in the Property and the Affordable Site. Developer further agrees that all persons holding legal or equitable title in the Property shall be bound by this Agreement.

### ARTICLE 2. COMMUNITY BENEFITS

Section 2.1 Community Benefits Obligations. In consideration of the rights and benefits conferred by City to Developer under this Agreement, Developer shall perform and provide the specific Community Benefits described in the Project Approvals, Recital O, and in this Article 2, some of which may exceed the dedications, conditions, and exactions that City may impose under Applicable Law.

Section 2.2 Affordable Housing.

A. Affordable Housing Project as a Community Benefit. To satisfy the requirements under the City’s Affordable Housing Ordinance and as an alternative to paying the impact fee otherwise due under the Affordable Housing Ordinance (“**Affordable Housing Impact Fee**”), the Developer has submitted an Affordable Housing Plan as part of the consideration for the Project Approvals, in which the Developer has agreed to donate, or cause the Affiliate to donate, the Affordable Site for the development of seventy-one (71) deed-restricted affordable rental units, with one (1) manager’s unit on the Affordable Site to the Affordable Housing Partner, pursuant to the terms of the Affordable Housing Land Donation Agreement. As provided in the Project Approvals, the appraised value of the Affordable Site is \$9,360,000 which is \$3,586,563 greater than the \$5,773,437 Affordable Housing Impact Fee required to be paid pursuant to the Affordable Housing Ordinance, and the number of affordable units to be constructed will result in at least forty-six (46) more units than required under the Affordable Housing Ordinance.

Accordingly, to the extent the Affordable Housing Project exceeds what is required under the City's Affordable Housing Ordinance, the Affordable Housing Project is determined to be a Community Benefit under this Agreement.

B. Affordability Covenant. In addition to any other requirement or obligation set forth in the Affordable Housing Land Donation Agreement, and except as otherwise set forth in subsection D below, Developer acknowledges and agrees that the Project Approvals may be revoked if the Developer fails to transfer or cause the Affiliate to transfer the Affordable Site to the Affordable Housing Partner, subject to recorded covenants that will restrict the use of the Affordable Site for the use of the seventy-one (71) affordable units for a term of not less than fifty-five (55) years, commencing upon the issuance of a final certificate of occupancy for the Affordable Site, as further set forth in an Affordable Housing Land Donation Agreement, executed and attached hereto as Exhibit F (the "**Affordability Covenant**"). The Affordability Covenant must be executed and recorded prior to the issuance of the first building permits (including grading permits) for the Project.

C. Partial Assignment and Assumption of Development Agreement. Notwithstanding any assignment and/or transfer rights provided in Article 10 below, the Parties acknowledge and agree that Developer intends to partially assign and/or transfer its rights and obligations rendered under this Agreement as it relates solely to the Affordable Housing Project and Affordable Site to the Affordable Housing Partner, and that the City Manager is authorized to consent to said assignment and assumption. The Developer and the Affordable Housing Partner shall enter into the Partial Assignment and Assumption Agreement in substantially the form set forth in Exhibit G, with the final form subject to approval by the City Manager. The Partial Assignment and Assumption Agreement shall be executed and recorded at the same time that the Affordable Site is transferred to the Affordable Housing Partner.

D. Substitution of Affordable Housing Site and Affordable Housing Project. In the event Developer loses its legal or equitable interest in the Affordable Site and/or the transfer of the Affordable Site to the Affordable Housing Partner is otherwise no longer economically feasible, Developer may substitute the Affordable Site with another property that provides similar Community Benefits set forth in Section 2.2(A) and (B), including providing at least seventy-one (71) affordable units in such manner and subject to income requirements as set forth in the Affordable Housing Plan, and which substantially meets the requirements of the Affordable Housing Ordinance for land donations, as set forth below.

1. To request a substitution of the Affordable Housing Site (hereinafter referred to as the "**Substitute Site**") and corresponding new Affordable Housing Project, the Developer shall submit a written request to the City Manager, which shall include a new proposed Affordable Housing Plan and a description of how the Substitute Site project will meet the requirements of the Affordable Housing Ordinance. The request shall also include evidence of a pending application or issuance of development plans, entitlements, and/or permits for the development of the Substitute Site in a manner consistent with the new Affordable Housing Plan. The City Manager shall thereafter forward the request for the Substitute Site to the City Council for review and approval at a public hearing.

2. The City Council may consider and approve a land donation of the Substitute Site if, at the sole and absolute discretion of the City Council, all of the following conditions are determined to be satisfied or waived by the City Council: (a) transfer of the Affordable Site to the Affordable Housing Partner is infeasible; (b) the Substitute Site meets all of the requirements of the Affordable Housing Ordinance for land donations; (c) the Substitute Site has a substantially similar or greater appraised value as to the Substitute Site; (d) the Substitute Site project will provide at least seventy-one (71) affordable units that are subject to income requirements; (e) the new Affordable Housing Plan meets the requirements of the Affordable Housing Ordinance; (f) the Substitute Site has been issued or is concurrently being issued entitlements or permits consistent with the new Affordable Housing Plan; and, (g) the substitution of the Affordable Housing Site and Affordable Housing Project will not be detrimental to the public's health, safety, or general welfare.

3. If the City Council approves the request for the Substitute Site based on the criteria listed above, the Substitute Site shall be treated as and shall (a) replace the "Affordable Site" defined in Recital E and referred thereafter in this Agreement; (b) the Substitute Site's legal description shall replace Exhibit C; (c) the subsequent development on the Substitute Site shall be treated as and shall replace the "Affordable Housing Project" defined in Recital E and referred thereafter in this Agreement; and, (d) the approval of the Substitute Site shall be treated and considered to be a Minor Amendment, as that term is defined in Section 8.2 of this Agreement. In addition, if the Substitute Site is approved by the City Council, the City Manager is authorized to execute any conforming amendments to the Affordable Land Donation Agreement as may be necessary to reflect the substitution, provided that such amendments be memorialized in a form subject to approval by the City Attorney.

### Section 2.3 Community Space and Storage Space.

A. As designated in the Project Approvals, Developer shall design and construct a community room on the Property, which shall consist of a 1,000 square foot community function space to be leased to the City for use by the City and City-approved community groups without charge, for meetings, events, educational purposes, cultural celebrations or similar gatherings ("**Community Space**").

B. Developer shall also design and construct an additional 715 square feet of storage space at the Property to be leased to the City for the City's exclusive use, also without charge ("**Storage Space**").

C. Developer shall construct the Community Space to include finished flooring, drop-down or open concept ceilings, restroom facilities for the exclusive use of the Community Space patrons or visitors, and shall also install adequate audio and visual capabilities in the space for digital presentations. Developer shall provide design plans of both the Community Space and Storage Space to the City at least six (6) months prior to completion of the Community Space and Storage Space in order to consult with City on the design. The City shall have final approval of the spatial layout, room elements and design of the Community Space and Storage

Space prior to completion. Developer shall also provide adequate parking spaces for use of staff, patrons or visitors using the Community Space to be determined by the City.

D. Developer shall be responsible for maintaining the essential building systems of the Community Space and Storage Space, such as heating, air conditioning, plumbing or electrical. City or the City's designee shall be responsible for janitorial services and routine maintenance of the Community Space and Storage Space.

E. The aforementioned terms and use of the Community Space and Storage Space shall be memorialized in a lease agreement between the Parties, for a term of twenty-five (25) years, which shall be in a form approved by the City Attorney and signed by the City Manager ("**Community Space and Storage Space Lease Agreement**"). In order to mitigate any potential interruptions with programming that may occur at the end of the twenty-five (25) term, the City may request one (1) five (5)-year extension of the lease term, which approval shall not be unreasonably withheld. Thereafter, the Community Space and Storage Space Lease Agreement may be extended by mutual agreement by the Parties.

F. The Community Space and Storage Space Lease Agreement shall be executed prior to the issuance of the first building permits (including grading permits) for the Project. Amendments to the Community Space and Storage Space Lease Agreement shall be in writing and the City Manager is authorized to make said amendments on behalf of the City.

#### Section 2.4 Public Plaza Area.

A. As designated in the Project Approvals, Developer agrees to design and develop a minimum of a 12,085 square foot public plaza or open space at the corner of Broadway and Main Streets on the Property ("**Public Plaza Area**") for use by the public as well as by the City and City-approved community groups for events, which may include a temporary ice skating rink during the winter holiday season.

B. Developer shall maintain ownership of the Public Plaza Area but shall grant a public use easement for the public's use of the Public Plaza Area, to be recorded against the Property ("**Plaza Easement**") in a form approved by the City Attorney. The Developer and the City shall also enter into a license agreement for the life of the Project, which allows the City and City-approved community groups to hold special events on the Public Plaza Area, in a form approved by the City Attorney ("**Plaza License Agreement**").

C. Developer agrees to keep the Public Plaza Area open and accessible to the public during customary public access hours subject to compliance with applicable laws and regulations and in accordance with reasonable rules governing the public's use of the Public Plaza Area, and shall be responsible for all maintenance of the Public Plaza Area, including landscaping and maintaining public furnishings in the space. City agrees to provide maintenance and be responsible for any costs associated with City or City-sponsored events conducted in the Public Plaza Area.

D. Developer agrees to create and manage an on-line reservation system to reserve the Public Plaza Area for events, in coordination with the City. The Parties also agree that priority for reserved events shall be given to the City or City-approved community groups if made twenty (20) days prior to the event date; the Parties also agree that if the requested date is not available, the Developer shall offer the City or City-approved community groups priority to reserve the Public Plaza Area at the next conveniently available time period. If the Public Plaza Area is not reserved by the City within twenty (20) days before the event date, the Developer may allow other groups and City residents access or use of the Public Plaza Area on a first-come-first-serve basis, at Developer's discretion. The Parties also agree to meet and confer in scheduling any extended duration special events (such as a temporary ice-skating rink) at least six (6) months prior to the first date of the special event.

E. The Plaza License Agreement shall be executed by the Parties, and the Plaza Easement shall be executed by the Parties and recorded against the Property, prior to the issuance of the first building permits (including grading permits) for the Project. Any amendments to the Plaza License Agreement shall be in writing and the City Manager is authorized to make said amendments on behalf of the City.

#### Section 2.5 Developer's Voluntary Financial Contributions.

A. Community Space Contribution. Developer agrees to provide the City a one-time voluntary financial contribution of Twenty-Five Thousand Dollars (\$25,000) for any start-up expenses, such as the purchase of furniture, fixtures, and equipment for the Community Space.

B. Public Plaza Area Contributions. Developer shall provide a one-time voluntary financial contribution to the City in the amount of One Hundred Thousand Dollars (\$100,000) for expenses incurred in activating the Public Plaza Area for public and community events use, and a one-time voluntary financial contribution of Ten Thousand Dollars (\$10,000) for the design, fabrication and installation of historic plaques or other signage to highlight the City's history and the Public Plaza Area in general.

C. All voluntary financial contributions should be paid to the City, including a percentage increase of the Consumer Price Index ("CPI") between the Effective Date and the date on which such payment is made, and all payments shall be made before the first building permit is issued for the Project.

#### Section 2.6 Shared Parking Covenant.

A. Shared Parking Covenant. The Project includes the construction of a two-level underground parking garage, which shall consist of 538 parking spaces, 127 bicycle parking spaces, and 20 motorcycle spaces. Developer agrees to enter into a Shared Parking Covenant that shall include the following:

1. Public Use. The underground parking garage will be made available for public parking on weekday nights (which consists of Mondays through Fridays, from

5:00 p.m. until 10:00 p.m.), on weekends (which consists of all day on Saturdays and Sundays), and all day on holidays (shall include all legal holidays as designated by the City). The Developer may charge an hourly fee for public use parking; however, said parking rate shall be not less than the hourly rate charged at the City's Jefferson Avenue Garage and shall not exceed one hundred twenty five percent (125%) of the hourly rate charged at the City's Jefferson Avenue Garage.

2. Retail Use. The underground parking garage shall designate at least thirty-five (35) parking spaces for retail use during the day (8:00 a.m. through 5:00 p.m.). The Developer may charge an hourly fee for the retail use parking; however, said parking rate shall be not less than the hourly rate charged at the City's Jefferson Avenue Garage and shall not exceed one hundred twenty five percent (125%) of the hourly rate charged at the City's Jefferson Avenue Garage.

3. Hotel Sequoia Use. Developer shall also designate at least twenty-five (25) parking spaces for the future renovated Hotel Sequoia, located at 800 Main Street, Redwood City, California, once constructed and operational.

B. The Shared Parking Covenant, in a form approved by the City Attorney, may be executed by the City Manager on behalf of the City, and shall be recorded with the County of San Mateo County Recorder's Office before the first building permit is issued for the Project.

Section 2.7 Subdivision Improvement Agreement. Developer's obligation to construct or cause the construction of, post improvement security, and provide warranties for the various on-site and off-site public improvements required by the Project Approvals and this Agreement shall be set forth in a subdivision improvements agreement ("**Subdivision Improvement Agreement**"), the form of which shall be reasonably acceptable to the City Attorney. The Subdivision Improvement Agreement shall be entered into by the Parties on or before approval of the first final subdivision map for the Project.

Section 2.8 Other Offered Public Improvements.

A. Purchase of City Parcel and Vacation of Spring Street Segment and Public Easements. As indicated in subsection (4) of Recital L above, the City Parcel has been designated to be exempt surplus land pursuant to Government Code Section 54221(f)(1)(B). As part of a Subsequent Approval of the Project, the City intends to take appropriate action to allow Developer to purchase the City Parcel located at Spring and Marshall Streets for the fair market value of Ten Million Seven Hundred and Fifty Thousand Dollars (\$10,750,000), as part of the land assembly for the Project. As such, the parties anticipate entering into a subsequent purchase agreement ("**Purchase Agreement**") for the sale of the City Parcel. The Purchase Agreement shall be executed by the time the Developer requests a final map for the Project. The Developer shall also submit an application to the City to vacate and abandon the Spring Street Segment and Public Easements in order to create a "squared" parcel for development as depicted in Exhibit A. The application for the vacation and abandonment of the Spring Street Segment and the Public Easements shall be made prior to the time the Developer requests a final map for the Project.

B. Off-Site and Frontage Improvements. As proposed by Developer, the Project would reconfigure the intersections of Main/Marshall streets and Walnut/Marshall streets with more traditional right-angled intersections with shorter crossing distances, and each corner would construct bulb-outs to match the existing respective street crossings. Developer shall plant twenty-eight (28) new street streets on the Property as shown in the Project Approvals and shall plant twenty-eight (28) new trees off-site, all of which shall be maintained by the Developer. Developer also shall install new pedestrian lights on Broadway Street and shall improve Walnut Street to comply with DTPP width and design requirements, install street trees and provide sufficient emergency vehicle access as shown in the Project Approvals.

Section 2.9 Sales Tax Point of Sale Designation. Developer shall use good faith efforts to the extent allowed by law to require all persons and entities providing bulk lumber, concrete, structural steel and pre-fabricated building components, such as roof trusses, used in connection with the construction and development of, or incorporated into, the Project, to: (A) obtain a use tax direct payment permit; (B) elect to obtain a subcontractor permit for the job site of a contract valued at Five Million Dollars (\$5,000,000) or more; or (C) otherwise designate the Property as the place of use of material used in the construction of the Project in order to have the local portion of the sales and use tax distributed directly to the City instead of through the County-wide pool. Developer shall instruct each of its general or subcontractors to cooperate with the City to ensure the full local sales/use tax is allocated to City. To assist City in its efforts to ensure that the full amount of such local sales/use tax is allocated to the City of Redwood City, Developer shall provide City with an annual spreadsheet, or shall instruct their general or subcontractors to cooperate with the City in providing an annual spreadsheet, which shall include a list of all subcontractors with contracts in excess of the amount set forth above, a description of all applicable work, and the dollar value of such subcontracts. City may use said spreadsheet sheet to contact each subcontractor who may qualify for local allocation of use taxes to the City. Notwithstanding the foregoing, nothing in this Section 2.9 shall apply to tenants who perform their own tenant improvement work. In the event that City determines that the City has received less than the amount of sales/use taxes as required by this Section 2.9, Developer shall pay the amount of the delta within forty-five (45) days written notice from the City of the delta amount. Developer agrees to pay interest at the rate of six percent (6%) per annum of the payment due beyond the forty-five (45) day due date and the obligation to pay interest shall survive the termination of this Agreement.

Section 2.10 Union Labor. Developer agrees to use its best efforts to employ union labor in constructing the Project, and shall provide or notify the City of any agreements Developer may execute with any union or labor groups in connection with the Project.

Section 2.11 Local Vendor Preference. In order to encourage the purchase of supplies, services, construction materials or equipment from vendors located within the boundaries of the City, Developer agrees to use (or make a good faith effort to employ or engage) local vendors for any purchase or agreements that exceed Twenty Five Thousand Dollars (\$25,000) in value. Developer agrees to provide the City with an annual accounting of local vendors used during the construction of the Project, including the names and the monetary amount paid to any local vendors.

### ARTICLE 3. EFFECTIVE DATE AND TERM

Section 3.1 Effective Date. This Agreement shall become effective thirty (30) days after the date that the Enacting Ordinance is adopted by the City Council (the “**Effective Date**”). Provided, however, that if a referendum petition receives sufficient signatures to qualify the Enacting Ordinance approving this Agreement for placement on the ballot at a general or special election, the Effective Date shall be the date upon which the election approving the ordinance is certified.

Section 3.2 Term. The Term has been established by the Parties as a reasonable estimate of the time required to carry out and develop the Project and provide the Community Benefits of the Project (“**Term**”).

A. Initial Term. The “**Initial Term**” of this Agreement shall commence on the Effective Date and shall end on the earlier: 1) \_\_\_\_\_, 202\_ (“**Expiration Date**”) which is six (6) years from the Effective Date; 2) the date of any termination of this Agreement in accordance with the provisions hereof; or 3) the later occurrence of either the date of issuance by the City of the final estoppel certificate of completion for the Project or the date of issuance of the certificate of occupancy for the Project.

B. Extended Term. Subject to the terms and conditions in this Section 3.2.B, Developer shall have the right to request an extension of the Initial Term not to exceed a cumulative term of ten (10) years (inclusive of the Initial Term), as provided in the extension options described below (“**Extended Term**”). In addition to satisfying the extension criteria provided for each extension option below, the Developer must also demonstrate to the City Manager’s discretion that the Developer is in compliance with all of the terms and conditions of this Agreement and the Project Approvals at the time that each extension request is made.

1. First Extension Term Option; Criteria. If the Developer is in compliance with all of the terms of this Agreement and the Project Approvals at the time the request is made, the City Manager shall grant a four (4)-year extension of the Initial Term (“**First Extension Term**”) for a total term of ten (10) years, if the Developer can demonstrate to the City Manager’s satisfaction that within three (3) years of the Effective Date, the Developer has donated and/or transferred, or caused the Affiliate to donate and transfer, the ownership of the Affordable Housing Site to the Affordable Housing Partner for the development of affordable housing. Evidence of the land donation shall include the execution and recordation of the following documents as designated in the Affordable Housing Land Donation Agreement, attached as Exhibit F herein: the Affordability Covenant, Grant Deed, Irrevocable Offer to Dedicate, and the Partial Assignment and Assumption Agreement, attached as Exhibit G.

2. Second Extension Term Option; Criteria. Alternatively, if the Developer is in compliance with all of the terms and conditions of this Agreement and the Project Approvals at the time the extension request is made, the City Manager shall grant a two (2)-year extension of the Initial Term, for a total term of eight (8) years (“**Second Extension**”).

**Term**”), if the Developer has paid Five Hundred Thousand Dollars (\$500,000) to the City at the time of the Second Extension Term request is made.

3. Additional Second Extension Term Option; Criteria. If the City Manager has granted the Second Extension Term, and if the Developer is in compliance with all of the terms and conditions of this Agreement and the Project Approvals at the time the extension request is made, the City Manager shall grant an additional two (2)-year extension to the Second Extension Term, for a total term of ten (10) years (“**Additional Second Extension Term**”), if the Developer has made a second payment of five hundred thousand dollars (\$500,000) to the City at the time of the Additional Second Extension Term request.

4. The Parties agree that the above extension options are not cumulative; in other words, Developer may choose to request either the First Extension Term option or the Second Extension Term option (which includes the Additional Second Extension Term option) but may not request both the First Extension or Second Extension options.

5. The City Manager has the authority and discretion to determine if the Developer has satisfied the respective extension criteria and upon making a determination in the affirmative, shall grant the extension options offered under this Section 3.2.B.

C. Extension Request Procedure. If the Developer desires to request any of the extension options under Section 3.2.B, the Developer must submit a request in writing to the City Manager requesting the extension at least sixty (60) days prior to the date that the Initial Term or Extended Term would expire (“**Extension Request**”). The Extension Request shall include documentation demonstrating that relevant extension criteria as set forth in Section 3.2.B have been satisfied or will be satisfied prior to the date that the Initial or Extended Term otherwise would expire.

D. Force Majeure Delay. Subject to the limitations and notice requirements set forth below in Section 3.2.A.1, the Term of this Agreement and the time within which either Party shall be required to perform any act under this Agreement may also be extended by a period of time equal to the number of days during which performance of such act is delayed unavoidably and beyond the reasonable control of the Party seeking the delay by Force Majeure, and as unforeseen at the time this Agreement was executed by the parties. For purposes of this Agreement, “**Force Majeure**” is defined as strikes, lock outs, and other similar labor difficulties; Acts of God; unusually severe weather, but only to the extent that such weather or its effects (including, without limitation, dry out time) result in delays that cumulatively exceed twenty (20) days for any winter season occurring after commencement of construction of the Project; changes in local, state, or federal laws or regulations; any development moratorium or any action of other public agencies that regulate land use, development, or the provision of services that prevents, prohibits, or delays construction of the Project, including without limitation any extension authorized by Government Code Section 66463.5(d); or enemy action; civil disturbances; wars; terrorist acts; epidemic; pandemic; quarantine; fire; unavoidable casualties; unforeseen environmental conditions of the Property that trigger statutory obligations to cease construction (such as the discovery of a leaking underground storage tank); or mediation, arbitration, litigation,

or other administrative or judicial proceeding involving the Project Approvals or this Agreement, including without limitation any extension authorized by Government Code Section 66463.5(e) (each a “**Force Majeure Delay**”). Developer’s inability or failure to obtain financing shall not be deemed to be a cause outside the reasonable control of the Developer and shall not be the basis for a Force Majeure Delay or any other excused delay under the terms of this Agreement.

E. Extension of Times of Performance for Force Majeure Delay. An extension of time for any Force Majeure Delay shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if Notice (as defined in Section 13.5) by the Party claiming such extension is sent to the other Party within sixty (60) days of the commencement of the cause and provided that the Party claiming a delay avails itself of any available remedies. If Notice is sent after such sixty (60) day period, then the extension shall commence to run no sooner than sixty (60) days prior to the giving of such Notice. Times of performance under this Agreement may also be extended in writing by the mutual agreement of the City Manager and Developer, provided that the same does not affect the Term of this Agreement.

F. Effect of Termination. Upon the expiration of the Term, this Agreement shall be deemed terminated and of no further force and effect, subject, however, to the provisions set forth in Section 11.7 (“**Surviving Provisions**”) below.

Section 3.3 City Representations and Warranties. City represents and warrants to Developer that:

A. City is a charter city and municipal corporation, and has all necessary powers under the laws of the State of California to enter into and perform the undertakings and obligations of City under this Agreement.

B. The execution and delivery of this Agreement and the performance of the obligations of City hereunder have been duly authorized by all necessary City Council action and all necessary approvals have been obtained.

C. This Agreement is a valid obligation of City and is enforceable in accordance with its terms.

D. The foregoing representations and warranties are made as of the Agreement Date. During the Term of this Agreement, City shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 3.3 not to be true, immediately give written Notice of such fact or condition to Developer.

Section 3.4 Developer Representations and Warranties. Developer represents and warrants to City that:

A. Developer is duly organized and validly existing under the laws of the State of California and is authorized to do business in California and has all necessary powers

to own property interests and in all other respects enter into and perform the undertakings and obligations of Developer under this Agreement.

B. The execution and delivery of this Agreement and the performance of the obligations of Developer hereunder have been duly authorized by all necessary company action and all necessary member approvals have been obtained.

C. This Agreement is a valid obligation of Developer and is enforceable in accordance with its terms.

D. Developer has not: 1) made a general assignment for the benefit of creditors; 2) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Developer's creditors; 3) suffered the appointment of a receiver to take possession of all, or substantially all, of Developer's assets; 4) suffered the attachment or other judicial seizure of all, or substantially all, of Developer's assets; 5) admitted in writing its inability to pay its debts as they come due; or 6) made an offer of settlement, extension, or composition to its creditors generally.

E. The foregoing representations and warranties are made as of the Agreement Date. During the Term of this Agreement, Developer shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 3.4 not to be true, immediately give written Notice of such fact or condition to City.

#### **ARTICLE 4. DEVELOPMENT OF PROPERTY**

Section 4.1 Definitions. For purposes of this Article and the Agreement, the following terms are defined as follows:

A. Applicable City Regulations. "**Applicable City Regulations**" means:

1. The City's development standards for the Property, including the permitted uses and zoning classifications, maximum density, and/or total number of residential units, the intensity of use, the maximum height and size of the proposed buildings, provisions for reservation or dedication of land for public purposes, the terms, conditions, restrictions, and requirements for subsequent discretionary actions, the provisions of public improvements and financing of public improvements, and other terms and conditions of development as set forth in the General Plan, the DTPP, the City's Charter, Municipal Code and Zoning Ordinance, and other City rules, regulations, ordinances, and official policies applicable to the Project on the Effective Date;

2. All State and Federal laws and regulations applicable to the Property and the Project as enacted, adopted, and amended from time to time.

3. Any New City Laws that do not Conflict with the Project Approvals or this Agreement, provided that such New City Laws are uniformly applied on a Citywide basis to all substantially similar types of development projects and properties.

a. As used in this Agreement, “**New City Laws**” means and includes any ordinances, resolutions, orders, rules, official policies, standards, specifications, guidelines, or other regulations, which are promulgated or adopted by City (including but not limited to any City Council, Board, Commission, officer or employee) or its or their electorate (through the power of initiative, referendum or otherwise) after the Effective Date.

b. For purposes of this section, the word “**Conflict**” means a modification to the Project Approvals or this Agreement that purport to: (i) limit the permitted uses of the Property, the density and intensity of use (including but not limited to floor area ratios of buildings), or the maximum height and size of proposed buildings; (ii) impose requirements for reservation or dedication of land for public purposes or requirements for infrastructure, public improvements, or public utilities, other than as provided in the Project Approvals or this Agreement; (iii) impose conditions upon development of the Property other than as permitted by the Project Approvals, the Applicable City Regulations, Changes in the Law (as provided in Section 4.8), and this Agreement; (iv) limit the timing, phasing, or rate of development of the Property; (v) limit the location of building sites, grading, or other improvements on the Property in a manner that is inconsistent with or substantially more restrictive than the limitations included in the Project Approvals and this Agreement; (vi) limit or control the ability to obtain public utilities, services, or facilities (provided, however, nothing herein shall be deemed to exempt the Project or the Property from any water use rationing requirements that may be imposed on a City-wide basis from time to time in the future or be construed as a reservation of any existing sanitary sewer or potable water capacity); (vii) require the issuance of additional permits or discretionary approvals by City other than those required by Applicable City Regulations, the Project Approvals, and this Agreement; (viii) establish, enact, increase, or impose against the Project or the Property any special taxes or assessments other than those specifically permitted by this Agreement, including Section 5.2; (ix) apply to the Project any New City Laws that are not uniformly applied on a City-wide basis to all substantially similar types of development projects and project sites; (x) impose against the Project any condition or exaction, including and dedication, not specifically authorized by Applicable City Regulations, the Project Approvals or this Agreement; or (xi) limit the processing or procuring of applications and approvals of Subsequent Approvals.

Section 4.2 Vested Rights of Developer. Developer shall have the vested right to develop the Property and the Project in accordance with and subject to the terms and conditions of this Agreement, the Project Approvals, and the Applicable City Regulations, which shall control the permitted uses, density and intensity of use of the Property, and the maximum height and size of buildings on the Property.

Section 4.3 Reservations of City Authority. Notwithstanding any other provision of this Agreement to the contrary, the following City regulations and provisions shall apply to the development of the Project:

A. Regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals, and any other matter of procedure then applicable in City at the time the development permit application is deemed complete;

B. Regulations governing construction standards and specifications, including City's building code, plumbing code, mechanical code, electrical code, fire code, and grading code, and all other uniform construction codes then applicable in City at the time the permit application is deemed complete;

C. New City Laws applicable to the Property or Project at the time the permit application is deemed complete, which do not conflict with the Project Approvals, any other provision of this Agreement, or Developer's vested rights under Section 4.2;

D. New City Laws which may be in conflict with the Project Approvals or this Agreement, but which are necessary to protect persons or property from dangerous or hazardous conditions that create a threat to the public health or safety or create a physical risk.

Section 4.4 Regulation by Other Public Agencies. Developer acknowledges and agrees that other public agencies not within the control of City possess authority to regulate aspects of the development of the Property separately from or jointly with City, and this Agreement does not limit the authority of such other public agencies. Developer shall, at the time required by Developer in accordance with Developer's construction schedule, apply for all such other permits and approvals as may be lawfully required by other governmental or quasi-governmental entities in connection with the development of, or the provision of services to, the Project. Developer shall also pay all lawfully required fees when due to such public agencies. Developer acknowledges that City does not control the amount of any such fees. City shall reasonably cooperate with Developer in Developer's effort to obtain such permits and approvals; provided, however, City shall have no obligation to incur any costs, without compensation or reimbursement by Developer, or to amend any policy, regulation, or ordinance of City in connection therewith.

Section 4.5 Life of Project Approvals; VTPM Conflicts. The term of any and all Project Approvals shall automatically be extended for the longer of the Term of this Agreement or the term otherwise applicable to such Project Approvals. The Parties acknowledge that the Developer has received a VTPM for the Project that vests certain rights under the Subdivision Map Act. The Parties agree that in the event of any conflict between the provisions of this Agreement and the VTPM, this Agreement shall control. If this Agreement expires or is earlier terminated in accordance with its terms, the VTPM shall remain in effect for its remaining life, if any, in accordance with the Subdivision Map Act; provided, however, the Parties agree that the vested elements of the VTPM shall have no further force or effect following such expiration or earlier termination of this Agreement. The Parties' agreements in the foregoing sentence shall survive the expiration or earlier termination of this Agreement.

Section 4.6 Initiatives. If any New City Laws are enacted or imposed by a citizen-sponsored initiative or referendum, which New City Laws would conflict with the Project

Approvals or this Agreement or reduce the development rights or assurances provided by this Agreement, such New City Laws shall not apply to the Property or Project; provided, however, the Parties acknowledge that City's approval of this Agreement is a legislative action subject to referendum. Without limiting the generality of the foregoing, no moratorium or other limitation (whether relating to the rate, timing, phasing or sequencing of development) affecting subdivision maps, use permits, building permits, or other entitlements to use that are approved or to be approved, issued, or granted by City shall apply to the Property or Project. Developer agrees and understands that City does not have authority or jurisdiction over any other public agency's ability to grant governmental approvals or permits or to impose a moratorium or other limitation that may affect the Project. City shall reasonably cooperate with Developer and, at Developer's expense, shall undertake such actions as may be necessary to ensure that this Agreement remains in full force and effect. City, except to submit to vote of the electorate initiatives and referendums required by Applicable Law to be placed on a ballot and fulfill any legal responsibility to defend a ballot measure passed by its voters, shall not support, adopt, or enact any New City Law, or take any other action which would violate the express provisions or spirit and intent of this Agreement.

Section 4.7 Timing of Development. Except as otherwise provided for in the Project Approvals and this Agreement, Developer shall have the vested right to develop the Project in such order, at such rate, and at such times as Developer deems appropriate in the exercise of its business judgment. In particular, and not in any limitation of any of the foregoing, since the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo*, 37 Cal.3d 465 (1984), that the failure of the parties therein to consider, and expressly provide for, the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the desire of the Parties hereto to avoid that result. Notwithstanding the adoption of an initiative after the Effective Date by City's electorate to the contrary, the Parties acknowledge that, except as otherwise provided for in the Project Approvals and this Agreement, Developer shall have the vested right (but not the obligation) to develop the Project in such order and at such rate and at such times as Developer deems appropriate in the exercise of its business judgment.

Section 4.8 Changes in the Law. As provided in Section 65869.5 of the Development Agreement Law, this Agreement shall not preclude the applicability to the Project of changes in laws, regulations, plans, or policies, to the extent that such changes are specifically mandated and required by changes in State or Federal laws or by changes in laws, regulations, plans, or policies of special districts or other governmental entities, other than City, created or operating pursuant to the laws of the State of California ("**Changes in the Law**"). In the event Changes in the Law prevent or preclude compliance with one or more provisions of this Agreement, the Parties shall meet and confer in good faith in order to determine whether such provisions of this Agreement shall be modified or suspended, or performance thereof delayed, as may be necessary to comply with Changes in the Law. Following the meeting between the Parties, the provisions of this Agreement may, to the extent feasible, and upon mutual agreement of the Parties, be modified or suspended, but only to the minimum extent necessary to comply with such Changes in the Law. In such event, this Agreement together with any required modifications shall continue in full force and effect. In the event that the Changes in the Law operate to frustrate irremediably and materially the vesting of development rights to the Project as set forth in this Agreement, Developer may

terminate this Agreement by Notice to City. Nothing in this Agreement shall preclude Developer from contesting by any available means (including administrative or judicial proceedings) such Changes in the Law or their applicability to the Project and, in the event that such challenge is successful, this Agreement shall remain unmodified and in full force and effect unless the Parties mutually agree otherwise.

Section 4.9 Sanitary Sewer and Potable Water Capacity. City has found the Project to be consistent with the General Plan which anticipates that, after offsetting its demand by connecting to recycled water infrastructure and plumbing the Project for recycled water use, there will be sufficient potable water supply and dry weather sanitary sewer treatment capacity to serve future development contemplated by the General Plan, including the Project. However, as noted in Section 4.1 above, nothing in this Agreement is intended to exempt the Project or the Property from any water use rationing requirements that may be imposed on a City-wide basis from time to time in the future or be construed as a reservation of any existing sanitary sewer treatment capacity or potable water supply.

Section 4.10 Conditions of Subsequent Approvals. No conditions imposed on Subsequent Approvals (defined in Section 9.1) shall require dedications or reservations for, or construction or funding of, public infrastructure or public improvements beyond those included in the Project Approvals, except as required or expressly permitted by this Agreement.

Section 4.11 Sets of Project Approvals. Prior to the Effective Date, the Developer shall have prepared two sets of the Project Approvals, one set for City and one set for Developer, to which shall be added from time to time with any Subsequent Approvals, so that if it becomes necessary in the future to refer to any of the Project Approvals, there will be a common set available to the Parties. Failure to include any rule, regulation, policy, standard, or specification in the sets of Project Approvals as described in this Agreement shall not affect the applicability of such rule, regulation, policy, standard, or specification.

## ARTICLE 5. FEES, TAXES, AND ASSESSMENTS

### Section 5.1 Developer Impact Fees.

A. Definition of Impact Fees. For purposes of this Agreement, “**Impact Fees**” shall mean the monetary fees and impositions, other than taxes and assessments, charged by City and, except as otherwise expressly provided for herein, in effect as of the Effective Date, in connection with a development project for the purpose of defraying all or a portion of the cost of mitigating the impacts of a development project or the development of the public facilities and services related to a development project, including but not limited to the Affordable Housing Impact Fee, Art in Public Places In-Lieu Fee, Downtown Parking In-Lieu Fee, Park Impact Fee, Sewer and Water Fees, Transportation Impact Fee, 101/84 Interchange Improvement Fee, Emergency Water Tank Fee, and any other City “fee” as that term is defined by Government Code Section 66000(b).

1. For purposes of this Agreement, “**New Impact Fees**” means those Impact Fees adopted by City after the Effective Date of this Agreement. New Impact Fees do not include replacements or escalation of Impact Fees.

2. The Developer, in accordance with the Affordable Housing Ordinance, has agreed to donate and transfer, or cause the Affiliate to donate and transfer, the Affordable Site to the Affordable Housing Partner as an alternative to paying the Affordable Housing Impact Fee. Accordingly, once City receives satisfactory documentation that the Affordable Site has been transferred and donated to the Affordable Housing Partner, the Affordable Housing Impact Fee otherwise applicable to the Project and the Affordable Housing Project shall be deemed satisfied, and the Developer shall not be required to pay an Affordable Housing Impact Fee.

3. The Developer has agreed to construct and maintain the Public Plaza Area and the Community Space and make them open to public use, as described in Section 2.4. The Public Plaza Area is valued at more than the Park Impact Fee otherwise applicable to the Project. Accordingly, if the Public Plaza Area project is subsequently approved by the City Council to be included as a City Capital Improvement Program as provided in Section 5.4 below, once the Public Plaza Area and Community Space are constructed and the associated agreements governing their community use are executed between Developer and the City in accordance with this Agreement, the Park Impact Fee otherwise applicable to the Project and the Affordable Housing Project shall be deemed satisfied and the Developer shall not be required to pay a Park Impact Fees.

B. Payment of Impact Fees. For the period commencing on the Effective Date and continuing until expiration of the Initial Term, Developer shall pay when due all Impact Fees applicable to the Project and Affordable Housing Project in accordance with this Agreement in effect as of the Effective Date at the rates in effect as of the Effective Date, subject to any rate escalators in effect on the Effective Date or, in the absence of any built in rate escalators, the Consumer Confidence Index (“CCI”). Neither the Project nor the Affordable Housing Project shall be subject to New Impact Fees for the duration of the Initial Term.

1. Payment of Impact Fees for Extended Term.

a. First Extension Term. If the First Extension Term is granted by the City Manager pursuant to Section 3.2.B.1, all Impact Fees applicable to the Project and the Affordable Housing Project shall be calculated at the rates in effect as of the Effective Date for the duration of the First Extension Term. Neither the Project nor the Affordable Housing Project shall be subject to New Impact Fees for the duration of the First Extension Term.

b. Second Extension Term. If a Second Extension Term is granted by the City Manager pursuant to Section 3.2.B.2 and a building permit is pulled for either the Project or the Affordable Housing Project during the Second Extension Term period, all Impact Fees, applicable to the development subject to such building permit shall be calculated at the rates in effect as of the Effective Date, subject to any increases incurred as a result of the

Consumer Confidence Index (“CCI”) in place as of the seventh (7<sup>th</sup>) and eighth (8<sup>th</sup>) year of the Second Extension Term. Neither the Project nor the Affordable Housing Project shall be subject to New Impact Fees for the duration of the Second Extension Term.

c. Additional Second Extension Term. If an Additional Second Term Extension is granted by the City Manager pursuant to Section 3.2.B.3 and a building permit is pulled for either the Project or the Affordable Housing Project during the Additional Second Extension Term period, all Impact Fees applicable to the development subject to such building permits shall be calculated at the rates in effect as of the Effective Date, subject to any increases incurred as a result of the CCI in place as of the ninth (9<sup>th</sup>) and tenth (10<sup>th</sup>) year of the Additional Second Extension Term. Neither the Project or the Affordable Housing Project shall be subject to the New Impact Fees for the duration of the Additional Second Extension Term.

C. The Impact Fees itemized on Exhibit H represent the Parties’ good faith effort to identify the Impact Fees applicable to the Project, including the applicable escalators as set forth in the City’s Impact Fee ordinances, resolutions or, where applicable, the CCI. The Impact Fees itemized on Exhibit H also include City wastewater and water capacity and connection charges, as set forth in the Mitigation Fee Act (Government Code section 66013 *et seq.*) City and Developer agree to amend and restate Exhibit H, as necessary, in the event one or more Impact Fees have been inadvertently omitted or if any escalation provisions have been inadvertently misstated or miscalculated.

D. Except as otherwise expressly provided for herein, Developer shall not be entitled to any credits toward Impact Fees or New Impact Fees due on account of the Community Benefits provided by Developer under this Agreement.

E. Developer acknowledges and agrees that: (a) the Project Approvals provided adequate and proper notice pursuant to Government Code Section 66020 of Developer’s right to protest any requirements for fees, dedications, reservations, and other exactions as may be included in this Agreement (including, but not limited to the donation of the Affordable Site); and, (b) if no protest in compliance with Section 66020 is made within ninety (90) days of the date that notice was given, the period in which Developer may protest any and all fees, dedications, reservations, and other exactions as may be included in this Agreement will have been waived by the Developer.

F. Connection Fees. For purposes of this Agreement, “**Connection Fees**” means those fees charged by the City or by a utility provider to utility users as a cost for connection to water, sanitary sewer, and other applicable utilities. Developer shall pay Connection Fees assessed by utility providers and other agencies assessing such fees at the rates in effect from time to time.

G. Processing Fees. For purposes of this Agreement, “**Processing Fees**” means all fees charged on a City-wide basis as part of the City’s Master Fee Schedule to cover the cost of City processing of development project applications, including any required supplemental or other further environmental review, plan checking (time and materials) and inspection and

monitoring for land use approvals, design review, grading and building permits, General Plan maintenance fees, and other permits and entitlements required to implement the Project, which fees are in effect at the time those permits, approvals, or entitlements are applied for, and which fees are intended to cover the City's actual costs of processing the foregoing. Subject to Developer's right to protest and/or pursue a challenge in law or equity to any new or increased Processing Fees, City may charge and Developer agrees to pay all Processing Fees which are in effect on a City-wide basis at the time developer applies for permits, approvals, or entitlements.

H. Other Agency Fees. Nothing in this Agreement shall preclude City from collecting fees from Developer that are lawfully imposed by another agency having jurisdiction over the Project, which City is required to collect pursuant to Applicable City Regulations, State or Federal Law.

Section 5.2 Taxes and Assessments. Developer covenants and agrees to pay prior to delinquency all existing taxes and assessments and any and all new taxes or assessments that are adopted after the Effective Date and which conform to the terms of this Agreement, including this Section 5.2. As of the Agreement Date, City is unaware of any pending efforts to initiate, or consider applications for new or increased special taxes or assessments covering the Property, or any portion thereof. City shall retain the ability to initiate or process applications for the formation of new assessment districts or imposition of new taxes covering all or any portion of the Property in accordance with the Applicable City Regulations, but only if such taxes or assessments are adopted by or after Citywide voter approval, or approval by landowners subject to such taxes or assessments, and are imposed on other land and projects of the same category within the jurisdiction of City in a reasonably proportional manner as determined by City, and, as to assessments, only if the impact thereof does not fall disproportionately on the Property as compared to the benefits accruing to the Property as indicated in the engineers report for such assessment district. Nothing herein shall be construed so as to limit Developer from exercising whatever rights it may otherwise have in connection with protesting or otherwise objecting to the imposition of taxes or assessments on the Property.

Section 5.3 MMRP Fair Share Contributions. As set forth in Section 8.8 below, Developer is required and agrees to comply with all mitigation measures adopted as part of the Project Approvals, including but not limited to designing and installing, to the extent applicable, upgrades to the water system, sanitary sewer system, stormwater system, and installing an extension to the City's recycled water infrastructure. Specifically, as provided by the DTPP Plan-Wide Amendments MMRP adopted by the City Council in connection with the DTPP SEIR, and to the extent applicable, the Developer shall be required to bear the cost of the design, constructing or installing these upgrades and improvements, including but not limited to the installation of recycled water supply pipelines with sufficient recycled water capacity to provide for all of the Project's recycled water demands pursuant to City standards, and may be reimbursed by subsequent development projects within the DTPP area to pay the fair-share contribution for any costs of constructing or installing the required improvements that benefit the subsequent projects. Without limiting Developer's obligation to pay all required contributions, Developer agrees to pay the following fair share contributions required to mitigate impacts pursuant to the DTPP SEIR.

Section 5.4 Offsets and Credits. In the event an assessment district is lawfully formed or a similar mechanism is created to provide funding for services, improvements, maintenance or facilities which are substantially the same as those services, improvements, maintenance or facilities being funded by the Impact Fees and/or fair-share contributions identified in Section 5.3 hereof to be paid by Developer under the Project Approvals or this Agreement, then such Impact Fees and/or fair-share contributions payable by Developer shall be subject to reduction/credit in an amount equal to Developer's new or increased assessment under the assessment district or similar mechanism. Alternatively, the new assessment district or similar mechanism shall reduce/credit Developer's new assessment in an amount equal to such Impact Fees to be paid by Developer under the Project Approvals or this Agreement. In calculating any reduction or credit, the Parties shall take into account the timing of payment of the Impact Fee and the new or increased assessment.

Section 5.5 City of Redwood City Business License. Developer, at its expense, shall obtain and maintain a City of Redwood City business license at all times during the Term, and shall include a provision in all general contractor agreements for the Project requiring each such general contractor to obtain and maintain a City of Redwood City business license during performance of the work of construction.

## ARTICLE 6. ANNUAL REVIEW

### Section 6.1 Periodic Review.

A. Purpose. As required by California Government Code section 65865.1, City and Developer shall review this Agreement and all actions taken pursuant to the terms of this Agreement with respect to the development of the Project every 12 months following the Effective Date to determine good faith compliance with this Agreement. Each annual review shall also document the status of the Project development.

B. Conduct of Annual Review. The annual review shall be conducted as provided in this Section 6.1. Each year, or by November 25 of each year, Developer shall provide documentation of its good faith compliance with this Agreement during the year by submitting a completed Annual Review Form in the form provided in Exhibit D ("**Annual Review Form**") and such other information as may reasonably be requested by the City Manager.

1. If the City Manager or designee finds good faith compliance by Developer with the terms of this Agreement, Developer shall be notified in writing within thirty (30) days and the review for that period shall be concluded.

2. If the City Manager is not satisfied that Developer is performing in accordance with the terms and conditions of this Agreement, the City Manager shall prepare a written staff report for the Council's consideration to specify why Developer may not be in good faith compliance with this Agreement, refer the matter to the City Council, and notify Developer in writing at least 15 business days in advance of the time at which the matter will be considered by the City Council. This notice shall include the time and place of the City Council's meeting to evaluate good faith compliance with this Agreement, a copy of the City Manager's report and

recommendations, if any, and any other information reasonably necessary to inform Developer of the nature of the proceeding.

a. The City Council shall conduct a hearing at which Developer must submit evidence that it has complied in good faith with the terms and conditions of this Agreement. Developer shall be given an opportunity to be heard at the hearing. The findings of the City Council on whether Developer has complied with this Agreement for the period under review shall be based upon substantial evidence in the record. If the City Council determines, based upon substantial evidence, that Developer has complied in good faith with the terms and conditions of this Agreement, the review for that period shall be concluded. If the City Council determines, based upon substantial evidence in the record, that Developer has not complied in good faith with the terms and conditions of this Agreement, or there are significant questions as to whether Developer has complied with the terms and conditions of this Agreement, the City Council, at its option, may continue the hearing and may notify Developer of the City's intent to meet and confer with Developer within 30 days of such determination, prior to taking further action. Following such meeting, the City Council shall resume the hearing in order to further consider the matter and to make a determination regarding Developer's good faith compliance with the terms and conditions of this Agreement. In the event City determines Developer is not in good faith compliance with the terms and conditions of this Agreement, City may exercise its right to terminate this Agreement by written Notice to Developer (without any requirement of a further public hearing pursuant to Section 11.2) or pursue legal action under Section 11.3.

C. Failure to Conduct Annual Review. Failure of City to conduct an annual review shall not constitute a waiver by the City of its rights to otherwise enforce the provisions of this Agreement nor shall Developer have or assert any defense to such enforcement by reason of any such failure to conduct an annual review.

D. Certificate of Compliance. If, at the conclusion of the annual review described in Section 6.1.B, the Developer is found to be in compliance with this Agreement, City shall, upon request by Developer, issue a Certificate of Compliance ("**Certificate**") to Developer stating that after the most recent annual review and based upon the information actually known to an appropriate official of City specified in such Certificate that: (1) this Agreement remains in effect, and (2) the Developer is not in Default. The Certificate shall be in a recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, and shall state the anticipated date of commencement of the next annual review. Developer may record the Certificate without cost or expense to City.

## **ARTICLE 7. MORTGAGEE PROTECTION**

Section 7.1 Mortgagee Protection. This Agreement shall not prevent or limit Developer in any manner, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust, or other security device securing financing with respect to the Property ("**Mortgage**"). This Agreement shall be superior and senior to any lien placed upon the Property or any portion thereof after the date of recording the Agreement, including the lien of any Mortgage. Notwithstanding the foregoing, no breach

hereof shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against and shall run to the benefit of any person or entity, including any deed of trust beneficiary, or mortgagee (“**Mortgagee**”), who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee’s sale, deed in lieu of foreclosure, or otherwise.

Section 7.2. Mortgagee Not Obligated. Notwithstanding the provisions of Section 7.1 above, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of the Project, or any portion thereof, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to any use except in full compliance with the Project Approvals and this Agreement nor to construct any improvements thereon or institute any uses other than those uses and improvements provided for or authorized by the Project Approvals and this Agreement.

Section 7.3 Notice of Default to Mortgagee; Right to Cure. With respect to any Mortgage granted by Developer as provided herein, then so long as any such Mortgage shall remain unsatisfied of record, the following provisions shall apply:

A. City, upon serving Developer any Notice of Default (as defined in Section 11.1), shall also serve a copy of such Notice upon any Mortgagee at the address provided to City, and no Notice by City to Developer hereunder shall affect any rights of a Mortgagee unless and until a copy thereof has been so served on such Mortgagee; provided, however, that failure so to deliver any such Notice shall in no way affect the validity of the Notice sent to Developer as between Developer and City.

B. In the event of a Default (as defined in Section 11.1) by Developer, any Mortgagee shall have the right to remedy, or cause to be remedied, such Default within sixty (60) days following the later to occur of (1) the date of Mortgagee’s receipt of the Notice referred to in Section 7.3.A above, or (2) the expiration of the period provided herein for Developer to remedy or cure such Default, and City shall accept such performance by or at the insistence of the Mortgagee as if the same had been timely made by Developer; provided, however, that (1) if such Default is not capable of being cured within the timeframes set forth in this Section 7.3.B and Mortgagee commences to cure the Default within such timeframes, then Mortgagee shall have such additional time as is required to cure the Default so long as Mortgagee diligently prosecutes the cure to completion and (2) if possession of the Property (or portion thereof) is required to effectuate such cure or remedy, the Mortgagee shall be deemed to have timely cured or remedied if it commences the proceedings necessary to obtain possession thereof within sixty (60) days after receipt of the copy of the Notice, diligently pursues such proceedings to completion, and, after obtaining possession, diligently completes such cure or remedy.

C. Any Notice or other communication which City shall desire or is required to give to or serve upon the Mortgagee shall be in writing and shall be served in the manner set forth in Section 13.5, addressed to the Mortgagee at the address provided by Mortgagee to City. Any Notice or other communication which Mortgagee shall give to or serve upon City shall be deemed to have been duly given or served if sent in the manner and at City’s address as set forth

in Section 13.5, or at such other address as shall be designated by City by Notice in writing given to the Mortgagee in like manner.

Section 7.4 No Supersedure. Nothing in this Article 7 shall be deemed to supersede or release a Mortgagee or modify a Mortgagee's obligations under any subdivision or public improvement agreement or other obligation incurred with respect to the Project outside this Agreement, nor shall any provision of this Article 7 constitute an obligation of City to such Mortgagee, except as to the Notice requirements of Section 13.5.

Section 7.5 Technical Amendments to this Article 7. City agrees to reasonably consider and approve interpretations and/or technical amendments to the provisions of this Agreement that are required by lenders for the acquisition and construction of the improvements on the Property or any refinancing thereof and to otherwise cooperate in good faith, at Developer's expense, to facilitate Developer's negotiations with lenders. Such interpretations and/or technical amendments shall be made by the City Manager and considered to be a Minor Amendment, as that term is defined in Section 8.2 of this Agreement.

## **ARTICLE 8. AMENDMENT OF AGREEMENT OR PROJECT APPROVALS**

Section 8.1 Amendment of Agreement by Mutual Consent. This Agreement may be terminated, modified or amended from time to time in whole or in part only by mutual written consent of the Parties hereto or their successors-in-interest or assigns, as further provided below. Upon written request of Developer for an amendment or modification of this Agreement, the City Manager or City Manager's designee shall determine whether the requested amendment or modification is a Minor Amendment, as defined in Section 8.2, when considered in light of the Project as a whole. For purposes of this Agreement, the City Manager or City Manager's designee's determination of whether the requested amendment or modification is Minor or Major shall be deemed final and not subject to further appeal.

Section 8.2 Definition of Minor Amendments. For purposes of this Agreement, a "**Minor Amendment**" shall be any change or modification to the Agreement that does not substantially affect the following:

- A. The Term of this Agreement;
- B. The permitted uses of the Property;
- C. Provisions for the reservation or dedication of land;
- D. Conditions, terms, restrictions, or requirements for subsequent discretionary actions;
- E. The density or intensity of use of the Property or the maximum height or size of proposed buildings;

- F. The nature, timing of delivery, or scope of public improvements required by the Project Approvals;
- G. The amount of any monetary contributions by Developer;
- H. The approval of a Substitute Site by the City Council, as set forth in Section 2.2 (D) of this Agreement; or
- I. Interpretations or technical amendments that are required by lenders for the acquisition and construction of the improvements on the Property or any refinancing thereof pursuant to Section 7.5 of Article 7 (Mortgagee Protection).

Section 8.3 Minor Amendment to the Agreement. If the City Manager or designee determines that the amendment or modification is a Minor Amendment to the Agreement as set forth in Section 8.2, the Minor Amendment may be approved by the City Manager or designee in writing as an “Administrative Amendment,” and shall not, except to the extent otherwise required by Applicable City Regulations, require notice or public hearing before the Parties may execute the Administrative Amendment.

Section 8.4 Major Amendment. Any amendment to this Agreement other than a Minor Amendment as defined in Section 8.2 shall be deemed a “**Major Amendment**.” Any Major Amendment shall be subject to approval by the City Council by ordinance following duly noticed public hearing before the Planning Commission and City Council consistent with Government Code sections 65867, 65867.5 and 65868.

Section 8.5 Requirement for Writing. No modification, Minor or Major Amendment, or other change to this Agreement or any provision hereof shall be effective for any purpose unless specifically set forth in a writing that refers expressly to this Agreement and is signed by duly authorized representatives of both Parties or their successors. The City Manager shall provide a copy of any such change to the City Council within thirty (30) days of its execution.

Section 8.6 Amendments to Development Agreement Law. This Agreement has been entered into in reliance upon the provisions of the Development Agreement Law as those provisions existed as of the Effective Date of this Agreement. No amendment or addition to those provisions which would materially affect the interpretation or enforceability of this Agreement shall be applicable to this Agreement, unless such amendment or addition is specifically required by the California State Legislature, or is mandated by a court of competent jurisdiction. In the event of the application of such Changes in the Law, the Parties shall meet in good faith to determine the feasibility of any modification or suspension that may be necessary to comply with such Changes in the Law and to determine the effect such modification or suspension would have on the purposes and intent of this Agreement. Following the meeting between the Parties, the provisions of this Agreement may, to the extent feasible, and upon mutual agreement of the Parties, be modified or suspended, but only to the minimum extent necessary to comply with such Changes in the Law. If such Change in the Law is permissive (as opposed to mandatory), this Agreement shall not be affected by same unless the Parties mutually agree in writing to amend this Agreement to permit such applicability. Developer and/or City shall have the right to challenge any Changes

in the Law preventing compliance with the terms of this Agreement, and in the event such challenge is successful, this Agreement shall remain unmodified and in full force and effect.

Section 8.7 Amendments to Project Approvals. Project Approvals (not including amendments to this Agreement, as set forth above in Sections 8.3 through 8.5) may be amended or modified from time to time, subject to the written request of Developer or with the written consent of Developer at its sole discretion. Except as otherwise provided for herein, City shall not request, process, or consent to any amendment to the Project Approvals that would affect the Property or the Project without Developer's prior written consent. Amendments to the Project Approvals shall be governed by the Project Approvals and by the Applicable City Regulations. Once approved by City, all amendments shall automatically become part of the Project Approvals, as described in Recital L of this Agreement.

Section 8.8 Amendments and CEQA/Mitigation Measures. The City has prepared and certified the DTPP SEIR and the Consistency Checklist, which evaluates the environmental effects of full development, operation, and use of the Project, and has imposed all feasible mitigation measures, including the requirement to design and construct certain improvements or pay the fair share contributions set forth in Section 5.3 above, to reduce the significant environmental effects of the Project. The Parties understand that the DTPP SEIR and the Consistency Checklist are intended to be used not only in connection with the Project Approvals, but also, to the extent legally permitted, in connection with amendments to the Project Approvals. However, the Parties acknowledge that certain amendments may legally require additional analysis under CEQA. For example, a change in the Project Approvals could require additional analysis under CEQA if the triggering conditions identified in CEQA Guidelines Section 15162 are met. In the event supplemental or additional CEQA review is required for an amendment, City shall conduct such supplemental or additional CEQA review to the scope of analysis mandated by CEQA in light of the scope of City's discretion to be exercised in connection with the amendments. Developer acknowledges that, if the City determines based upon supplemental or additional CEQA review that the amendments to the Project Approvals will result in new significant effects or substantially increase the severity of effects that were identified in the DTPP SEIR and the Consistency Checklist, City may require additional feasible mitigation measures necessary to mitigate such impacts, provided however (except as otherwise expressly provided herein) such additional mitigation measures shall not prevent development of the Project for the uses set forth in the Project Approvals. Developer shall comply with the mitigation measures in the DTPP Plan-Wide Amendments MMRP, which reflect the mutually agreed-upon timing of specified improvements and Developer's pro rata share of funding, where applicable. In the event further mitigation measures are identified by such additional environmental review, City may require, and Developer shall comply with, all feasible mitigation measures necessary to substantially lessen new or substantially more severe significant environmental impacts of the Project Approvals, which were not foreseen at the time of execution of this Agreement.

## **ARTICLE 9. SUBSEQUENT APPROVALS AND IMPLEMENTATION**

Section 9.1 Subsequent Approvals. Certain subsequent land use approvals, entitlements, agreements and permits other than the Project Approvals, will be necessary or

desirable for implementation of the Project (“**Subsequent Approvals**”). The Subsequent Approvals may include, without limitation, the following: amendments to the Project Approvals, approval of the Purchase Agreement, vacation and abandonment of the Spring Street Segment and Public Easements, approval and/or issuance of grading permits, building permits, tree removal permits, sewer and water connection permits, certificates of occupancy, lot line adjustments, site plans, development plans, land use plans, building plans and specifications, parcel maps, final maps and/or subdivision maps, design review, demolition permits, improvement agreements, encroachment permits, temporary special event permits, and any amendments to, or repealing of, any of the foregoing.

Section 9.2 Scope of Review of Subsequent Approvals. City shall not use its authority in considering any application for a Subsequent Approval to change the policy decisions reflected in the Project Approvals and this Agreement. Instead, the scope of review of applications for Subsequent Approvals shall be limited to review of substantial conformity with the Project Approvals, Applicable City Regulations, and compliance with CEQA. City shall not impose conditions or exactions on Subsequent Approvals that exceed the requirements of, or are otherwise inconsistent with, the Project Approvals, except as expressly permitted by this Agreement or otherwise required by Applicable City Regulations. At such time as any Subsequent Approval applicable to the Property is approved by City, then such Subsequent Approval shall become subject to all the terms and conditions of this Agreement applicable to Project Approvals and shall be incorporated therein and treated as part of the “Project Approvals” as defined in Recital L in this Agreement.

Section 9.3 Processing Applications for Subsequent Approvals.

A. Developer acknowledges that City cannot begin processing applications for Subsequent Approvals until Developer submits complete applications. Developer shall use diligent good faith efforts to provide to City in a timely manner any and all documents, applications, plans, and other information necessary for City to carry out its obligations hereunder, and cause Developer’s planners, engineers, and all other consultants to provide to City in a timely manner all such documents, applications, plans and other materials required under the Applicable City Regulations. It is the express intent of Developer and City to cooperate and diligently work to obtain any and all Subsequent Approvals.

B. Upon submission by Developer of all appropriate applications and Processing Fees for any pending Subsequent Approval, City shall, to the full extent allowed by the Applicable City Regulations, promptly and diligently, subject to City ordinances, policies and procedures regarding hiring and contracting, commence and complete all steps necessary to act on Developer’s currently pending Subsequent Approval applications including:

1. Upon the written request of the Developer, providing at Developer’s sole cost and expense and subject to City’s ability to obtain such services, additional staff and/or staff consultants for planning and processing of each pending Subsequent Approval application (Developer shall pay such costs at cost plus ten percent (10%) for administrative costs incurred);

and,

2. If legally required, providing notice and holding public hearings;

3. Acting on any such pending Subsequent Approval application.

C. Any subsequent discretionary action or discretionary approval initiated by Developer that is not otherwise permitted by or contemplated in the Project Approvals or which changes the uses, intensity, density, or building height or decreases the lot area, setbacks, parking, or other entitlements permitted on the Property, except for Project Approval amendments contemplated in Section 8.7, shall be subject to the rules, regulations, ordinances, and official policies of the City then in effect at the time of application and City reserves full and complete discretion with respect to any findings to be made in connection therewith.

Section 9.4 Other Agency Subsequent Approvals; Authority of City. Other public agencies not within the control of City may possess authority to regulate aspects of the development of the Property separately from or jointly with City, and this Agreement does not limit the authority of such other public agencies on the Project (“**Other Agency Subsequent Approvals**”). Nevertheless, City shall be bound by, and shall abide by, its covenants and obligations under this Agreement in all respects when dealing with any such agency regarding the Property. City shall cooperate with Developer, at Developer’s expense, to the extent appropriate and as permitted by the Applicable City Regulations, in Developer’s efforts to obtain, as may be required the Other Agency Subsequent Approvals. Nothing in this Section 9.4 shall relieve Developer of its obligation to comply with the Project Approvals, notwithstanding any conflict between the Other Agency Subsequent Approvals and the Project Approvals. Notwithstanding the issuance to Developer of Other Agency Subsequent Approvals, Developer agrees that City may reasonably review and comment upon any materials or applications associated with Other Agency Subsequent Approvals to ensure consistency with the Project Approvals and Developer shall make diligent good faith efforts to incorporate any and all changes requested by City prior to submitting such materials and applications for review and/or approval to the other governmental or quasi-governmental entities with jurisdiction over the Project.

Section 9.5 Revision to Project. In the event of a court order issued as a result of a successful Litigation Challenge as defined in Section 12.3, City shall, to the extent permitted by law or court order, in good faith seek to comply with the court order in such a manner as will maintain the integrity of the Project Approvals, and in order to avoid or minimize to the greatest extent possible any impact to the development of the Project as provided for in, and contemplated by, the Project Approvals and this Agreement, or any conflict with the Project Approvals or this Agreement or frustration of the intent or purpose of the Project Approvals or this Agreement.

Section 9.6 State, Federal, or Case Law. Where any state, federal, or case law allows City to exercise any discretion or take any act with respect to that law, City shall, in an expeditious and timely manner, at the earliest possible time, exercise its discretion in such a way as to be consistent with, and carry out the terms of, this Agreement and take such other actions as may be necessary to carry out in good faith the terms of this Agreement.

Section 9.7 Defense of Agreement. City, at Developer's expense, shall take all actions that are necessary or advisable to uphold the validity and enforceability of this Agreement. If this Agreement is adjudicated or determined to be invalid or unenforceable, City agrees, subject to all legal requirements, to consider modifications to this Agreement to render it valid and enforceable to the extent permitted by the Applicable City Regulations and State or Federal law.

## ARTICLE 10. ASSIGNMENT, TRANSFER AND NOTICE

Section 10.1 Transfers and Assignments. Except as otherwise provided in the Partial Assignment and Assumption Agreement referred herein and attached as Exhibit G, Developer shall have the right to sell, assign, or transfer ("**Transfer**") in whole or in part its rights, duties, and obligations under this Agreement without the consent of City; provided, however, in no event shall the rights, duties, and obligations conferred or imposed upon Developer pursuant to this Agreement be at any time so transferred except through a transfer of the Property and all such Transfers shall be made in accordance with the requirements of this Section 10.1. In the event of a transfer of a portion of the Property, Developer shall have the right to Transfer its rights, duties, and obligations under this Agreement that are applicable to the transferred portion, and retain all rights, duties, and obligations applicable to the retained portions of the Property.

A. Upon Developer's request, City, at Developer's expense, shall cooperate with Developer and any proposed transferee to allocate rights, duties, and obligations under the Project Approvals and this Agreement between the transferred Property and the retained Property; provided, however, in no event shall Developer Transfer its obligations under Article 2 (Community Benefits) to any third party acquiring less than ninety percent (90%) of the acreage of the Property.

B. Developer shall notify City in writing of any proposed Transfer at least thirty (30) days prior to completing such Transfer. At least twenty-one (21) days prior to the effective date of the Transfer, Developer shall deliver to City a draft of the proposed written assignment and assumption agreement in which the transferee expressly agrees to assume the rights and obligations of Developer under this Agreement being transferred. The assignment and assumption agreement shall be in substantially the same form attached hereto as Exhibit E. No later than ten (10) business days after the date the Transfer becomes effective, Developer shall deliver to City a conformed copy of the fully executed and recorded assignment and assumption agreement.

Section 10.2 Release upon Transfer. Upon the Transfer of Developer's rights and interests under this Agreement pursuant to this Article 10, Developer shall automatically be released from its obligations and liabilities under this Agreement with respect to that portion of the Property transferred, and any subsequent default or breach with respect to the transferred rights and/or obligations shall not constitute a default or breach with respect to the retained rights and/or obligations under this Agreement, provided that Developer has provided to City written Notice of such Transfer, and the transferee executes and delivers to City a written agreement in accordance with Section 10.1 above. Upon any Transfer of any portion of the Property and the express assumption of Developer's obligations under this Agreement by such transferee, City agrees to

look solely to the transferee for compliance by such transferee with the provisions of this Agreement as such provisions relate to the portion of the Property acquired by such transferee. A default by any transferee shall only affect that portion of the Property owned by such transferee and shall not cancel or diminish in any way Developer's rights hereunder with respect to any portion of the Property not owned by such transferee. The transferor and the transferee shall each be solely responsible for the reporting and annual review requirements relating to the portion of the Property owned by such transferor/transferee, and any amendment to this Agreement between City and a transferor or a transferee shall only affect the portion of the Property owned by such transferor or transferee. Failure to deliver a written assumption agreement hereunder shall not affect the running of any covenants herein with the land, as provided in Section 13.4 below, nor shall such failure negate, modify, or otherwise affect the liability of any transferee pursuant to the provisions of this Agreement.

## ARTICLE 11. DEFAULT; REMEDIES; TERMINATION

Section 11.1 Breach and Default. The failure by a Party to perform any material action or covenant required by this Agreement within thirty (30) days following receipt of written Notice from the other Party specifying the failure shall constitute a "**Default**" under this Agreement; provided, however, that if the failure to perform cannot be reasonably cured within such thirty (30) day period, a Party shall be allowed additional time as is reasonably necessary to cure the failure so long as such Party commences to cure the failure within the thirty (30) day period and thereafter diligently prosecutes the cure to completion. Notwithstanding anything to the Notice of Default given hereunder shall specify in detail the nature of the failures in performance that the noticing Party claims constitutes the Default, all facts constituting evidence of such failure, and the manner in which such failure may be satisfactorily cured in accordance with the terms and conditions of this Agreement. The waiver by either Party of any Default under this Agreement shall not operate as a waiver of any subsequent breach of the same or any other provision of this Agreement, including the right to terminate this Agreement as set forth in Section 11.2 below.

A. During the time periods herein specified for cure of a failure of performance, the Party charged therewith shall not be considered to be in Default for the following:

1. Termination of this Agreement;
2. Institution of legal proceedings with respect thereto; or
3. Issuance of any approval with respect to the Project.

Section 11.2 Termination. In the event of a Default by a Party, the non-defaulting Party shall have the right to initiate legal proceedings pursuant to Section 11.3 and/or terminate this Agreement upon giving Notice of Intent to Terminate pursuant to Government Code Section 65868. Following Notice of Intent to Terminate, the matter shall be scheduled for consideration and review in the manner set forth in Government Code Section 65867 and for public hearing as set forth in Section 6.1.B above. Following consideration of the evidence presented in said review before the City Council, a Party alleging Default by another Party may give written Notice of termination of this Agreement to the other Party. Termination of this Agreement shall be subject

to the provisions of Section 11.7 below. In the event that this Agreement is terminated pursuant to above or this Section 11.2 and the validity of such termination is challenged in a legal proceeding that results in a final decision that such termination was improper, then this Agreement shall immediately be reinstated as though it had never been terminated.

Section 11.3. City Remedies. In the event of a breach of this Agreement, its invalidation (whether by a court of law or referendum), and/or termination, in addition to any remedies provided herein, the City may, in its sole discretion, institute appropriate actions to withhold, condition, suspend or revoke any legislative action, permit, license, or other entitlement for the Project Approvals, including without limitation final inspections for occupancy and/or certificates of occupancy, in accordance with the requirements of the City's Municipal and Zoning Code, it being understood that nothing herein is intended to limit the City's rights to exercise its police powers.

Section 11.4 Legal Actions.

A. Institution of Legal Actions. In addition to any other rights or remedies, a Party may institute legal action to cure, correct, or remedy any Default, to enforce any covenants or agreements herein, to enjoin any threatened or attempted violation thereof, or to obtain any other remedies consistent with the terms of this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California, without reference to choice of law provisions. The exclusive venue for any disputes or legal actions shall be the Superior Court of California in and for the County of San Mateo, except for actions that include claims in which the Federal District Court for the Northern District of the State of California has original jurisdiction, in which case the Northern District of the State of California shall be the proper venue.

B. Acceptance of Service of Process. In the event that any legal action is commenced by Developer against City, service of process on City shall be made by personal service upon the City Clerk of City or in such other manner as may be provided by law. In the event that any legal action is commenced by City against Developer, service of process on Developer shall be made by personal service upon Developer's registered agent for service of process, or in such other manner as may be provided by law.

Section 11.5 Rights and Remedies Are Cumulative. The rights and remedies of the Parties are cumulative, and the exercise by a Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same Default or any other Default by the other Party, except as otherwise expressly provided herein.

Section 11.6 No Damages. In no event shall a Party, or its boards, commissions, members, officers, agents, or employees, be liable in damages for any Default under this Agreement, it being expressly understood and agreed that the sole legal remedy available to a Party for a breach or violation of this Agreement by another Party shall be an action in mandamus, specific performance, or other injunctive or declaratory relief to enforce the provisions of this Agreement by the other Party, or to terminate this Agreement. This limitation on damages shall

not preclude actions by City to enforce payments of monies or the performance of obligations requiring an obligation of money from the Developer under the terms of this Agreement including, but not limited to, obligations to pay attorneys' fees and obligations to advance monies or pay funds under Article 2. In connection with the foregoing provisions, each Party acknowledges, warrants and represents that it has been fully informed with respect to, and represented by counsel of such Party's choice in connection with, the rights and remedies of such Party hereunder and the waivers herein contained, and after such advice and consultation has presently and actually intended, with full knowledge of such Party's rights and remedies otherwise available at law or in equity, to waive and relinquish such rights and remedies to the extent specified herein, and to rely to the extent herein specified solely on the remedies provided for herein with respect to any breach of this Agreement by the other Party.

Section 11.6 Resolution of Disputes. With regard to any dispute involving the Project, the resolution of which is not provided for by this Agreement or Applicable City Regulations, a Party shall, at the request of another Party, meet with designated representatives of the requesting Party promptly following its request. The Parties to any such meetings shall attempt in good faith to resolve any such disputes. Nothing in this Section 11.6 shall in any way be interpreted as requiring that Developer and City reach agreement with regard to those matters being addressed, nor shall the outcome of these meetings be binding in any way on City or Developer unless expressly agreed to in writing by the Parties to such meetings.

Section 11.7 Surviving Provisions. In the event this Agreement expires or is terminated, neither Party shall have any further rights or obligations hereunder, except for those obligations set forth in Section 12.2 (Indemnification) and Section 12.3 (Defense, Indemnification, and Cooperation in the Event of Legal Challenge), or expressly set forth herein as surviving the termination of this Agreement. In the event litigation is timely instituted, and a final judgment is obtained, which invalidates in its entirety this Agreement, neither Party shall have any obligations whatsoever under this Agreement, except for those obligations which by their terms survive termination hereof.

Section 11.8 California Claims Act. Compliance with the procedures set forth in this Article 11 shall be deemed full compliance with the requirements of the California Claims Act (Government Code Section 900 *et seq.*) including, but not limited to, the Notice of an event of Default hereunder constituting full compliance with the requirements of Government Code Section 910.

## **ARTICLE 12. INSURANCE AND INDEMNITY**

Section 12.1 Insurance Requirements. In connection with development of the Project, Developer shall procure and maintain, or cause its contractor(s) to procure and maintain the following coverages, terms, and conditions:

Commercial general liability policy with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than Five Million Dollars (\$5,000,000) per occurrence, and Five Million Dollars (\$5,000,000) products and

completed operations aggregate. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required occurrence limit. Developer's general liability policy(s) shall be primary and not seek contribution from the City's coverage or contain an endorsement granting primary and non-contributory coverage. The policy(s) shall contain additional insured endorsements for ongoing and completed operations using Insurance Services Office form CG 20 10 (or equivalent) and form CG 20 37 (or equivalent) to provide that City and its officers, officials, employees, and volunteers are additional insureds under such policy(s). Any failure to comply with reporting provisions of the policies by Developer shall not affect coverage provided the City. Coverage shall state that Developer insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage shall contain a waiver of subrogation in favor of the City.

Business Automobile Liability with coverage for owned, non-owned, and hired autos using ISO Business Auto Coverage form CA 00 01 (or equivalent) with a limit of no less than two million dollars (\$2,000,000) per accident. Developer's automobile liability policy shall be primary and not seek contribution from the City's coverage or contain an endorsement granting primary and non-contributory coverage.

The limits of liability for commercial general liability and automobile liability may be provided through a combination of primary and excess or umbrella liability policies.

Developer shall maintain statutory Workers' Compensation Insurance and Employer's Liability Insurance with limits of at least one million dollars (\$1,000,000). Developer shall submit to City, along with the certificate of insurance, a waiver of subrogation endorsement in favor of City, its officers, officials, employees, and volunteers. Proof of Worker's Compensation is not required if Consultant provides written verification that they have no employees.

Developer's insurance shall be placed with insurers with a current A.M. Best rating of no less than A-: VII or a rating otherwise approved by the City in its sole discretion. Developer shall furnish at City's request appropriate certificate(s) of insurance, including all required endorsements, evidencing the coverage required of Developer hereunder. The certificate of insurance shall contain a statement of obligation on the part of each carrier to notify City of any material change, cancellation or termination of the coverage at least thirty (30) days in advance of the effective date of any such material change, cancellation or termination (or ten (10) days advance notice in the case of cancellation for nonpayment of premiums) where the insurance carrier provides such notice to the Developer. If such a notification obligation is not available from the insurance carrier, the Developer will notify the City in writing of any imminent cancellation, or material change in

coverage within three (3) business days. Liability coverage provided hereunder by Developer shall be primary insurance and shall not be contributing with any insurance, self-insurance or joint self-insurance maintained by City, and the policies shall include such coverage or be endorsed to provide the coverage.

Section 12.2 Indemnification. To the fullest extent permitted by law, Developer shall defend (with counsel reasonably acceptable to City), indemnify, assume all responsibility for, and hold harmless City Parties, from and against, any and all claims, causes of action, damages, demands, defense costs, injuries or deaths, liabilities, obligations, and costs or expenses, including attorneys' fees and costs, arising directly or indirectly from or in connection with, or caused, or on account of: (a) the work to construct the Project and its Community Benefits and public improvements, including the design, development, construction, and operation thereof; (b) the process for development of the Project, including any approval with respect thereto; and/or (c) any other transaction contemplated by this Agreement, whether such claims shall accrue or be discovered before or after expiration or termination of this Agreement. The City shall, after receipt of notice of the existence of such a claim for which it is entitled to indemnity hereunder, notify Developer in writing of the existence of such claim or commencement of such action. Developer's indemnity obligations under this Section 12.2 shall not extend to claims occasioned by the sole negligence or willful misconduct of City Parties. The provisions of this Section 12.2 shall survive termination or expiration of this Agreement.

Section 12.3 Defense, Indemnification, and Cooperation in the Event of a Legal Challenge.

A. The filing of any third party court action or proceeding instituted by a third party or other governmental entity or official against City or Developer relating to the Project Approvals, this Agreement, or construction of the Project shall not delay or stop the development, processing, or construction of the Project or approval of any Subsequent Approvals, unless the third party obtains a court order preventing the activity. City shall not stipulate to or cooperate in the issuance of any such order.

B. City and Developer shall cooperate in the defense of any court action or proceeding instituted by a third party or other governmental entity or official against City or Developer relating to the Project Approvals, this Agreement, or construction of the Project ("**Litigation Challenge**"), and the Parties shall keep each other informed of all developments relating to such defense, subject only to confidentiality requirements that may prevent the communication of such information. To the extent Developer desires to contest or defend such Litigation Challenge:

1. Developer shall take the lead role defending such Litigation Challenge and may, in its sole discretion, elect to be represented by the legal counsel of its choice;

2. City may, in its sole discretion, elect to be separately represented by the legal counsel of its choice, with the reasonable costs of such representation to be paid by Developer;

3. Developer shall reimburse City, within thirty (30) days following City's written demand therefor, which may be made from time to time during the course of such Litigation Challenge, all reasonable costs and expenses incurred by City in connection with the Litigation Challenge, including City's reasonable administrative, legal, and court costs, and City Attorney oversight expenses, including the retention of outside counsel; and

4. Developer shall indemnify, defend, and hold harmless City Parties from and against any damages, attorneys' fees, or cost awards, including attorneys' fees awarded under Code of Civil Procedure Section 1021.5, assessed or awarded against City by way of judgment, settlement, or stipulation.

C. Upon request by Developer, City may enter into a joint defense agreement in a form reasonably acceptable to the City Attorney to facilitate the sharing of materials and strategies related to the defense of such Litigation Challenge without waiver of attorney client privilege. Any proposed settlement of a Litigation Challenge by a Party shall be subject to the approval of the other Party, such approval not to be unreasonably withheld, conditioned, or delayed. If the terms of the proposed settlement would constitute an amendment or modification of this Agreement or any Project Approvals, the settlement shall not become effective unless such amendment or modification is approved by City in accordance with Applicable Law, and City reserves its full legislative discretion with respect thereto. If Developer opts not to contest or defend such Litigation Challenge, City shall have no obligation to do so, but shall have the right to do so at its own expense.

### **ARTICLE 13. MISCELLANEOUS PROVISIONS**

Section 13.1 Incorporation of Recitals, Exhibits, and Introductory Paragraph. The Recitals contained in this Agreement, the introductory paragraph preceding the Recitals, and the Exhibits attached hereto are hereby incorporated into this Agreement as if fully set forth herein.

Section 13.2 Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual consent of the Parties.

Section 13.3 Construction. Each reference herein to this Agreement or any of the Project Approvals (including any amendments or Subsequent Approvals) shall be deemed to refer to the Agreement and the Project Approvals as it may be amended from time to time in accordance with this Agreement, whether or not the particular reference refers to such possible amendment. Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, or conditions of this Agreement. This Agreement has been reviewed and revised by legal counsel for City and Developer, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement. Unless the context clearly requires otherwise, 1) the plural and singular numbers shall each be deemed to include the other; 2) the masculine, feminine, and neuter

genders shall each be deemed to include the others; 3) “shall,” “will,” or “agrees” are mandatory, and “may” is permissive; 4) “or” is not exclusive; 5) “include,” “includes” and “including” are not limiting and shall be construed as if followed by the words “without limitation;” and 6) “days” means calendar days unless specifically provided otherwise.

Section 13.4 Covenants Running with the Land. Except as otherwise more specifically provided in this Agreement, this Agreement and all of its provisions, rights, powers, standards, terms, covenants, and obligations, shall be binding upon the Parties and their respective successors (by merger, consolidation, or otherwise) and assigns, and all other persons or entities acquiring the Property, or any interest therein, and shall inure to the benefit of the Parties and their respective successors and assigns, as provided in Government Code Section 65868.5.

Section 13.5 Notices. Any notice or communication required hereunder between City and Developer (“**Notice**”) must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express or other similar courier promising overnight delivery. Courtesy notice may be given by email but shall not constitute Notice under this Agreement. If personally delivered, a Notice shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by registered or certified mail, such Notice shall be deemed to have been given and received on the first to occur of (A) actual receipt by any of the addressees designated below as the Party to whom Notices are to be sent, or (B) five (5) days after a registered or certified letter containing such Notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a Notice shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written Notice to the other Party hereto, designate any other address in substitution of the address to which such Notice shall be given. Such Notices shall be given to the Parties at their addresses set forth below:

To City: City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attn: City Manager

With a copy to: City Attorney’s Office  
1017 Middlefield Road  
Redwood City, CA 94063  
Attn: City Attorney

and:

To Developer: 1900 Broadway Owner LLC  
644 Menlo Ave 2nd floor  
Menlo Park, CA 94025  
Attn: Mark Murray

With a copy to: Jorgenson Siegel McClure & Flegel, LLP  
1100 Alma St., Ste 210  
Menlo Park, CA 94025  
Attn: Camas J. Steinmetz

Section 13.6. Counterparts and Exhibits; Entire Agreement. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original. This Agreement, together with the Project Approvals and attached Exhibits, constitutes the final and exclusive understanding and agreement of the Parties and supersedes all negotiations or previous agreements of the Parties with respect to all or any part of the subject matter hereof.

Section 13.7 Recordation of Agreement. Pursuant to California Government Code Section 65868.5, no later than ten (10) days after City and Developer enter into this Agreement, the City Clerk shall record this Agreement in the Official Records of the County of San Mateo. Thereafter, if this Agreement is terminated, modified, or amended, the City Clerk shall record notice of such action in the Official Records of the County of San Mateo.

Section 13.8 No Joint Venture or Partnership. It is specifically understood and agreed to by and between the Parties hereto that:

- A. The subject development is a private development;
- B. City has no interest or responsibilities for, or duty to, third parties concerning any public improvements until such time, and only until such time, that City accepts the same pursuant to the provisions of this Agreement or in connection with the various Project Approvals or Subsequent Approvals;
- C. Developer shall have full power over and exclusive control of the Project herein described, subject only to the limitations and obligations of Developer under the Project Approvals, this Agreement, the Subsequent Approvals, and Applicable Law; and
- D. City and Developer hereby renounce the existence of any form of agency relationship, joint venture, or partnership between City and Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between City and Developer.

Section 13.9 Waivers. Notwithstanding any other provision in this Agreement, any failures or delays by any Party in asserting any of its rights and remedies under this Agreement shall not operate as a waiver of any such rights or remedies, or deprive any such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies. A Party may specifically and expressly waive in writing any condition or breach of this Agreement by the other Party, but no such waiver shall constitute a further or continuing waiver of any preceding or succeeding breach of the same or any other provision. Consent by one Party to any act by the other Party shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or similar acts in the future.

Section 13.10 City Approvals and Actions. Whenever reference is made herein to an action or approval to be undertaken by City, the City Manager or their designee is authorized to act on behalf of City, unless specifically provided otherwise or the context requires otherwise.

Section 13.11 Estoppel Certificates. A Party may, at any time during the Term of this Agreement, and from time to time, deliver written Notice to the other Party requesting such Party to certify in writing that, to the knowledge of the certifying Party, the following: 1) this Agreement is in full force and effect and a binding obligation of the Parties; 2) this Agreement has not been amended or modified either orally or in writing, or if amended, identifying the amendments; 3) the requesting Party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature and amount of any such defaults; and, 4) any other information reasonably requested. The requesting Party shall be responsible for all reasonable costs incurred by the Party from whom such certification is requested and shall reimburse such costs within thirty (30) days of receiving the certifying Party's request for reimbursement. The Party receiving a request hereunder shall execute and return such certificate, or give a written, detailed response explaining why it will not do so, within thirty (30) days following the receipt thereof. The failure of either Party to provide the requested certificate within such thirty (30) day period shall constitute a confirmation that this Agreement is in full force and effect and no modification or default exists. The City Manager shall have the right to execute any certificate requested by Developer hereunder. City acknowledges that a certificate hereunder may be relied upon by transferees and Mortgagees.

Section 13.12 No Third Party Beneficiaries. City and Developer hereby renounce the existence of any third party beneficiary to this Agreement and agree that nothing contained herein shall be construed as giving any other person or entity third party beneficiary status.

Section 13.13 Further Actions and Instruments. Each Party to this Agreement shall cooperate with and provide reasonable assistance to the other Party and take all actions necessary to ensure that the Parties receive the benefits of this Agreement, subject to satisfaction of the conditions of this Agreement. Upon the request of any Party, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement.

Section 13.14 Limitation on Liability. In no event shall any partner, officer, director, member, shareholder, employee, manager, representative, or agent of Developer or any manager or member of Developer be personally liable for any breach of this Agreement by Developer, or for any amount which may become due to City under the terms of this Agreement; or any elected or appointed official, member, officer, agent, or employee of City be personally liable for any breach of this Agreement by City or for any amount which may become due to Developer under the terms of this Agreement.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]*

IN WITNESS WHEREOF, this Agreement has been entered into by and between Developer and City as of the day and year first above written.

**CITY:**

CITY OF REDWOOD CITY, a California  
charter city and municipal corporation

By: \_\_\_\_\_

Melissa Stevenson Diaz, City Manager  
*[signature must be notarized]*

APPROVED AS TO FORM:

By: \_\_\_\_\_

Veronica Ramirez, City Attorney

ATTEST:

By: \_\_\_\_\_

Yessika Castro, City Clerk

**DEVELOPER:**

LANE 1900 BROADWAY OWNER LLC, a  
California limited liability company

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*[signature must be notarized]*



EXHIBIT B-1

**LEGAL DESCRIPTION OF 1900 BROADWAY**

Real property in the City of Redwood City, County of San Mateo, State of California, described as follows:

PARCEL ONE:

PORTIONS OF LOTS 15 AND 16, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "TOWN OF MEZESVILLE" (COMMONLY KNOWN AS "MAIN STREET LOTS"), FILED IN THE OFFICE OF THE RECORDER OF SAN MATEO COUNTY, STATE OF CALIFORNIA, ON AUGUST 1, 1856, IN [BOOK 1 OF MAPS, AT PAGE 79](#), AND ALSO A PORTION OF LOT 7, BLOCK 17, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "SWEENEY'S ADDITION TO REDWOOD CITY", FILED IN THE OFFICE OF THE RECORDER OF SAN MATEO COUNTY, STATE OF CALIFORNIA, ON JULY 17, 1896, IN [BOOK "C" OF MAPS, AT PAGE 39](#), AND COPIED INTO [BOOK 2 OF MAPS, AT PAGE 79](#), BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID LOT 16, SAID CORNER ALSO BEING A POINT ON THE EASTERLY LINE OF MAIN STREET, 70.00 FEET IN WIDTH, AS SHOWN ON SAID MAP; THENCE NORTHWESTERLY ALONG SAID EASTERLY LINE, NORTH 3° 30' 00" WEST, A DISTANCE OF 33.46 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE CONCAVE TO THE RIGHT, HAVING A RADIUS OF 30.00 FEET, THROUGH A CENTRAL ANGLE OF 122° 32' 16", AN ARC DISTANCE OF 64.16 FEET TO A POINT OF TANGENCY; THENCE SOUTHEASTERLY, ALONG A LINE PARALLEL WITH AND 10.00 FEET DISTANT, MEASURED AT RIGHT ANGLES, SOUTHWESTERLY FROM THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SPRING STREET, 60.00 FEET IN WIDTH, AS SHOWN ON LAST SAID MAP; SOUTH 60° 57' 47" EAST, A DISTANCE OF 109.29 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID LOT 7, BLOCK 17; THENCE SOUTHWESTERLY ALONG THE SOUTHERLY LINES OF SAID LOT 7 AND SAID LOT 16, SOUTH 86° 30' 48" WEST, A DISTANCE OF 138.27 FEET TO THE POINT OF BEGINNING.

PARCEL TWO:

LOTS 8, 9, 10 AND 11 IN BLOCK 17, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "SWEENEY'S ADDITION TO REDWOOD CITY", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, ON JULY 17, 1896, IN [BOOK "C" OF ORIGINAL MAPS, AT PAGE 39](#), AND COPIED INTO [BOOK 2 OF MAPS, AT PAGE 79](#).

EXCEPTING THEREFROM:

ALL THAT PORTION OF LOTS 8 AND 9 REFERRED TO IN PARCEL TWO ABOVE, AS GRANTED TO THE CITY OF REDWOOD CITY, A MUNICIPAL CORPORATION, IN THAT CERTAIN INSTRUMENT RECORDED NOVEMBER 2, 1973, IN [BOOK 6497, AT PAGE 588](#), INSTRUMENT NO. 88691-AG, OFFICIAL RECORDS OF SAN MATEO COUNTY.

PARCEL THREE:

LOTS 17, 18, 19 AND 20 ON MAIN STREET, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "TOWN OF MEZESVILLE, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, ON AUGUST 1, 1856, IN [BOOK 1 OF MAPS, AT PAGE 79](#).

EXHIBIT B-2

**LEGAL DESCRIPTION OF CITY PARCEL**

**(To Be Inserted)**

EXHIBIT C

**AFFORDABLE HOUSING PROPERTIES MAP AND LEGAL DESCRIPTION**

**LEGAL DESCRIPTION**

Real property in the City of Redwood, County of San Mateo, State of California, described as follows:

LOTS 1 AND 2, AS DESIGNATED ON THE MAP ENTITLED "TRACT NO. 523 SUBDIVISION OF PORTION OF THE HORGAN RANCH SAN MATEO COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON MARCH 17, 1940 IN [LIBER 23 OF MAPS AT PAGE 40](#).

EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE STATE OF CALIFORNIA FOR HIGHWAY PURPOSES RECORDED ON DECEMBER 21, 1967 IN [BOOK 5409 AT PAGE 211](#) OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 1 AND LOT 2, AS SAID LOTS ARE SHOWN ON THE MAP ENTITLED "TRACT NO. 523, SUBDIVISION OF PORTION OF THE HORGAN RANCH, SAN MATEO COUNTY, CALIFORNIA", FILED MARCH 17, 1941, IN [BOOK 23 OF MAPS, AT PAGE 40](#), IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF SAID LOT 1, SAID CORNER BEING ALSO ON THE EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 61° 27' 06" EAST, 16.48 FEET; THENCE SOUTH 11° 25' 40" WEST, 253.25 FEET TO THE SOUTHERLY LINE OF SAID LOT 2; THENCE ALONG LAST SAID LINE NORTH 78° 34' 20" WEST, 15.75 FEET TO SAID EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG LAST SAID LINE NORTH 11° 25' 40" EAST, 258.10 FEET TO THE POINT OF COMMENCEMENT.

APN: 059-240-810 JPN: 059-024-240-81A

EXHIBIT D

**ANNUAL REVIEW FORM**

This Annual Review Form is submitted to the City of Redwood City (“City”) by \_\_\_\_\_ (“Developer”) pursuant to the requirements of California Government Code section 65865.1 regarding Developer’s good faith compliance with its obligations under the Development Agreement between the City and Developer dated as of \_\_\_\_\_, 202\_ (“Development Agreement”). All terms not otherwise defined herein shall have the meanings assigned to them in the Development Agreement:

Annual Review Period: \_\_\_\_\_ to \_\_\_\_\_.

*[Specify whether applicable Impact Fees, Capacity Fees, Processing Fees, Connection Fees and/or other fees due and payable have been paid during this annual review period.*

*Describe any extension of the Term of the Development Agreement, including any extensions made as a result of Force Majeure Delay pursuant to Article 3 of the Development Agreement.*

*Summarize specific strategies to be followed in the coming year intended to facilitate the processing of permits and/or Project construction, including the construction of Affordable Housing Units.*

*Describe whether other applicable Development Agreement obligations were completed during this annual review period.*

*Specify whether Developer has assigned the Development Agreement in whole or in part or otherwise conveyed the Property or any portion thereof during this annual review period.]*

The undersigned representative confirms that Developer is:

\_\_\_\_\_ In good faith compliance with its obligations under the Development Agreement for this annual review period.

\_\_\_\_\_ Not in good faith compliance with its obligations under the Development Agreement for this annual review period, in response to which Developer is taking the actions set forth in the attachment hereto.

IN WITNESS WHEREOF, Developer has executed this Annual Review Form as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**DEVELOPER:**

\_\_\_\_\_, a  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT E  
**ASSIGNMENT AND ASSUMPTION AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:**

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Clerk

*Space Above This Line Reserved for Recorder's Use  
Exempt from Recording Fee Per Government Code Section 27383*

**ASSIGNMENT AND ASSUMPTION AGREEMENT  
(DEVELOPMENT AGREEMENT)**

This Assignment and Assumption Agreement (this “**Agreement**”) is entered into as of \_\_\_\_\_, 20\_\_ (“**Effective Date**”), by and between Lane 1900 Broadway Owner LLC, a California limited liability company (the “**Assignor**”), and \_\_\_\_\_, a \_\_\_\_\_ (the “**Assignee**”).

**RECITALS**

A. Assignor previously entered into that certain Development Agreement By and Between City of Redwood City and Lane 1900 Broadway Owner LLC, dated as of \_\_\_\_\_, 20\_\_, which was recorded in the Official Records of San Mateo County on \_\_\_\_\_, 20\_\_ as Instrument No. \_\_\_\_\_ (“**Development Agreement**”). All defined terms not specifically defined herein in **bold** language shall have the meanings ascribed to the terms in the Development Agreement and are incorporated in this Agreement.

B. The Development Agreement relates to certain property located in the City of Redwood City, County of San Mateo County, California (the “**Property**”). The Property is more particularly described in the Development Agreement.

C. Assignor desires to transfer all of Assignor’s interest in the Development Agreement and to assign to Assignee its rights, duties and obligations under the Development Agreement and Assignee desires to accept and assume each and all of the rights, duties, and obligations of the Assignor under the Development Agreement.

D. Pursuant to Article 10 (Assignment, Transfer and Notice) of the Development Agreement, the Assignor may assign in whole or in part its rights, duties and obligations under the Development Agreement without the City’s consent, provided that the assignment is in writing and is made in accordance with Section 10.1 of the Development Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and in consideration of the foregoing recitals, mutual promises of the parties hereto and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The parties agree that each of the foregoing Recitals are true and correct and are hereby incorporated by this reference as if fully set forth in their entirety.

2. Effective Date. As used in this Agreement, the “Effective Date” shall be the date this Agreement is entered into by the Assignor and Assignee as first written above.

3. Assignment. As of the Effective Date, Assignor transfers and assigns to Assignee all of Assignor’s rights, duties and obligations under the Development Agreement (“collectively the **Assigned Obligations**”).

4. Assumption. As of the Effective Date, Assignor is assigning to Assignee and Assignee is assuming the foregoing assignment of the Assigned Obligations and agrees to perform and be bound by all of the terms, covenants, duties, obligations and conditions imposed upon the Assignor under the Development Agreement for the benefit of the City, as if the Assignee were the original signatory thereto, requiring performance subsequent to the Effective Date. The Assignee agrees to be bound in every way by all of the terms, covenants, duties, obligations and conditions in respect of the Assignor contained in the Assigned Obligations occurring subsequent to the Effective Date. All references in the Development Agreement to the Assignor shall hereafter be deemed to be references to the Assignee.

5. Representation and Warranty of Assignor. Assignor represents and warrants that;

a. In connection with any obligations imposed under Article 2 (Community Benefits) of the Development Agreement, the Assignee is in possession of no less than ninety percent (90%) of the acreage of the Property; and,

b. To the best of the Assignor’s knowledge, as of the date hereof, there exists no event of default under the Development Agreement and that there is no event that, with the giving of notice, the passage of time, or both, would constitute an event of default.

6. Release. Pursuant to Section 10.2 of the Development Agreement, upon execution and recordation of this Agreement, Assignor shall automatically be released from its obligations and liabilities under the Development Agreement with respect to that portion of the Property assigned, and any subsequent default or breach with respect to the retained rights and/or obligations shall not constitute a default or breach with respect to the retained rights and/or obligations of the Development Agreement, provided that Assignor has provide to City written notice of said assignment in accordance with Section 10.1 of the Development Agreement.

7. Indemnification. To the full extent permitted by law, Assignor and Assignee shall be obligated to indemnify the City according to the terms and conditions and to the same extent as is specified in the Development Agreement.

8. Further Acts. Each of the parties, upon the request of any other, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.

9. Attorneys' Fees. In the event of any litigation arising out of the subject matter of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

10. Severability. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstance shall be held by a court of competent jurisdiction, to any extent, invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect to the extent allowed by law.

11. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the venue for such action shall be the Superior Court of the County of San Mateo.

12. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one agreement. To facilitate the execution of this Agreement, the parties may execute and exchange counterparts of the signature pages by facsimile or electronic mail, and such facsimile or electronic mail counterparts shall be binding as original signature pages.

[Signature page follows]

**ASSIGNOR:**

Lane 1900 Broadway Owner, LLC, a California limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

*(Signatures must be notarized)*

**ASSIGNEE:**

[Insert Assignee Entity Name]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

*(Signatures must be notarized)*

## EXHIBIT F

### AFFORDABLE HOUSING LAND DONATION AGREEMENT

This Affordable Housing Land Donation Agreement (“**Agreement**”), executed and dated as of \_\_\_\_\_, 2024 (the “**Execution Date**”), is entered into by and among the City of Redwood City, a California charter city (the “**City**”), Lane 1900 Broadway Owner LLC, a California limited liability company (“**Developer**”), Lane 847 Woodside, LLC, a California limited liability company (Developer’s “**Affiliate Company**” and hereinafter referred to as “**Donor**”), and Eden Housing, Inc., a California nonprofit public benefit corporation, and its permitted successors and assigns (the “**Qualified Designee**”), with reference to the following facts:

#### Recitals

A. The following recitals (“**Recitals**”) refer to and utilize certain capitalized terms which are defined in the Recitals, the preamble of this Agreement, and Section 1.1 of this Agreement. The parties intend to refer to those definitions with the initial use in **bold**, and thereafter with capitalized terms.

B. On June 25, 2018, the City adopted Ordinance 1130-375, the Affordable Housing Ordinance, set forth in Article 29 of the Redwood City Zoning Code, as amended (the “**Ordinance**”) which requires that specified new nonresidential development projects and residential development projects construct affordable units on-site or pay a housing impact fee as specified in Section 29.3 of the Ordinance. The Ordinance allows, under specified circumstances, a developer to propose alternative means of compliance, as set forth in Section 29.8 of the Ordinance. The City has also published Affordable Housing Guidelines, dated May 8, 2024 (“**Guidelines**”), to assist with the implementation of the Ordinance.

C. Developer submitted an application for development of a project at 1900 Broadway for a seven (7)-story mixed-use commercial office building consisting of approximately 256,205 square feet of office, and including 10,060 square feet of ground floor retail, a 12,085 square feet of public plaza, an approximately 1,000 square feet public community room with an additional 715 square feet of storage for the City’s use, with two levels of underground parking (538 spaces) and 127 bicycle parking spaces, at the corner of Broadway and Main Street (the “**1900 Broadway Project**”), which is subject to the Ordinance. Concurrently with this Agreement, the City has approved certain entitlements on the 1900 Broadway Project, including but not limited to General Plan and Downtown Precise Plan Amendments, a Vesting Tentative Parcel Map, a Downtown Planned Community Permit, Use Permit, and the Affordable Housing Plan defined in Recital F, subject to Conditions of Approval (collectively, “**the 1900 Broadway Project Approvals**”).

D. Concurrently approved with this Agreement, on \_\_\_\_\_, 2024, the City approved the 1900 Broadway Project Approvals and adopted Ordinance No. \_\_\_\_\_ approving a Development Agreement By and Between City of Redwood City and Lane Partners LLC in connection with the 1900 Broadway Project (“**Development Agreement**”). As part of the Development Agreement, it is anticipated that the Developer and the Qualified Designee shall enter into a Partial Assignment of Development Agreement (the “**Partial Assignment of Development Agreement**”), in which the Qualified Designee shall assume the affordable housing rights, duties, and obligations of the Developer associated with the 1900 Broadway Project Approvals under the Development Agreement for the 1900 Broadway Project.

E. Under the Ordinance and the 1900 Broadway Project Approvals, as a condition of developing the 1900 Broadway Project, the Developer is required to either: (1) develop twenty-five (25) units of affordable housing; or, (2) pay the Affordable Housing Impact Fee in the amount of Five Million Seven Hundred Seventy-Three Thousand Four Hundred Thirty-Seven Dollars (\$5,773,437) (the “**Project Fees**”), the amount required to be paid calculated based on the amount of the fees due on date the entitlements for the 1900 Broadway Project were approved. Under the Ordinance, developers may propose alternative means of compliance in meeting its affordable housing obligation, such as donating land under specified circumstances.

F. Included in the 1900 Broadway Project Approvals, the City approved an Affordable Housing Plan for the 1900 Broadway Project, dated August 1, 2024 (the “**Affordable Housing Plan**”), attached hereto as Exhibit B and incorporated herein, which contemplates and allows for the land donation described in this Agreement in lieu of paying the Affordable Housing Impact Fee, and in connection with such approval, found that the conditions set forth in Section 29.7D of the Ordinance and the required criteria for land donations set forth in Section 29.8H of the Ordinance were satisfied.

G. Section 29.1(C)(12) of the Ordinance recognizes that accepting land donations increases the sites with appropriate zoning, development standards, and infrastructure capacity to accommodate affordable residential developments within the City and Section 29.8H sets forth the criteria for such land donations.

H. As a condition of the City’s approval of the land donation and to satisfy the conditions in the approved Affordable Housing Plan, the Developer has agreed to donate or cause Donor to donate, and, upon and subject to the terms, conditions, and requirements in this Agreement, the Qualified Designee desires to accept, the specified 41,504 square foot parcel real property commonly known as 847 Woodside Road, in the City, County of San Mateo (“**County**”), State of California, as more particularly described in Exhibit A-1, attached hereto and incorporated herein by this reference (the “**Affordable Site**”). A Preliminary Title Report of the Affordable Site is also attached hereto and incorporated herein by reference as Exhibit A-2. As of the date of this Agreement, the Affordable Site is a separate legally created and conveyable parcel.

I. Under the Affordable Housing Plan, the Qualified Designee has agreed to develop the Affordable Site with, not less than approximately seventy-one (71) affordable residential units (excluding the manager’s unit) in such manner and subject to such income requirements as specified in the Affordable Housing Plan (the “**Affordable Units**”), required by the City in order to facilitate the entitlement and development of the 1900 Broadway Project (the “**Affordable Development**”).

J. The City has determined that Qualified Designee is a “**Qualifying Designee**” as such term is used as part of the Affordable Housing Plan requirements set forth in Chapter 2(I)(c)(1) of the Guidelines, and has experience in the development, ownership, and operation of affordable housing projects similar to the anticipated Affordable Development.

K. Subject to the terms and conditions of this Agreement, Donor proposes to convey and donate the Affordable Site to the Qualified Designee and the Qualified Designee desires to

accept the Affordable Site from Donor, (such arrangement referred to herein as the “**Land Donation**”).

L. Only upon the Close of Escrow of the Land Donation, shall the Donor’s obligations under the Ordinance and the Affordable Housing Plan be deemed satisfied.

M. As of the date of this Agreement, the City Council has approved certain entitlements for the Affordable Development, including but not limited to an Architectural Permit, Vesting Tentative Parcel Map, and Density Bonus with associated Concessions and Waiver, subject to Conditions of Approval in connection with the development of the Affordable Site (collectively, the “**Affordable Development Project Approvals**”).

N. This Agreement and the actions contemplated hereunder have been reviewed with respect to applicability of the California Environmental Quality Act (Public Resources Code Sections 21000 et seq.) (“**CEQA**”). On February 13, 2023, the City Council adopted Resolution No. 16124, certifying the Final Environmental Impact Report (“**Housing Element Update EIR**”) and Mitigation Monitoring and Reporting Program (“**Housing Element Update MMRP**”) for the Housing, Built Environment, Public Safety, Building Community, Natural Resources & Environmental Justice Elements Update to the Redwood City General Plan. On June 26, 2023, by adopting Resolution No. 16153, the City Council certified a Subsequent Environmental Impact Report (“**SEIR**”) to the Downtown Precise Plan, adopting CEQA findings of fact, a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program (“**DTPP Amendment MMRP**”) related to the City’s approval of the Downtown Precise Plan Amendments. Concurrently with the approval of this Agreement and in connection with both the 1900 Broadway Project Approvals and the Affordable Development Project Approvals, the City Council also adopted a CEQA Guidelines Section 15183 Consistency Checklist, which determined that the 1900 Broadway Project and the Affordable Development are exempt from CEQA under CEQA Guidelines Section 15183 because there were no environmental effects which are peculiar to the project or its site, no potentially significant effects that were not already identified and analyzed in the Housing Element EIR and SEIR, nor are there any potentially significant off-site impacts and/or cumulative impacts which were not discussed in the Housing Element EIR and SEIR, nor is there any substantial new information that which was not known at the time of the certification of the Housing Element EIR and SEIR that identifies any significant effects which will have a more severe adverse impact than discussed in the Housing Element EIR and SEIR. As required by the Affordable Development Project Approvals, the Affordable Development shall implement and comply with all applicable mitigation measures described in the Housing Element EIR, SEIR and the Housing Element MMRP and DTPP Amendment MMRP, as well as the conditions of approval applicable to the 1900 Broadway Project and the Affordable Development.

O. Developer acknowledges and agrees that: (i) the 1900 Broadway Project Approvals and Affordable Development Project Approvals provided adequate and proper notice that, pursuant to Government Code Section 66020, Developer’s right to protest any requirements for fees, dedications, reservations, and other exactions as may be included in this Agreement must be made within ninety (90) days of the date of the earliest discretionary approval of the 1900 Broadway Project and Affordable Development Project Approvals; and, (ii) if no protest in compliance with Government Code Section 66020 is made within ninety (90) days from the date of the earliest discretionary approvals, the period in which Developer may protest any and all fees,

dedications, reservations, and other exactions as may be included in this Agreement will have expired.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for fair and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1.  
DEFINITIONS

Section 1.1 Definitions. In addition to those capitalized terms defined in the preamble and the Recitals to this Agreement and elsewhere in this Agreement, the following capitalized terms have the following meanings in this Agreement:

(a) “**Affiliated Company**” means any corporation, limited liability company, partnership, trust or other business entity controlling, controlled by or under common control of the Developer. For purposes of the foregoing, “control” means the power, directly or indirectly, by voting rights, contract or otherwise, to direct or cause the direction of the management or policies of a person or entity.

(b) “**Affordable Development**” has the meaning set forth in Recital I.

(c) “**Affordable Development Project Approvals**” has the meaning set forth in Recital M, above.

(d) “**Affordable Housing Program Guidelines**” means the Affordable Housing Program Guidelines adopted to implement the Affordable Housing Ordinance.

(e) “**Affordable Housing Plan**” means that certain affordable housing plan referenced in Recital F, above and attached hereto as Exhibit B, incorporated herein by this reference.

(f) “**Affordable Housing Restrictive Covenant**” means that certain Affordable Housing Restrictive Covenant Agreement, substantially in the form attached hereto as Exhibit G, incorporated herein by this reference, that is required to be recorded against the Affordable Site on the Close of Escrow which shall restrict the occupancy of the Affordable Units for a term of fifty-five (55) years from the date the Affordable Units are completed.

(g) “**Affordable Rent**” means the total monthly Rent for an Affordable Unit not exceeding either (as applicable) the rents specified by Section 50053 of the California Health and Safety Code, or thirty percent (30%) of the imputed income limitation applicable to such unit pursuant to Section 42(g)(2)(C) of the Internal Revenue Code (as determined by CTCAC) for the appropriate Household Income level.

(h) “**Affordable Site**” means that certain real property described in Recital H and set forth in Exhibit A-1, incorporated herein by this reference.

(i) **“Affordable Units”** has the meaning set forth in Recital I above, provided that any reference herein to “Affordable Units” in connection with the Affordable Housing Restrictive Covenant, excluding the unrestricted manager’s unit.

(j) **“Agreement”** shall mean the Affordable Housing Land Donation Agreement.

(k) **“Area Median Income”** or **“AMI”** means the median gross yearly income adjusted for Actual Household Size (to qualify residents) or Assumed Household Size (to calculate rents), as applicable, in San Mateo County, either as applicable (i) as published from time to time by the State of California Department of Housing and Community Development; or (ii) as determined by the Secretary of the Treasury of the United States for purposes of Section 42 of the Internal Revenue Code. In the event that such income determinations are no longer published or are not updated for a period of at least eighteen (18) months, the City shall provide the Qualified Designee with other income determinations which are reasonably similar with respect to methods of calculation to those previously published by the State.

(l) **“Assignment and Assumption Agreement”** means that certain Assignment and Assumption Agreement, substantially in the form attached hereto as Exhibit E, incorporated herein by this reference, under which the rights of the Qualifying Designee are assigned to a City-approved qualifying designee or a Permitted Transferee single purpose entity.

(m) **“Assignment of Contracts”** means that certain Assignment of Contracts Agreement, substantially in the form attached hereto as Exhibit F, incorporated herein by this reference, under which the rights of the Qualifying Designee under specified contracts are assigned to the City.

(n) **“CEQA”** means the California Environmental Quality Act (“Public Resources Code Section 2100 *et seq*,” as set forth in Recital N above.

(o) **“Close of Escrow”** means the date that: (i) the Grant Deed conveying the Affordable Site is recorded in the Official Records; (ii) the Irrevocable Offer to Dedicate is recorded against the Affordable Site; and, (iii) the Affordable Housing Restrictive Covenant is recorded against the Affordable Site.

(p) **“Construction Commencement Period”** has the meaning set forth in Section 3.2(c).

(q) **“CTCAC”** means the California Tax Credit Allocation Committee.

(r) **“DTPP Amendment MMRP”** has the meaning set forth in Recital N.

(s) **“Effectuating Agreements”** has the meaning set forth in Section 13.12 below.

(t) **“Execution Date”** shall mean the date the Agreement is signed by all Parties.

(u) “**Existing Occupants**” shall have the same meaning as set forth in Section 3.10(a) below.

(v) “**Extremely Low-Income Household**” means a household with an annual Household Income no greater than the maximum income for extremely low income households, as published annually by the City for each household size, based on either HUD income limits for the County or the HCD income limits for the County, as applicable.

(w) “**Extremely Low-Income Rent**” means the Affordable Rent permitted to be charged for an Extremely Low-Income Unit, and as provided to the Qualified Designee annually by the City or as published by CTCAC for 30% AMI households, as applicable.

(x) “**Extremely Low-Income Units**” means Affordable Units required to be occupied by Extremely Low-Income Households.

(y) “**Governmental Authorities**” shall mean the City of Redwood City, the State of California or any other governmental or quasi-governmental entities who may issue permits or approvals for the development of the Affordable Development.

(z) “**Grant Deed**” means that certain grant deed, substantially in the form attached hereto as Exhibit C, incorporated herein by this reference, pursuant to which the Affordable Site will be transferred to the Qualified Designee.

(aa) “**HCD**” means the California Department of Housing and Community Development.

(bb) “**Household Income**” means the total anticipated annual income of all persons in a household, as calculated in accordance with state or federal law or pursuant to a successor State housing program that utilizes a reasonably similar method of calculation of adjusted income. In the event that no such program exists, the City shall provide the Qualified Designee with a reasonably similar method of calculation of adjusted income as provided in said Section 6914. For Affordable Units that are subject to Affordable Rents as provided by CTCAC, the Household Income shall be set at an amount consistent with the household income levels as determined by the CTCAC.

(cc) “**Housing Element Update EIR**” means the Final Environmental Impact Report and MMRP for the Housing, Built Environment, Public Safety, Building Community, Natural Resources & Environmental Justice Elements Update to the Redwood City General Plan, certified by the City Council on February 13, 2023, in Resolution No. 16124.

(dd) “**Housing Element Update MMRP**” has the meaning set forth in Recital N.

(ee) “**HUD**” means the United States Department of Housing and Urban Development.

(ff) “**Irrevocable Offer to Dedicate**” means that certain Irrevocable Offer to Dedicate, in the form attached hereto as Exhibit D, incorporated herein by this reference.

(gg) “**Low-Income Household**” means a household with an annual Household Income no greater than the maximum income for low-income households, as published annually by the City for each household size, based on either HUD income limits for the County or the HCD income limits for the County, as applicable.

(hh) “**Low-Income Rent**” means the Affordable Rent permitted to be charged for a Low-Income Unit, and as provided to the Donor annually by the City or as published by CTCAC for 80% AMI households, as applicable.

(ii) “**Low-Income Units**” means Affordable Units required to be occupied by Low-Income Households.

(jj) “**NEPA**” means the National Environmental Policy Act of 1969, as set forth in 42 U.S.C. 4321 *et seq.*

(kk) “**Ordinance**” has the meaning set forth in Recital B above.

(ll) “**Partial Assignment of Development Agreement**” has the meaning set forth in Recital D above.

(mm) “**Project Plans**” has the meaning set forth in Section 3.3(a) of this Agreement.

(nn) “**SEIR**” means the Subsequent Environmental Impact Report to the Downtown Precise Plan, certified by the City Council by Resolution No. 16153 on June 26, 2023.

(oo) “**Term**” has the meaning set forth in Section 1.3 of this Agreement.

(pp) “**Title Company**” has the meaning set forth in Section 3.4 of this Agreement.

(qq) “**Very Low-Income Household**” means a household with an annual Household Income no greater than the maximum income for very low income households, as published annually by the City for each household size, based on either HUD income limits for the County or the HCD income limits for the County, as applicable.

(rr) “**Very Low-Income Rent**” means the Affordable Rent permitted to be charged for a Very Low-Income Unit, and as provided to the Donor annually by the City or as published by CTCAC for 50% AMI households, as applicable.

(ss) “**Very Low-Income Units**” means Affordable Units required to be occupied by Very Low-Income Households.

(tt) “**1900 Broadway Project**” has the meaning set forth in Recital C above.

(uu) “**1900 Broadway Project Approvals**” means all entitlements, plans, maps, authorizations, development agreements, permits and approvals for the 1900 Broadway Project, approved pursuant to Resolution No. \_\_\_ adopted by City Council of Redwood City on October 28, 2024, as described in Recital C above.

Section 1.2 Exhibits. The following exhibits are attached to this Agreement and incorporated into this Agreement by reference as if fully set forth herein:

- Exhibit A-1: Legal Description
- Exhibit A-2: Preliminary Title Report
- Exhibit B: Affordable Housing Plan
- Exhibit C: Form of Grant Deed
- Exhibit D: Form of Irrevocable Offer to Dedicate
- Exhibit E: Form of Assignment and Assumption Agreement
- Exhibit F: Form of Assignment of Contracts
- Exhibit G: Form of Affordable Housing Restrictive Covenant
- Exhibit H: Form of Performance Deed of Trust

Section 1.3 Term. The “**Term**” of this Agreement shall consist of the period commencing on Execution Date and continuing until: (1) the Close of Escrow for the Land Donation of the Affordable Site; or (2) the date of any termination of this Agreement in accordance with the provisions hereof. The expiration of the Term of this Agreement shall have no effect on the term of the Affordable Housing Restrictive Covenant restricting the Affordable Units, or any other provision of this Agreement specified to survive termination of this Agreement as such may apply to the Donor or the Qualified Designee.

## ARTICLE 2. PURPOSE AND OVERVIEW

### Section 2.1 Scope and Purpose of Agreement.

The purposes of this Agreement, as more specifically set forth herein, is to: (1) effectuate and satisfy the Developer’s compliance with the requirements of the Ordinance with respect to the 1900 Broadway Project; (2) implement the requirements of the Affordable Housing Plan; (3) govern the transfer and donation of the Affordable Site; and (4) set forth the expected preliminary requirements for the operation and maintenance of the Affordable Development.

### Section 2.2 Property.

(a) Land Ownership as of Effective Date. As of the Effective Date, Square Trufund LLC, a California limited liability company, owns the Affordable Site. Under and pursuant to the terms of that certain Purchase and Sale Agreement, dated October 24, 2022, the Donor agrees to purchase the Affordable Site from Square Trufund LLC.

(b) Land Ownership Following the Close of Escrow. Following the Close of Escrow, the Qualified Designee shall hold fee title to the Affordable Site.

### Section 2.3 Satisfaction of Inclusionary Housing Obligation.

(a) From and after the Close of Escrow transferring fee title to the Affordable Site from the Donor to the Qualified Designee, the Donor's affordable housing related obligations under the Ordinance, the 1900 Broadway Project Approvals and the Affordable Housing Plan shall be deemed satisfied with respect to the 1900 Broadway Project. As agreed herein and as set forth in the Development Agreement, and except as otherwise set forth herein, the Donor's failure to transfer the Affordable Site to the Qualified Designee as contemplated hereunder shall give the City the right to revoke the 1900 Broadway Project Approvals subject to a noticed public hearing before the City Council. Notwithstanding the foregoing, the parties acknowledge and agree that prior to any such revocation, the Developer shall be provided the opportunity to substitute the Affordable Site in accordance with Section 5.6(c) or, in the case where the Qualified Designee refuses to accept the Affordable Site, propose replacement of the Qualified Designee pursuant to Section 6.4.

(b) From and after the Close of Escrow, the Qualified Designee shall be solely obligated to develop the Affordable Units and make them available to and occupied by Extremely Low, Very Low, and Low- Income Households at an Affordable Rent, in compliance with the Affordable Housing Plan, the Affordable Development Project Approvals, and the Affordable Housing Restrictive Covenant.

#### Section 2.4 Recordation of Transaction Documents.

(a) Concurrently with recordation of the Grant Deed, the Qualified Designee shall record the Affordable Housing Restrictive Covenant against title to the Affordable Site in primary lien position, subject only to such liens, encumbrances and other exceptions to title approved in writing and in advance by the City and Qualified Designee. The Affordable Housing Restrictive Covenant will be secured by a deed of trust, substantially in the form attached hereto as Exhibit H, incorporated herein by this reference (the "**Deed of Trust**") recorded against the Affordable Site subject only to the encumbrances approved by City pursuant to Section 3.4, below. The Deed of Trust shall be subordinated to the Qualified Designee's senior lenders providing construction and permanent financing for the Project, as well as all any refinancing of such loans, subject to the procedures for such requests under the City's Affordable Housing Guidelines.

### ARTICLE 3. PRE-CLOSING REQUIREMENTS; CLOSE OF ESCROW

Section 3.1 Pre-Closing Obligations. All obligations set forth in this Article are conditions precedent to the City's approval of the Donor's obligation to convey the Affordable Site to the Qualified Designee. The Qualified Designee shall have no obligation to accept the Land Donation unless the Donor has satisfied the conditions precedent set forth in this Article 3 in the manner set forth below and within the agreed upon timeframes.

#### Section 3.2 Financing Proposal and Financing Plan.

(a) As of the Effective Date, the Developer and Qualified Designee submitted the preliminary Financing Proposal for the Affordable Development in connection with the approved Affordable Housing Plan. The parties agree that the Financing Proposal is only an estimate based upon preliminary information, and that it may be necessary to update this information prior to Close of Escrow.

(b) Prior to the Close of Escrow, the Qualified Designee shall submit any necessary updates and revisions to the Financing Proposal, including, without limitation, revisions to the anticipated project development costs, and revenues. The City shall reasonably approve or disapprove the revised Financing Proposal in writing within fifteen (15) calendar days of the City's receipt. Upon City approval, the Financing Proposal shall be referred to as the Financing Plan.

(c) If the Financing Proposal (or any proposed modification thereof) is disapproved by the City, the City shall identify its reasons for such disapproval and the Qualified Designee shall have fifteen (15) calendar days from the date of the Qualified Designee 's receipt of the City's notice of disapproval to submit a revised Financing Proposal. The provisions of this Section 3.4 relating to time periods for approval, disapproval and resubmission of a new Financing Proposal shall continue to apply until the revised Financing Proposal has been approved by the City.

### Section 3.3 Land Donation of Affordable Site.

(a) As part of the 1900 Broadway Project Approvals, the Developer agreed to the Land Donation of the Affordable Housing Site in order to satisfy its obligations under the Ordinance. At the Close of Escrow for the Affordable Site, in satisfaction of the Developer's obligations under the Ordinance and the Affordable Housing Plan, the Donor shall donate the Affordable Site to the Qualified Designee. The Developer's obligations under the Ordinance and the Affordable Housing Plan shall not be deemed satisfied unless the Close of Escrow occurs. Except as otherwise set forth herein, the Donor's failure to transfer the Affordable Site to the Qualified Designee as contemplated hereunder, shall give the City the right to revoke the 1900 Broadway Project Approvals, subject to a noticed public hearing before the City Council. Notwithstanding the foregoing, the parties acknowledge and agree that prior to any such revocation, the Developer shall be provided the opportunity to substitute the Affordable Site in accordance with Section 5.6(c) or, in the case where the Qualified Designee refuses to accept the Affordable Site, propose replacement of the Qualified Designee pursuant to Section 6.4.

### Section 3.4 Title Due Diligence; Opening Escrow.

(a) As of the Effective Date, the Qualified Designee and City have reviewed and approved the Preliminary Title Report issued by First American Title Company ("**Title Company**") on October 11, 2022 and updated on August 15, 2024, for the Affordable Site. Upon the Close of Escrow for the Affordable Site, the Qualified Designee shall have insurable title to the Affordable Site which shall be free and clear of all liens, encumbrances, clouds and conditions, rights of occupancy or possession, except: (1) applicable building and zoning laws and regulations, including but not limited to any conditions of approval; (2) the Grant Deed; (3) the Irrevocable Offer to Dedicate; (4) the Affordable Housing Restrictive Covenant; (5) all exceptions in the Preliminary Title Report; (6) the Deed of Trust securing the Qualified Designee's performance

under the Affordable Housing Restrictive Covenant; and (7) any lien for current taxes and assessments or taxes and assessments accruing subsequent to recordation of the Grant Deed.

(b) Prior to the Close of Escrow, the Donor shall open escrow with the Title Company and submit an updated Preliminary Title Report issued within 30 days of the Close of Escrow, establishing that the Affordable Site has clear title and shows no liens securing repayment of debt or any other security instruments or encumbrances (other than those associated with the financing of the Affordable Development) and evidencing that the Affordable Housing Restrictive Covenant shall be recorded in first lien position, subject only to the encumbrances approved by the City. The Qualified Designee or the City may, within fifteen (15) days of receiving the updated Preliminary Title Report and prior to Close of Escrow, deliver a Notice of Objection objecting to any exceptions or encumbrances appearing on the updated Preliminary Title Report that were not previously listed in the Preliminary Title Report. If the City or Qualified Designee issues such a Notice of Objection, the Donor may elect to: (1) cause the objectionable exception or encumbrance to be removed; (2) obtain a commitment from a title company acceptable to the Qualified Designee and the City, for an appropriate endorsement to the policy of title insurance to be issued, insuring against the objectionable exception or encumbrance; or (3) terminate this Agreement, unless the City or the Qualified Designee elects to approve title subject to such objectionable exception or encumbrance; or (4). propose substitution of the Affordable Site pursuant to Section 5.6(c) and/or replacement of the Qualified Designee pursuant to Section 6.4.

(c) Not more than five (5) days after the Close of Escrow, the Qualified Designee must submit an updated Preliminary Title Report evidencing that the Affordable Housing Restrictive Covenant is recorded in first lien position and that all other Effectuating Agreements have been recorded against the Qualified Designee's fee title to the Affordable Site.

### Section 3.5 Occupant Relocation.

(a) Prior to the Close of Escrow, the Donor shall provide the City and Qualified Designee a list of the existing occupants of the Affordable Site (the "**Existing Occupants**") which will be incorporated as part of this Agreement by this reference. The Donor shall represent that other than the Existing Occupants or as otherwise disclosed to the City and Qualified Designee, there will not be any tenants or occupants on the Affordable Site. If and to the extent that the transfer of the Affordable Site results in the permanent or temporary displacement of residential tenants, homeowners, or businesses, then Donor shall comply with all applicable local, state, and federal statutes and regulations, (including without limitation California Government Code Section 7260 et seq., and accompanying regulations) with respect to relocation planning, advisory assistance, and payment of monetary benefits. Donor shall be solely responsible for payment of any relocation benefits to any displaced persons and any other obligations associated with complying with such relocation laws.

(b) Donor shall defend, with counsel reasonably acceptable to the City and the Qualified Designee, against any claim for damages, compensation, fines, penalties, relocation payments or other amounts arising out of the failure or alleged failure of any person or entity (including Donor, Qualified Designee, the City) to satisfy relocation obligations. The provisions of this Section 3.5 shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 3.6 Condition of Property.

(a) **“AS IS” TRANSFER.** THE QUALIFIED DESIGNEE ACKNOWLEDGES THAT IT HAS BEEN PROVIDED THE OPPORTUNITY TO INVESTIGATE THE AFFORDABLE SITE PRIOR TO THE EXECUTION DATE, AND ACCORDINGLY HAS APPROVED THE PHYSICAL CONDITION OF THE AFFORDABLE SITE AS OF THE EXECUTION DATE. THE QUALIFIED DESIGNEE SPECIFICALLY ACKNOWLEDGES AND AGREES THAT THE DONOR IS TRANSFERRING AND THE QUALIFIED DESIGNEE IS ACCEPTING THE AFFORDABLE SITE ON AN “AS IS WITH ALL FAULTS” BASIS AND THAT THE QUALIFIED DESIGNEE IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS (EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT) OR IMPLIED, FROM THE DONOR AS TO ANY MATTERS CONCERNING THE AFFORDABLE SITE, INCLUDING WITHOUT LIMITATION: (A) THE QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF THE AFFORDABLE SITE (INCLUDING, WITHOUT LIMITATION, TOPOGRAPHY, CLIMATE, AIR, WATER RIGHTS, WATER, GAS, ELECTRICITY, UTILITY SERVICES, GRADING, DRAINAGE, SEWERS, ACCESS TO PUBLIC ROADS AND RELATED CONDITIONS); (B) THE QUALITY, NATURE, ADEQUACY, AND PHYSICAL CONDITION OF SOILS, GEOLOGY AND GROUNDWATER, (C) THE EXISTENCE, QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF UTILITIES SERVING THE AFFORDABLE SITE, (D) THE DEVELOPMENT POTENTIAL OF THE AFFORDABLE SITE, AND THE AFFORDABLE SITE’S USE, HABITABILITY, MERCHANTABILITY, OR FITNESS, SUITABILITY, VALUE OR ADEQUACY OF THE AFFORDABLE SITE FOR ANY PARTICULAR PURPOSE, (E) THE ZONING OR OTHER LEGAL STATUS OF THE AFFORDABLE SITE OR ANY OTHER PUBLIC OR PRIVATE RESTRICTIONS ON THE USE OF THE AFFORDABLE SITE, (F) THE COMPLIANCE OF THE AFFORDABLE SITE OR ITS OPERATION WITH ANY APPLICABLE CODES, LAWS, REGULATIONS, STATUTES, ORDINANCES, COVENANTS, CONDITIONS AND RESTRICTIONS OF ANY GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY OR OF ANY OTHER PERSON OR ENTITY, (G) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS ON, UNDER OR ABOUT THE AFFORDABLE SITE OR THE ADJOINING OR NEIGHBORING PROPERTY, AND (H) THE CONDITION OF TITLE TO THE AFFORDABLE SITE. THE QUALIFIED DESIGNEE AFFIRMS THAT THE QUALIFIED DESIGNEE HAS NOT RELIED ON THE SKILL OR JUDGMENT OF THE DONOR OR ANY OF ITS RESPECTIVE AGENTS, EMPLOYEES OR CONTRACTORS TO SELECT OR FURNISH THE AFFORDABLE SITE FOR ANY PARTICULAR PURPOSE, AND THAT THE CITY MAKES NO WARRANTY THAT THE AFFORDABLE SITE IS FIT FOR ANY PARTICULAR PURPOSE. THE QUALIFIED DESIGNEE ACKNOWLEDGES THAT HAS USED ITS INDEPENDENT JUDGMENT AND MADE ITS OWN DETERMINATION AS TO THE SCOPE AND BREADTH OF ITS DUE DILIGENCE INVESTIGATION RELATIVE TO THE AFFORDABLE SITE AND HAS RELIED UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC AND LEGAL CONDITION OF THE AFFORDABLE SITE (INCLUDING, WITHOUT LIMITATION, WHETHER THE AFFORDABLE SITE IS LOCATED IN ANY AREA WHICH IS DESIGNATED AS A SPECIAL FLOOD

**HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY). THE QUALIFIED DESIGNEE UNDERTAKES AND ASSUMES ALL RISKS ASSOCIATED WITH ALL MATTERS PERTAINING TO THE AFFORDABLE SITE'S LOCATION IN ANY AREA DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY.**

(1) Survival. The terms and conditions of this Section 3.6 shall expressly survive the Close of Escrow, shall not merge with the provisions of the Grant Deed, or any other closing documents and shall be deemed to be incorporated by reference into the Grant Deed. The Donor is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Affordable Site furnished by any contractor, agent, employee, servant, or other person. The Qualified Designee acknowledges that the Affordable Site Land Donation reflects the “as is” nature of this transfer and any faults, liabilities, defects, or other adverse matters that may be associated with the Affordable Site. The Qualified Designee has fully reviewed the disclaimers and waivers set forth in this Agreement with the Qualified Designee’s counsel and understands the significance and effect thereof.

(2) Acknowledgment. The Qualified Designee acknowledges and agrees that (i) to the extent required to be operative, the disclaimers of warranties contained in this Section 3.6 are “conspicuous” disclaimers for purposes of all applicable laws and other legal requirements, and (ii) the disclaimers and other agreements set forth in such sections are an integral part of this Agreement, that the Land Donation of the Affordable Site has been adjusted to reflect the same and that the Donor would not have agreed to donate the Affordable Site to the Qualified Designee without the disclaimers and other agreements set forth in this Section 3.6.

(3) Qualified Designee’s Release of the Donor. The Qualified Designee, on behalf of itself and anyone claiming by, through or under the Qualified Designee hereby waives its right to recover from and fully and irrevocably releases the City and their council members, board members, employees, officers, directors, representatives, and agents (the “released parties”) from any and all claims, responsibility and/or liability that the Qualified Designee may have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to (i) the condition (including any construction defects, errors, omissions or other conditions, latent or otherwise), valuation, salability or utility of the Affordable Site, or its suitability for any purpose whatsoever; (ii) any presence of Hazardous Materials; and, (iii) any information furnished by the Released Parties under or in connection with this Agreement.

(4) Scope of Release. The release set forth in this Section 3.6 includes claims of which the Qualified Designee is presently unaware or which the Qualified Designee does not presently suspect to exist which, if known by the Qualified Designee, would materially affect the Qualified Designee ‘s release of the Released Parties. The Qualified Designee specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the extent permitted by law, the Qualified Designee agrees, represents and warrants that the

Qualified Designee realizes and acknowledges that factual matters now unknown to the Qualified Designee may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and the Qualified Designee further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that the Qualified Designee nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses. Accordingly, the Qualified Designee, on behalf of itself and anyone claiming by, through or under the Qualified Designee, hereby assumes the above-mentioned risks and hereby expressly waives any right the Qualified Designee and anyone claiming by, through or under the Qualified Designee, may have under Section 1542 of the California Civil Code, which reads as follows:

**“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her, would have materially affected his or her settlement with the debtor or released Party.”**

**Qualified Designee’s Initials:** \_\_\_\_\_

Notwithstanding the foregoing, this release shall not apply to, nor shall the City be released from, the City’s actual fraud or misrepresentation.

Section 3.7 Delivery of Effectuating Agreements.

(a) Prior to Close of Escrow, the parties shall execute and deliver to the Title Company the following documents (collectively, the **“Effectuating Agreements”**):

(1) the Grant Deed executed by the Donor, or alternatively, executed by Square Trufund LLC if Donor’s right to purchase the Affordable Site was assigned to the Qualified Designee;

(2) the Affordable Housing Restrictive Covenant executed by the Qualified Designee and the City;

(3) the Irrevocable Offer to Dedicate executed by the Qualified Designee;

(4) the Deed of Trust executed by the Qualified Designee;

(5) the Assignment of Contracts executed by the Qualified Designee with the executed consents of relevant contractors;

(6) If necessary, the Assignment and Assumption Agreement executed by the Qualified Designee and its permitted transferee;

(7) The Partial Assignment and Assumption of the Development Agreement executed by the Developer and the Qualified Designee.

(b) The terms of the Effectuating Agreements shall be subject to the approval of the City, and Qualified Designee and, to the extent the Donor is a party thereto, the Donor, which approval shall not be unreasonably withheld, and no party shall be obligated to enter into any of the Effectuating Agreements or to proceed with the transactions contemplated herein unless such agreement has been approved by the City, Qualified Designee, and to the extent the Donor is a party thereto, the Donor.

Section 3.8 Close of Escrow.

(a) Upon Close of Escrow, the Title Company shall record, in the following order, the Grant Deed, the Irrevocable Offer to Dedicate, the Affordable Housing Restrictive Covenant, and the Deed of Trust against the Affordable Site. The Close of Escrow for the Affordable Site shall occur no later than the issuance of the first building permit for any portion of the 1900 Broadway Project, and only in the event that all conditions precedent applicable to conveyance of the Affordable Site set forth in this Article 3 have been satisfied, or waived in writing by the City, prior to or concurrently with, and as conditions of, the Close of Escrow:

(1) The Donor shall provide the City with copies of the Donor's organizational documents, a certified copy of the Donor's authorizing resolution, approving the Land Donation and the Donor's execution of the Effectuating Documents.

(2) The Qualified Designee shall provide the City with copies of the Qualified Designee 's organizational documents, a certified copy of the Qualified Designee 's authorizing resolution, approving the Land Donation and the Qualified Designee 's execution of the Effectuating Agreements.

(3) The Qualified Designee shall have executed and delivered to the City or the Title Company the Effectuating Agreements, and any other documents and instruments required to be executed and delivered, all in form and substance satisfactory to the City.

(4) The Qualified Designee shall have furnished the City with evidence of the insurance coverage meeting the general insurance requirements set forth in Section 8.7.

(5) The City and Qualified Designee have approved Title as required under Section 3.4 above.

(6) Any necessary updates to the Affordable Development Financing Proposal has been approved by the City.

(7) There shall exist no condition, event or act which would constitute a breach or default by Donor, Developer or the Qualified Designee under this Agreement, or any other document or which, upon the giving of notice or the passage of time, or both, would constitute such a breach or default.

(8) All representations and warranties of the Qualified Designee contained in this Agreement shall be true and correct as of the Close of Escrow.

(9) All representations and warranties of the Donor contained in this Agreement shall be true and correct as of the Close of Escrow.

(b) Qualified Designee Conditions Precedent. In addition to the applicable conditions precedent set forth in this Article 3, the following conditions shall be satisfied, or waived in writing by the Qualified Designee, prior to or concurrently with, and as conditions of, the Close of Escrow:

(1) Donor shall have acquired fee title to the Affordable Site or, alternatively, assigned its right to acquire the Affordable Site to the Qualified Designee.

(2) The Title Company is irrevocably committed to issue an ALTA form of title insurance policy insuring Qualified Designee as the owner in fee simple of the Property, and subject to the condition of title as set forth in Section 3.4 in an amount, and subject to the endorsements, as may be reasonably required by Qualified Designee.

(3) The Donor and the City shall have executed and delivered to the Qualifying Designee or the Title Company the Effectuating Agreements, and any other documents and instruments required to be executed and delivered in order to close the transactions contemplated by this Agreement.

(4) There shall exist no condition, event or act which would constitute a breach or default by City or the Donor under this Agreement, or any other document or which, upon the giving of notice or the passage of time, or both, would constitute such a breach or default.

(5) There is no litigation, administrative claim or other legal proceeding that would prevent Qualified Designee from developing the Affordable Housing Project on the Property.

(6) All representations and warranties of the Donor and the City contained in this Agreement shall be true and correct as of the Close of Escrow.

(7) Donor or, alternatively Square Trufund LLC if Donor assigned its right to Acquire the Affordable Site to Qualified Designee, shall have executed and delivered to the Title Company customary owner's affidavits and other documents reasonably required by the Title Company or Qualified Designee to Close Escrow.

(c) Donor Conditions Precedent. In addition to the applicable conditions precedent set forth in this Article 3, the following conditions shall be satisfied, or waived in writing by the Donor, prior to or concurrently with, and as conditions of, the Close of Escrow.

(1) Donor shall have acquired fee title to the Affordable Site, or, alternatively, assigned its right to acquire the Affordable Site to the Qualified Designee.

(2) The Qualified Designee and the City shall have executed and delivered to the Donor or the Title Company the Effectuating Agreements, and any other documents and instruments required to be executed and delivered in order to close the transactions contemplated by this Agreement.

(3) There shall exist no condition, event or act which would constitute a breach or default by City or the Qualified Designee under this Agreement, or any other document or which, upon the giving of notice or the passage of time, or both, would constitute such a breach or default.

(4) All representations and warranties of the Qualified Designee and the City contained in this Agreement shall be true and correct as of the Close of Escrow.

(5) Qualified Designee shall have executed and delivered to the Title Company any other documents reasonably required by the Title Company or Qualified Designee to Close Escrow.

Section 3.9 Reports. The Donor and Qualified Designee shall provide the City with copies of all reports, studies, analyses, correspondence, and similar documents, but excluding confidential or proprietary information, prepared, or commissioned by the Qualified Designee with respect to this Agreement and the Affordable Development, promptly upon receipt of written request from the City.

Section 3.10 No Brokers. Each of the parties hereto represents that it has dealt with no broker or finder in connection with the potential Land Donation of the Affordable Site, and insofar as they know, no broker or other person is entitled to any commission or finder's fee in connection with such Land Donation. Qualified Designee and Donor each agree to indemnify, defend, and hold harmless one another against any loss, liability, damage, cost, claim, or expense incurred by reason of any brokerage commission or finder's fee alleged to be payable because of any act, omission, or statement of the indemnifying party. The foregoing obligation shall survive execution of the Effectuating Agreement and consummation of the Land Donation.

Section 3.11 Natural Hazards Disclosures. Without limiting Section 3.6, limiting Section 5.6, the City and each of the purchasers acknowledge that the Disclosure Statutes (as defined below) provide that a seller of real property must make certain disclosures regarding certain natural hazards potentially affecting the property, as more particularly provided therein. As used in this Agreement, "**Disclosure Statutes**" means, collectively, California Government Code Sections 8589.3, 8589.4 and 51183.5, California Public Resources Code Sections 2621.9, 2694 and 4136 and any other California statutes that require the Donor to make disclosures concerning the Affordable Site. Prior to the Close of Escrow, the Donor shall have ordered a Natural Hazard Disclosure Report for the Affordable Site from the Title Company and shall deliver the same to the Qualified Designee promptly upon the Donor's receipt thereof. The Natural Hazard Disclosure Report for the Affordable Site shall hereafter be called the "Natural Hazard Report." The Donor and Qualified Designee hereby agree as follows with respect to the Disclosure Statutes and the Natural Hazard Reports: (1) the Natural Hazard Reports are being provided by the City for purposes of complying with the Disclosure Statutes and shall not be deemed to constitute a representation or warranty by the Donor as to the presence or absence in, at or around the Affordable Site of the conditions that are the subject of the Disclosure Statutes; and, (2) the Natural Hazard Report is for the Donor and the Qualified Designee only and are not for the benefit of, nor are to be used for any purpose by, any other party, including, without limitation, insurance companies, lenders or governmental agencies other than the City.

Section 3.12 Use. The Qualified Designee hereby agrees that, unless otherwise approved in writing by the City, the Affordable Site will be used in accordance with the restriction set forth in this Agreement and the Affordable Housing Restrictive Covenant.

Section 3.13 Taxes and Assessments. Prior to the Close of Escrow, the Donor shall pay all real and personal property taxes, assessments and charges and all franchise, income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Affordable Site; provided, however, that Donor shall have the right to contest in good faith any such taxes, assessments, or charges. In the event Donor exercises its right to contest any tax, assessment, or charge against it, Donor, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges, and interest.

#### ARTICLE 4.

#### PRELIMINARY REQUIREMENTS FOR THE AFFORDABLE DEVELOPMENT

##### Section 4.1 Affordable Development Project Approvals.

(a) The Qualified Designee shall be responsible for complying with the obligations and conditions set forth in the Affordable Development Project Approvals for development and operation of the Affordable Development, including to the extent required, site plan review, Architectural Permit, and lot line adjustment, tentative or final maps, subdivision and other improvement plans, and all other necessary entitlements related to the Affordable Development.

(b) On the anniversary of the Close of Escrow, the Qualified Designee shall provide the City annual status reports outlining the Qualified Designees progress toward compliance with the Affordable Development Project Approvals, including the status of application for building permits for the Affordable Development, and information related to schedule for commencement of construction of the Affordable Development.

(c) If the Qualified Designees has not complied with the Affordable Development Project Approvals, and has not been issued a building permit and commenced construction of the Affordable Development within five (5) years of the date of the Close of Escrow (the “**Construction Commencement Period**”), then the City shall have the right to enforce any of its rights under the Irrevocable Offer to Dedicate (which is required to be recorded as the Close of Escrow for the Land Donation). The Qualified Designee, may request to extend the Construction Commencement Period for up to two (2) additional years by submitting a written request to the City Manager not less than 90 days prior to the expiration of the Construction Commencement Period, explaining the nature of the proposed extension, along with the annual reports previously submitted, and a narrative on how the extension will meet the objectives of the Affordable Housing Plan. Any extension may be granted at the City Manager’s sole and absolute discretion.

Section 4.2 Development Plans and Specifications.

(a) As used herein, “**Project Plans**” means plans for the design and construction of the Affordable Development on the Affordable Site, as provided in the plan set prepared by Eden Housing and dated June 27, 2024, on file with the City Affordable Development Project Plans, including without limitation, preliminary plans, site plans, floor plans, elevations and all related architectural plans and related structural and engineering plans.

(b) The Project Plans shall not be processed or approved in a manner which causes, creates or results in the imposition of any lien, burden, condition, obligation, liability or expense upon Donor or the Affordable Site prior to the conveyance thereof by Donor to the Qualified Designee or the City, or which would otherwise survive termination of this Agreement. Qualified Designee understands that neither the City or the Donor shall have any obligation to reimburse Qualified Designee for any costs or expenses incurred by Qualified Designee with respect to the Project Plans under any circumstance whatsoever, including, without limitation, in the case of a termination of this Agreement for any reason.

(c) If the Qualifying Designee is unable to comply with the obligations and conditions in the Affordable Development Project Approvals or if the City enforces its rights under the Irrevocable Offer to Dedicate, the Project Plans (inclusive of any preliminary Project Plans) and all related architecture, floor plans, elevations, studies, surveys, drawings, engineering, plans, data, contracts, agreements, information and materials shall, promptly upon City’s request, be assigned to City without representation or warranty of any kind and without Qualified Designee’s further consent. Qualified Designee shall ensure that its contracts with all consultants, engineers and design professionals with respect to the Project Plans and the preparation of work product related thereto include an express consent to the foregoing assignment. Qualified Designee’s obligations pursuant to this paragraph shall survive termination of this Agreement.

(d) The Qualified Designee shall execute the Assignment of Contracts and in accordance with the terms of the Assignment of Contracts, agrees to submit copies of and assign to the City the Project Plans and the Plans and Specifications for the construction of the Affordable Development, including all construction documentation upon which the Qualified Designee and the Qualified Designee’s contractors shall rely in performing the construction work. The Assignment of Contracts shall be subject and subordinate to the Qualified Designee’s senior lenders providing construction and permanent financing to the Project.

Section 4.3 Environmental Review. The Qualified Designee shall prepare or cause to be prepared preliminary plans to facilitate the environmental review process required by CEQA and NEPA for the Affordable Development, as applicable. The City acknowledges that the environmental review process under CEQA and NEPA for the proposed Development Site may involve preparation and consideration of input from interested organizations and individuals; that approval or disapproval of the Affordable Development following completion of the environmental review process is within the discretion of the City; and that the City makes no representation regarding the ability of the City to approve the Affordable Development at the conclusion of the environmental review process required by CEQA and NEPA, or regarding the imposition of any mitigation measures as conditions of any approval that may be granted. The Donor and Qualified Designee shall generally cooperate to complete any required environmental

review. Nothing in this Agreement shall be construed to compel the City to approve or make any particular findings with respect to the environmental review documentation. The City will not be responsible for any direct and indirect costs associated with, or related to, the preparation of the required CEQA and NEPA documentation for the Affordable Development. The Donor will not be responsible for the payment of any City fees or costs associated with processing of the draft and final environmental review documents needed for the respective the project approvals for the Affordable Development. As of the Effective Date, and as described in Recital N, all environmental review in compliance with CEQA has been completed for the Affordable Development in connection with the Affordable Development Project Approvals.

ARTICLE 5.  
TRANSFERS

Section 5.1 Transfers. As used in this Article, the term “Transfer” means:

(a) Any total or partial sale, assignment or conveyance, or any trust or power, or any transfer in any other mode or form, of or with respect to this Agreement or the fee interest in the Affordable Site or fee estate in the improvements or any part thereof or any interest therein, of the improvements constructed thereon;

(b) Any total or partial sale, assignment or conveyance, any trust or power, or any transfer in any other mode or form, of or with respect to any interests in Donor;

(c) Any total or partial sale, assignment or conveyance, any trust or power, or any transfer in any other mode or form, of or with respect to the membership interests in Qualified Designee or any partner or member of Qualified Designee or any contract to any of the same, including without limitation, any transfer or sale of any interest in Qualified Designee for financing purposes unless approved by the City as part of the approved Financing Plan;

(d) Any merger, consolidation, sale, lease, assignment or conveyance of all or substantially all of the assets of Qualified Designee;

(e) Any action that results in the change, removal, replacement or otherwise of the Donor; or

(f) Any action that results in the change, removal, replacement or otherwise of the Qualified Designee.

Section 5.2 Purpose of Restriction. This Agreement is entered into with the Developer, the Donor and the Qualified Designee solely for the purpose of facilitating the transfer of the Affordable Site, and its subsequent use in accordance with the terms of this Agreement, and not for speculation in landholding. Qualified Designee recognizes that, in view of the following factors, the qualifications and identity of Qualified Designee is of particular concern to the community and City:

(a) That at all times the Qualified Designee must be a qualifying designee under the Ordinance;

(b) The importance of the development of the Affordable Site for the intended uses contemplated herein and under the Affordable Housing Restrictive Covenant;

(c) The fact that a Transfer as defined in Section 5.1 above is for practical purposes a transfer or disposition of the fee interest in the Affordable Site then owned by the Qualified Designee;

(d) The fact that the Affordable Site is not to be acquired, developed or used for speculation, but only for development and operation by Qualified Designee in accordance with this Agreement and under the Affordable Housing Restrictive Covenant;

(e) The reliance by the City upon the unique qualifications and ability of Qualified Designee to serve as the catalyst for development of the Affordable Site and upon the continuing interest which Qualified Designee will have in the Affordable Site to assure the quality of the use, operation and maintenance deemed critical by the City in the development of the Affordable Site; and

(f) The fact that a change in ownership or control of the Donor or the Qualified Designee, or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in ownership or with respect to the identity of the parties in control of Qualified Designee or the degree thereof is for practical purposes a transfer or disposition of the Affordable Site.

### Section 5.3 Prohibited Transfers.

(a) Donor represents and agrees that Donor has not made or created, and will not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law without the prior written approval of the City.

(b) Except as expressly permitted in this Agreement, Qualified Designee represents and agrees that Qualified Designee has not made or created, and will not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law without the prior written approval of the City.

(c) Any Transfer made in contravention of this Section 5.3 shall be void and shall be deemed to be a default under this Agreement whether or not Donor or Qualified Designee knew of or participated in such Transfer.

Section 5.4 Permitted Transfers. Notwithstanding the provisions of Section 5.3, the following Transfers shall be permitted and shall be hereby approved by the City Manager:

(a) The transfer of this Agreement to an Affiliate Company of the Qualifying Designee, subject to written documentation of Affiliate Company's relationship to Qualifying Designee.

(b) Admission of new or additional equity partners or creation of joint ventures, partnerships (including limited partnerships), or other entities by Qualified Designee consistent

with the requirements of a “qualifying designee” as defined in the Affordable Housing Program Guidelines;

(c) Assignment and assumption of all of Qualifying Designee’s rights, duties and obligations under this Agreement to another affordable housing developer, in a written agreement in substantially the same form as Exhibit E, subject to the approval by the City Manager or designee that the assignee meets the requirements of a “qualifying designee” as defined in the Affordable Housing Guidelines;

(d) Any Transfer creating a security financing interest on the Affordable Site as part of the approved Financing Plan;

(e) Any Transfer of the Affordable Site directly resulting from the foreclosure of a security financing interest or the granting of a deed in lieu of foreclosure of a security financing interest.

Section 5.5 Effectuation of Permitted Transfers.

(a) No Transfer of this Agreement permitted pursuant to Section 5.4 shall be effective unless, at the time of the Transfer, the person or entity to which such Transfer is made, by an instrument in writing prepared by the City and in form recordable among the land records, shall expressly assume the obligations of Qualified Designee under this Agreement and the Effectuating Agreements, and agree to be subject to the conditions and restrictions to which Qualified Designee is subject arising during this Agreement, to the fullest extent that such obligations are applicable to the particular portion of or interest conveyed in such Transfer.

(b) In the absence of specific written agreement by the City, no such Transfer, assignment or approval by the City shall be deemed to relieve Qualified Designee or any other party from any obligations under this Agreement.

Section 5.6 Other Transfers.

(a) Any Transfers not permitted pursuant to Section 5.4, or other provisions of this Agreement shall require the prior written consent by the City. At least sixty (60) days prior to the proposed effective date of the Transfer, the Donor or Qualified Designee shall deliver to the City a notice of the intended Transfer (the “Transfer Notice”). The Transfer Notice must clearly detail, consistent with this Agreement, which obligations therein are being transferred and shall include financial and other documentary evidence to enable the City to evaluate the proposed transaction.

(b) The City shall, at its commercially reasonable discretion, and subject to the satisfaction of the requirements under the Ordinance and the Affordable Housing Program Guidelines, approve the Transfer by written notice to Qualified Designee if, based upon the information submitted by Qualified Designee and any other information available to the City, it appears that following the Transfer, the conditions set forth in this Section have been satisfied or waived. The City shall notify Qualified Designee and the proposed transferee of its decision within sixty (60) days of receipt of notice of the proposed Transfer, which notice shall state with

reasonable specificity the basis for disapproval. The Qualified Designee shall pay the City's reasonable staff and third party costs in making such decisions.

(c) Substitution of Affordable Housing Site and/or Affordable Housing Project. In the event the Developer seeks to substitute the Affordable Housing Site and/or Affordable Housing Project as set forth in Section 2.2(D) of the Development Agreement and said substitution is approved by the City Council in the manner set forth in the Development Agreement, the City Manager shall be authorized to execute any conforming amendments to this Agreement as may be necessary to reflect the substitution, provided that such amendments be memorialized in a form subject to approval by the City Attorney.

ARTICLE 6.  
DEFAULTS AND REMEDIES

Section 6.1 Defaults.

(a) Developer or Donor Defaults. The following events each constitute a Developer or Donor Event of Default and a basis for the City to take action against the Developer or Donor:

(1) Developer or Donor breaches any material provision of this Agreement;

(2) Donor fails to acquire fee title to the Affordable Site (as may be substituted pursuant to Section 5.6(c)) prior to the Close of Escrow);

(3) A Transfer of Developer or Donor occurs, either voluntarily or involuntarily, in violation of this Agreement;

(4) Any Developer or Donor representation or warranty contained in this Agreement or in any application, financial statement, certificate or report submitted to the City in connection with this Agreement proves to have been incorrect in any material and adverse respect when made; or

(5) The Developer or Donor voluntarily suspends its business or, the Developer or Donor is dissolved or terminated.

(b) Qualified Designee Defaults. The following events each constitute a Qualified Designee Event of Default and a basis for the City to take action against the Qualified Designee:

(1) Qualified Designee breaches any material provision of this Agreement;

(2) Qualified Designee fails to exercise good faith and diligent efforts to satisfy, within the time and in the manner set forth in Article 3, one or more of the conditions precedent to the Donor's obligation to convey the Property to the Qualified Designee; or

(3) Qualified Designee refuses to accept conveyance from the Donor without cause within the time periods and under the terms set forth in Article 3.

(4) A Qualified Designee Transfer occurs, either voluntarily or involuntarily, in violation of this Agreement.

(5) Any Qualified Designee representation or warranty contained in this Agreement or in any application, financial statement, certificate or report submitted to the City in connection with this Agreement proves to have been incorrect in any material and adverse respect when made.

(c) City Defaults. The following events each constitute a City Event of Default and a basis for the Donor or Qualified Designee to take action against the City:

(1) The City breaches any material provision of this Agreement.

#### Section 6.2 Remedies.

(a) City Remedies. Failure of the Donor or Qualified Designee to cure any default in the Donor's or Qualified Designee's obligations under the terms of this Agreement, the applicable conditions of approval, or the Ordinance within thirty (30) days after the delivery of a notice of default from the City and a failure to cure such default will constitute a default under this Agreement; provided however that if Donor or Qualified Designee commences cure within such thirty (30) period and demonstrates progress towards such cure, Donor or Qualified Designee shall have ninety (90) additional days or such longer period of time to effectuate such cure as determined by the City. A cure by Donor of any default by Qualified Designee shall be deemed a cure by Qualified Designee, and a cure by Qualified Designee of any default by Donor shall be deemed a cure by Donor. In addition to remedies for breach of this Agreement, the City may exercise any and all remedies available to it, including but not limited to:

(1) Withholding, conditioning, suspending or revoking any permit, license, or other entitlement for the Affordable Development or the 1900 Broadway Project Approvals, including without limitation final inspections for occupancy and/or certificates of occupancy, in accordance with the requirements of the City's Municipal and Zoning Code, it being understood that nothing herein is intended to limit the City's rights to exercise its police powers and in the case of revocation, such revocation shall be subject to a noticed public hearing before the City Council;

(2) Instituting against the Donor, Qualified Designee, or other parties a civil action for declaratory relief, injunction or any other equitable relief, or relief at law, including without limitation an action to rescind a transaction and/or to require repayment of any funds received in connection with such a violation;

(3) Where one or more persons have received financial benefit as a result of violation of this Agreement or of any requirement imposed under the Ordinance, the City may assess, and institute legal action to recover as necessary, a penalty in any amount up to and including the amount of financial benefit received, in addition to recovery of the benefit received; and

(4) Any other means authorized under the City’s Municipal Code.

(b) Donor or Qualified Designee Remedies. Failure by City to cure any default in the City’s obligations under the terms of this Agreement within thirty (30) days after the delivery of a notice of default and failure to cure such default the Donor and Qualifying Designee’s sole remedy shall be to institute a suit for specific performance.

Section 6.3 Remedies Cumulative. No right, power or remedy given to the City by the terms of this Agreement, or the Ordinance is intended to be exclusive of any other right, power or remedy; and each and every such right, power or remedy shall be cumulative and in addition to every other right, power or remedy given to the City by the terms of any such document, the Ordinance, or by any statutes or otherwise against Donor, Qualified Designee, and any other person. Neither the failure nor any delay on the part of the City to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the City of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

Section 6.4 Replacement of Qualified Designee.

(a) In the event the Qualified Designee is in default hereunder, subject to the applicable cure period set forth in Section 6.2(a), or otherwise refuses to receive the Land Donation, the City may exercise the right to receive the Land Donation. Alternatively, the City may name a replacement Qualified Designee, which approval shall be made by the City Manager or the City Manager’s designee on behalf of the City. In reviewing any particular replacement request under this Section, the City Manager or City Manager’s designee, may take the following criteria into consideration:

(1) If the proposed transfer to a replacement qualifying designee is to occur prior to the Close of Escrow, the proposed transferee’s demonstrated experience in developing quality affordable housing developments comparable in scale to the Affordable Development, at a minimum the transferee must meet the general partner experience as defined in the TCAC regulations and must have five (5) or more projects in service for more than three (3) years, of which one shall be in service for more than five (5) years, and two (2) shall be Low Income Housing Tax Credit Projects located in California;

(2) The proposed replacement qualifying designee’s demonstrated experience in operating affordable housing developments comparable in scale to the Affordable Development consistent with the Affordable Housing Program Guidelines;

(3) The proposed replacement qualifying designee’s record of material loan defaults, maintenance problems, housing or building code violations, or substantiated fair housing complaints at properties it owns and/or operates. The parties agree and acknowledge that the City will have the right to disapprove a proposed transfer to any person or entity with a record of material loan defaults, maintenance problems, housing or building code violations, and/or substantiated fair housing complaints at properties it owns and/or operates;

(4) The proposed replacement qualifying designee’s financial status and creditworthiness. The City will not consider any proposed transferee unless the proposed transferee

has satisfactory credit and sufficient net worth to establish ability to perform the duties and obligations under this Agreement, all as reasonably determined by the City Manager; and

(5) Any other relevant factors or criteria that, considering the circumstances with respect to the development of the Affordable Development and the information provided to City by Donor, the Qualifying Designee or the proposed transferee about the proposed transferee, are reasonably necessary for City to determine whether a proposed transferee has the necessary expertise, skill and ability to carry out the obligations of Qualified Designee set forth in this Agreement and the proposed transferee's ability to timely meet and perform such obligations.

(b) In connection with a request under this Section, Donor or Qualified Designee shall submit to the City for review all instruments and other legal documents proposed to effect any such transfer. If a requested transfer to a replacement qualifying designee is approved by the City such approval shall be indicated to the Donor and Qualified Designee in writing. Such approval shall be granted or denied by the City within thirty (30) working days of receipt by the City of the Donor or Qualified Designee's request for approval of a Transfer. Documents containing proprietary information required to be submitted hereunder may be submitted to City's attorneys, who shall make best efforts to maintain the confidentiality of all such proprietary information and/or to prevent the disclosure of same to any third party; provided, however that nothing in this sentence shall require City to violate any duty or obligation with respect to such information that it has under applicable law.

(c) If a transfer to a replacement qualifying designee is approved here under, the City, the Donor and Qualifying Designee and the proposed transferee shall execute an Assignment Agreement approved by the City; provided however, that if the Qualified Designee fails to execute such Assignment Agreement, the City, Donor and proposed qualifying designee transferee may effectuate such transfer without the Qualified Designee's signature, it being agreed that Qualified Designee's execution of this Agreement constitutes its authorization of such assignment.

ARTICLE 7.  
REPRESENTATIONS AND WARRANTIES

Section 7.1 Donor's Representations and Warranties.

(a) Donor represents and warrants that:

(1) Donor owns or has the legal right or option to acquire the Affordable Site.

(2) Each individual executing this Agreement on behalf Donor is duly authorized to execute and deliver this Agreement on behalf of the Donor (and that no additional signatures are required in order for this Agreement to be binding) in accordance with authority granted under the formation documents of the Donor, and by a duly passed resolution of its Board of Directors, members, or managers, as applicable, that all conditions to the exercise of such authority have been satisfied, and that this Agreement is binding upon Donor in accordance with their respective terms.

(3) To the best of Donor’s knowledge, the Affordable Site contains no hazardous materials other than as disclosed in the project due diligence reports, and is not subject to a property mitigation response plan or property closure report and there are no other conditions that constitute material constraints on development of affordable housing on the property.

(4) At the Close of Escrow, the Affordable Site shall be delivered free and clear of any occupants

(b) Upon request, Donor agrees to deliver such documents reasonably necessary to evidence the foregoing.

Section 7.2 Qualified Designee’s Representations and Warranties.

(a) Qualified Designee represents and warrants that:

(1) Each individual executing this Agreement on behalf of Qualified Designee is duly authorized to execute and deliver this Agreement on behalf of the Qualified Designee (and that no additional signatures are required in order for this Agreement to be binding) in accordance with authority granted under the formation documents of the Qualified Designee, and by a duly passed resolution of its Board of Directors, members, or managers, as applicable, that all conditions to the exercise of such authority have been satisfied, and that this Agreement is binding upon such entity in accordance with their respective terms;

(2) To the extent applicable the Qualified Designee agrees to comply with all necessary regulations and approvals by the San Mateo County Environmental Health Division and/or the California Department of Toxic Substances Control, the State Water Resource Control Board, or any other applicable agency with jurisdiction over the property.

Upon request of either party, the other party agrees to deliver such documents reasonably necessary to evidence the foregoing.

ARTICLE 8.  
MISCELLANEOUS

Section 8.1 Successor and Assigns, Assignment.

Subject to the terms of this paragraph, this Agreement shall be binding upon the parties hereto and their respective successors and assigns. Except for Permitted Transfers, neither the Donor nor the Qualified Designee may assign, delegate, or otherwise transfer all or any portion of their rights and obligations under this Agreement without the City’s consent, which consent may be withheld in City’s sole and absolute discretion.

Section 8.2 Confidentiality.

Qualified Designee and its employees and principals (collectively, the “Confidentiality Parties”) shall hold in strict confidence this Agreement and the terms hereof as well as all data and information obtained with respect to Donor and the Affordable Site (collectively, the “Confidential Information”), whether obtained before or after the execution of this Agreement, and whether

obtain from Donor or other sources, and shall not disclose, discuss or disseminate the same to others; provided, however, that Qualified Designee may, during the term hereof, disclose: (a) to the affiliates, employees, lenders, potential lenders, investors, potential investors, consultants, accountants, attorneys any such Confidential Information regarding the Affordable Site and the Affordable Development as is otherwise reasonably necessary or reasonably appropriate in order for Qualified Designee to conduct its due diligence review and for Qualified Designee to otherwise implement the transactions contemplated herein; and, (b) such Confidential Information to the extent required by subpoena or similar legal process. Confidential Information shall not include information which is or becomes: (c) generally available to the public other than as a result of a disclosure by Confidentiality Parties; (d) was available to Confidentiality Parties on a non-confidential basis prior to its disclosure by Donor (if applicable); (e) becomes available to Confidentiality Parties on a non-confidential basis from a person other than Donor who is not known to Confidentiality Parties to be bound by a confidentiality agreement; or, (f) is independently developed by Confidentiality Parties without reliance on the Confidential Information. In the event of a breach or threatened breach by any of the Confidentiality Parties of this paragraph, Donor shall be entitled to an injunction restraining such Confidentiality Parties from disclosing, in whole or in part, such confidential information, and nothing herein shall be construed as prohibiting Donor from pursuing any other available remedy at law or in equity against Qualified Designee for such breach or threatened breach. The provisions of this paragraph shall survive until one (1) year following termination of this Agreement, but shall be of no further force or effect upon conveyance of the Affordable Site to the Qualified Designee.

#### Section 8.3 Time Period Computations.

All periods of time referred to in this Agreement shall include all Saturdays, Sundays and California state or national holidays unless the reference is to business days, in which event such weekends and holidays shall be excluded in the computation of time and provided that if the last date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday or California state or national holiday, such act or notice shall be deemed to have been timely performed or given on the next succeeding day which is not a Saturday, Sunday or California state or national holiday.

#### Section 8.4 Attorney's Fees and Costs.

The City shall be entitled to receive from the Donor and the Qualified Designee, or any person violating the requirements of this Agreement, in addition to any remedy otherwise available under this Agreement or at law or equity, whether or not litigation is instituted, the costs of enforcing this Agreement, including without limitation reasonable attorneys' fees and the costs of City staff time.

#### Section 8.5 Appointment of Other Agencies.

At its sole discretion, the City may designate, appoint, or contract with any other public agency, for-profit or non-profit organization to perform some or all of the City's obligations under this Agreement.

Section 8.6 Hold Harmless.

Donor and Qualified Designee agree to indemnify and hold harmless (without limit as to amount) the City and its elected officials, officers, employees and agents in their official capacities (hereinafter collectively referred to as “City Indemnitees”), and any of them, from and against all loss, all risk of loss and all damage (including expense) sustained or incurred because of or by reason of any and all claims, demands, suits, actions, judgments and executions for damages of any and every kind and by whomever and whenever made or obtained, allegedly caused by, arising out of or relating in any manner to Affordable Development, Donor’s performance or non-performance under this Agreement, or Qualified Designee’s performance or non-performance under this Agreement, and shall protect and defend the City Indemnitees, and any of them with respect thereto, except to the extent arising from the gross negligence or willful misconduct of the City Indemnitees. The provisions of this Section shall survive expiration or other termination of this Agreement of this Agreement, and the provisions of this Section shall remain in full force and effect.

Section 8.7 Notices.

All notices required pursuant to this Agreement shall be in writing and may be given at the addresses set forth below and shall be effective: (i) when personally delivered by the other party or by messenger or courier; (ii) upon actual receipt or refusal of delivery if sent via the United States mail, registered or certified; (iii) one (1) business day after deposit before the daily deadline time with a reputable overnight courier or service where next day service has been fully paid for by the sending party; or, (iv) upon receipt of an e-mailed copy of such notice, provided a hard copy of such notice shall thereafter be delivered by reputable overnight courier or service within one (1) business day and provided further that if such email is sent after 5:00 p.m. or a day that is not a business day, such e-mail shall be deemed to have been received at 9:00 a.m. on the next business day; in each case postage fully prepaid and addressed to the respective parties as set forth below or to such other address and to such other persons as the parties may hereafter designate by written notice to the other parties hereto:

TO THE CITY:

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attn: City Manager

TO THE QUALIFIED DESIGNEE:

Eden Housing Inc.  
22645 Grand Street  
Hayward, CA 94541  
Attn: Andrea Osgood

TO THE DONOR:

Lane 847 Woodside, LLC  
644 Menlo Ave 2nd floor  
Menlo Park, CA 94025  
Attn: Mark Murray

TO THE DEVELOPER:

Lane Partners LLC  
644 Menlo Ave 2nd floor  
Menlo Park, CA 94025  
Attn: Mark Murray

Any party may change the address(es) to which notices are to be sent by notifying the other party of the new address(es), in the manner set forth above.

Section 8.8 Entire Agreement.

This Agreement, the Effectuating Agreements and other documents incorporated herein by reference contain the entire understanding between the parties relating to: (a) the implementation of the Ordinance and the Affordable Housing Plan for the 1900 Broadway Project; and (b) the transaction contemplated hereby and all prior or contemporaneous agreements, letters of intent, understandings, representations and statements, oral or written are merged herein and shall be of no further force or effect.

Section 8.9 Duration and Amendment of Agreement.

This Agreement shall remain in effect for the Term (as defined above) unless sooner terminated in accordance with this Agreement. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto. This Agreement, and any section, subsection, or covenant contained herein, may be amended only upon the written consent of the City Manager who shall have authority to approve or disapprove amendments on behalf of the City.

Section 8.10 No Claims.

Nothing contained in this Agreement shall create or justify any claim against the City by any person that Donor or Qualified Designee may have employed or with whom Donor or Qualified Designee may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Affordable Site.

Section 8.11 Limitation on Damages.

Notwithstanding any contrary provision of this Agreement, in no event shall any party be liable for, or be required to indemnify, protect defend or hold the other party harmless from or against, any speculative, consequential or punitive damages; provided, however, this limitation

shall not apply to damages resulting from Qualified Designee's recordation of an instrument or lien against the Affordable Site or any portion thereof in violation of this Agreement.

Section 8.12 Applicable Law and Venue.

This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action brought by any party to this Agreement for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of San Mateo, State of California. The parties waive all provisions of law providing for a change of venue in any proceeding to any other county.

Section 8.13 Waivers.

Any waiver by the City of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the City to take action on any breach or default of Donor or Qualified Designee or to pursue any remedy allowed under this Agreement or applicable law. A waiver by any party hereto of a breach of any of the covenants, conditions, or agreements hereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions, or conditions hereof. Any extension of time granted to Donor or Qualified Designee to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the City to any act or omission by Donor or Qualified Designee shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the City's written consent to future waivers.

Section 8.14 Title of Parts and Sections.

Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement's provisions. and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates

Section 8.15 Multiple Originals; Counterpart.

This Agreement and any modifications, amendments or supplements thereto may be executed in several counterparts each of which is deemed to be an original, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.

Section 8.16 Severability.

In the event any limitation, condition, restriction, covenant, or provision contained in this Agreement is held invalid, void, or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall nevertheless be and remain in full force and effect. If any term, provision, condition or covenant of this Agreement or the application thereof to any

party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law

Section 8.17 Affordable Housing Plan Compliance.

The Donor and Qualified Designee shall comply with the Affordable Housing Plan submitted to City, approved by the City and on file with the Development Department. In the event the terms and conditions of the Affordable Housing Plan and this Agreement conflict, this Agreement shall control.

Section 8.18 Headings; Interpretation; Statutory References.

The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The parties acknowledge that this Agreement is the product of negotiation and compromise on the part of all parties, and the parties agree, that since all parties have participated in the negotiation and drafting of this Agreement, this Agreement shall not be construed as if prepared by one of the parties, but rather according to its fair meaning as a whole, as if both parties had prepared it. All references in the Effectuating Agreements to particular statutes, regulations, ordinances or resolutions of the United States, the State of California, or the City of Redwood City shall be deemed to include the same statute, regulation, ordinance or resolution as hereafter amended or renumbered, or if repealed, to such other provisions as may thereafter govern the same subject.

Section 8.19 Action and Approval.

Whenever action and/or approval by City is required under this Agreement, the City Manager or the City Manager's designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager or the City Manager's designee determine in their discretion that such action or approval requires referral to City Council for consideration.

Section 8.20 No Third Party Beneficiaries; No Public Dedication.

Except as expressly set forth herein, nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the parties and their respective successors and assigns, any rights, or remedies hereunder. Further, nothing containing in this Agreement is intended or shall be deemed to constitute a gift or dedication of the Affordable Site to the general public.

Section 8.21 Assignment by the City.

The City may assign its rights and obligations under this Agreement to any instrumentality of the City or other public entity without the consent of the Donor or the Qualified Designee.

Section 8.22 Relationship of Parties.

Nothing contained in this Agreement shall be deemed or construed by the parties to create the relationship of principal and agent, a partnership, joint venture or any other association between the City, Qualified Designee and Donor.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

**DEVELOPER:**

LANE 1900 BROADWAY OWNER LLC,  
a California limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**DONOR:**

LANE 847 WOODSIDE, LLC,  
a California limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**QUALIFIED DESIGNEE:**

EDEN HOUSING INC., a California nonprofit  
public benefit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY:**

CITY OF REDWOOD CITY, a California charter city

By: \_\_\_\_\_  
Melissa Stevenson Diaz, City Manager

**ATTEST:**

By: \_\_\_\_\_  
Yessika Castro, City Clerk

EXHIBIT A-1

**LEGAL DESCRIPTION**

Real property in the City of Redwood, County of San Mateo, State of California, described as follows:

LOTS 1 AND 2, AS DESIGNATED ON THE MAP ENTITLED "TRACT NO. 523 SUBDIVISION OF PORTION OF THE HORGAN RANCH SAN MATEO COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON MARCH 17, 1940 IN [LIBER 23 OF MAPS AT PAGE 40](#).

EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE STATE OF CALIFORNIA FOR HIGHWAY PURPOSED RECORDED ON DECEMBER 21, 1967 IN [BOOK 5409 AT PAGE 211](#) OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 1 AND LOT 2, AS SAID LOTS ARE SHOWN ON THE MAP ENTITLED "TRACT NO. 523, SUBDIVISION OF PORTION OF THE HORGAN RANCH, SAN MATEO COUNTY, CALIFORNIA", FILED MARCH 17, 1941, IN [BOOK 23 OF MAPS, AT PAGE 40](#), IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF SAID LOT 1, SAID CORNER BEING ALSO ON THE EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 61° 27' 06" EAST, 16.48 FEET; THENCE SOUTH 11° 25' 40" WEST, 253.25 FEET TO THE SOUTHERLY LINE OF SAID LOT 2; THENCE ALONG LAST SAID LINE NORTH 78° 34' 20" WEST, 15.75 FEET TO SAID EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG LAST SAID LINE NORTH 11° 25' 40" EAST, 258.10 FEET TO THE POINT OF COMMENCEMENT.

APN: 059-240-810 JPN: 059-024-240-81A

EXHIBIT A-2

**PRELIMINARY TITLE REPORT**

**Updated 08/15/2024**



**First American Title Insurance Company  
National Commercial Services  
333 W. Santa Clara Street, Ste. 220  
San Jose, CA 95113-1714**

Ashley Breakfield  
Farella Braun + Martel LLP  
One Bush St Ste 900  
San Francisco, CA 94104-4415  
Phone: (415)954-4402

Customer Reference: 847 Woodside Road

Escrow Officer: Joanne Bedford  
Phone: (408)487-5026  
Email: JoanneBedford@firstam.com

Title Officer: Michelle Perez  
Phone: (408)451-7834  
Email: miperez@firstam.com

Buyer: Lane 847 Woodside, LLC

Owner: Square Trufund LLC

Property: 847 Woodside Road, Redwood, CA

**PRELIMINARY REPORT**

In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.* Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title

Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

**Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.**

**It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.**

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of July 25, 2024 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

ALTA Extended Owner Policy

A specific request should be made if another form or additional coverage is desired.

Title to said estate or interest at the date hereof is vested in:

Square TruFund LLC, a California limited liability company

The estate or interest in the land hereinafter described or referred to covered by this Report is:

Fee Simple

The Land referred to herein is described as follows:

(See attached Legal Description)

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. General and special taxes and assessments for the fiscal year 2024-2025, a lien not yet due or payable.
2. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
3. An easement shown or dedicated on the map of Tract No. 523 recorded March 17, 1940 and on file in [Book 23, Page\(s\) 40](#), of Tract Maps.  
For: Future Highway Line and incidental purposes.
4. A waiver of any claims for damages by reason of the location, construction, landscaping or maintenance of a contiguous freeway, highway or roadway, as contained in the document recorded December 21, 1967 as Instrument No. 6727-AB, [Book/Reel 5409, Page/Image 211](#) of Official Records.
5. The terms, provisions and easement(s) contained in the document entitled "Easement Agreement" recorded June 08, 1973 as Instrument No. 42763-AG, [Book/Reel 6406, Page/Image 553](#) of Official Records.

The location of the easement cannot be determined from record information.

6. We find no outstanding voluntary liens of record affecting subject property. An inquiry should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any security interest in the subject property.

7. An ALTA/NSPS survey of recent date which complies with the current minimum standard detail requirements for ALTA/NSPS land title surveys.
8. Any facts, rights, interests or claims which would be disclosed by a correct ALTA/NSPS survey.
9. Water rights, claims or title to water, whether or not shown by the Public Records.
10. Rights of parties in possession.
11. The terms and provisions contained in the document entitled "Memorandum of Purchase Agreement" recorded April 30, 2024 as Instrument No. [2024-022037](#) of Official Records.

**INFORMATIONAL NOTES**

**ALERT - CA Senate Bill 2 imposes an additional fee of \$75 up to \$225 at the time of recording on certain transactions effective January 1, 2018. Please contact your First American Title representative for more information on how this may affect your closing.**

1. Taxes for proration purposes only for the fiscal year 2023-2024.

First Installment: \$40,867.81, PAID  
Second Installment: \$40,867.81, PAID  
Tax Rate Area: 09-001  
APN: 059-240-810

2. According to the latest available equalized assessment roll in the office of the county tax assessor, there is located on the land a(n) Commercial Structure known as 847 Woodside Road, Redwood City, CA.
3. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:  
  
None
4. This preliminary report/commitment was prepared based upon an application for a policy of title insurance that identified land by street address or assessor's parcel number only. It is the responsibility of the applicant to determine whether the land referred to herein is in fact the land that is to be described in the policy or policies to be issued.
5. Should this report be used to facilitate your transaction, we must be provided with the following prior to the issuance of the policy:

A. WITH RESPECT TO A CORPORATION:

1. A certificate of good standing of recent date issued by the Secretary of State of the corporation's state of domicile.
2. A certificate copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
3. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
4. Requirements which the Company may impose following its review of the above material and other information which the Company may require.

B. WITH RESPECT TO A CALIFORNIA LIMITED PARTNERSHIP:

1. A certified copy of the certificate of limited partnership (form LP-1) and any amendments thereto (form LP-2) to be recorded in the public records;
2. A full copy of the partnership agreement and any amendments;
3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the contemplated transaction;
4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
5. Requirements which the Company may impose following its review of the above material and other information which the Company may require.

- C. WITH RESPECT TO A FOREIGN LIMITED PARTNERSHIP:
1. A certified copy of the application for registration, foreign limited partnership (form LP-5) and any amendments thereto (form LP-6) to be recorded in the public records;
  2. A full copy of the partnership agreement and any amendment;
  3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the contemplated transaction;
  4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
  5. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
- D. WITH RESPECT TO A GENERAL PARTNERSHIP:
1. A certified copy of a statement of partnership authority pursuant to Section 16303 of the California Corporation Code (form GP-I), executed by at least two partners, and a certified copy of any amendments to such statement (form GP-7), to be recorded in the public records;
  2. A full copy of the partnership agreement and any amendments;
  3. Requirements which the Company may impose following its review of the above material required herein and other information which the Company may require.
- E. WITH RESPECT TO A LIMITED LIABILITY COMPANY:
1. A copy of its operating agreement and any amendments thereto;
  2. If it is a California limited liability company, a certified copy of its articles of organization (LLC-1) and any certificate of correction (LLC-11), certificate of amendment (LLC-2), or restatement of articles of organization (LLC-10) to be recorded in the public records;
  3. If it is a foreign limited liability company, a certified copy of its application for registration (LLC-5) to be recorded in the public records;
  4. With respect to any deed, deed of trust, lease, subordination agreement or other document or instrument executed by such limited liability company and presented for recordation by the Company or upon which the Company is asked to rely, such document or instrument must be executed in accordance with one of the following, as appropriate:
    - (i) If the limited liability company properly operates through officers appointed or elected pursuant to the terms of a written operating agreement, such documents must be executed by at least two duly elected or appointed officers, as follows: the chairman of the board, the president or any vice president, and any secretary, assistant secretary, the chief financial officer or any assistant treasurer;
    - (ii) If the limited liability company properly operates through a manager or managers identified in the articles of organization and/or duly elected pursuant to the terms of a written operating agreement, such document must be executed by at least two such managers or by one manager if the limited liability company properly operates with the existence of only one manager.
  5. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
  6. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
- F. WITH RESPECT TO A TRUST:
1. A certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to the Company.
  2. Copies of those excerpts from the original trust documents and amendments thereto which designate the trustee and confer upon the trustee the power to act in the pending transaction.
  3. Other requirements which the Company may impose following its review of the material require herein and other information which the Company may require.
- G. WITH RESPECT TO INDIVIDUALS:
1. A statement of information.

The map attached, if any, may or may not be a survey of the land depicted hereon. First American Title Insurance Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

## LEGAL DESCRIPTION

Real property in the City of Redwood, County of San Mateo, State of California, described as follows:

LOTS 1 AND 2, AS DESIGNATED ON THE MAP ENTITLED "TRACT NO. 523 SUBDIVISION OF PORTION OF THE HORGAN RANCH SAN MATEO COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON MARCH 17, 1940 IN [LIBER 23 OF MAPS AT PAGE 40](#).

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APN: 059-240-810 JPN: 059-024-240-81A

**NOTICE**

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

If you have any questions about the effect of this new law, please contact your local First American Office for more details.

## Privacy Policy

### **We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

### **Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

### **Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

### **Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

### **Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

### **Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - (a) building;
  - (b) zoning;
  - (c) land use;
  - (d) improvements on the Land;
  - (e) land division; and
  - (f) environmental protection.This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
  - (a) that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
  - (b) that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - (c) that result in no loss to You; or
  - (d) that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - (a) to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - (b) in streets, alleys, or waterways that touch the Land.This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

**LIMITATIONS ON COVERED RISKS**

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows: For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

<b>Your Deductible Amount</b>	<b><u>Our Maximum Dollar Limit of Liability</u></b>
Covered Risk 16: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

**ALTA RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - (a) and use
  - (b) improvements on the land
  - (c) and division
  - (d) environmental protectionThis exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
  - (a) a notice of exercising the right appears in the public records on the Policy Date
  - (b) the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
  - (a) that are created, allowed, or agreed to by you

*First American Title Insurance Company*

(b) that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records  
(c) that result in no loss to you  
(d) that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4. Failure to pay value for your title.
5. Lack of a right:
  - (a) to any land outside the area specifically described and referred to in Item 3 of Schedule A OR
  - (b) in streets, alleys, or waterways that touch your landThis exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**2006 ALTA LOAN POLICY (06-17-06)  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement erected on the Land;
  - iii. the subdivision of land; or
  - iv. environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
  - b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - a. created, suffered, assumed, or agreed to by the Insured Claimant;
  - b. not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - a. a fraudulent conveyance or fraudulent transfer, or
  - b. a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**2006 ALTA OWNER'S POLICY (06-17-06)**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement erected on the Land;
  - iii. the subdivision of land; or
  - iv. environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - a. created, suffered, assumed, or agreed to by the Insured Claimant;
  - b. not Known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - a. a fraudulent conveyance or fraudulent transfer; or
  - b. a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)**  
**EXCLUSIONS FROM COVERAGE**

*First American Title Insurance Company*

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement erected on the Land;
  - iii. the subdivision of land; or
  - iv. environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - a. created, suffered, assumed, or agreed to by the Insured Claimant;
  - b. not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
  - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - a. a fraudulent conveyance or fraudulent transfer, or
  - b. a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

EXHIBIT B  
**AFFORDABLE HOUSING PLAN**



**Affordable Housing Plan**

1900 Broadway

Presented by Lane Partners and Eden Housing

August 1, 2024

**Overview**

Lane Partners (“Lane”) is pleased to present this Affordable Housing Plan for its proposed 7-story, 92-foot tall, approximately 256,200 square foot mixed-use commercial office building with approx. 10,060 sq. ft. of ground floor retail space, approximately 1,715 sq. ft for a community room and storage space, and an approximately 12,085 sq. ft. public plaza at 1900 Broadway (“Office Project”) prepared in accordance with Redwood City’s Zoning Code Article 29 – *Requirements for Affordable Housing* (“Affordable Housing Ordinance”). This Affordable Housing Plan proposes that the affordable housing impact fee that otherwise would be imposed on the Office Project and payable to the City (“Impact Fee”) be satisfied by a donation of land which will allow the creation of 72 units of affordable housing (including an on-site manager’s unit) on an approximately one acre site located at 847 Woodside Road, Redwood City (“Land Donation Site”) that would be donated to, entitled, developed and operated by, Eden Housing, Inc. (“Eden”), and restricted for rental to qualifying low-income households for a period of 55 years (“Eden Housing Project”). It is estimated that the value of the Land Donation Site is approximately 1.6 times the Impact Fee that otherwise would be required and the number of affordable units constructed on the donated land would result in 46 more affordable units than otherwise would be required under the City’s Affordable Housing Ordinance for projects proposing an alternative means of compliance that payment of the Impact Fee.

**The Case for a Land Donation Alternative Affordable Housing Plan**

The Affordable Housing Ordinance imposes an Impact Fee on all new office and R&D projects of \$23.62/sq. ft. of development (as of February 1, 2022). Alternatively, non-residential developers may

propose to mitigate the affordable housing impacts of their development through an alternative mitigation program, which may include the donation of land for the construction of affordable units pursuant to Sections 29.8 A and 29.8H of the Affordable Housing Ordinance.

While not required by the Affordable Housing Ordinance, City officials and staff have expressed a strong preference for non-residential developers to pursue alternatives to paying the Impact Fee that result in the delivery of affordable housing units in concert with the commercial development. And the City has determined that 10 affordable units per 100,000 sq. ft. of office space will mitigate the affordable housing impacts of commercial development in cases where the Impact Fee is not paid. In this case, the contribution will result in the opportunity to deliver over 2.8 times the number of affordable units called for using the City’s 10 units per 100,000 SF metric.

Impact Fees are a tremendous tool for generating funds that help sustain healthy communities, but they can also be challenging for cities to administer and difficult for developers to access. This is especially true when applied to affordable housing. Notice of Funding Availability (“NOFA”), vetting and approving projects, the design and entitlement processes, access to land, and the coordination of leveraged financing can mean years of waiting before new housing can be brought online using Impact Fees.

Meanwhile growth in and around Redwood City has led to an increase in both housing demand and housing cost. It has also contributed to the displacement of longtime residents and lower paid local workers. The need for housing is now, and it cannot wait for the long and labor-intensive process of administering Impact Fees collected by the City through the traditional channels.

As an alternative, securing an alternative off-site affordable housing parcel and working in partnership with Eden to bring the housing to fruition means that Lane’s contribution which is above and beyond the required fee, will be used more quickly and efficiently to bring housing online. As well, in this case, it also creates much needed affordable housing in a convenient neighborhood close to a wealth of amenities and services that will further enrich the lives of future residents. Directing Impact Fees that would otherwise be payable to the City towards this on-site solutions not only turns dollars into housing more immediately, but it also showcases the kind of private, public and social sector collaboration that Redwood City has become known for, and which exemplifies great cross-sector problem solving.

**Affordable Housing Plan – General Requirements**

	Required Item	Information
1	Project Name	1900 Broadway Project
2	Project Address	1900 Broadway, Redwood City
3	APNs	APN 053-231-210 & -200

	Required Item	Information
4	Zoning Chart	See <a href="#">Attachment 1</a>
5	Type of Development	Mixed-use office and retail
6	Number of Affordable Units Required	25. See <a href="#">Attachment 2</a>
7	Affordable Housing Impact Fee Required	\$5,773,437. See <a href="#">Attachment 2</a>
8	Chart showing unit breakdown by bedroom size, square footage, and affordability level	See <a href="#">Attachment 8</a>
9	Compliance with Affordable Housing Standards	Except for the manager’s unit, 100% of the proposed Eden Housing Project units on the Land Donation Site will be affordable. The affordability rental term of the affordable units will be 55 years. The Eden Housing Project will comply with the City’s Local Preference requirement set forth in Section 29.6.F. See also <a href="#">Attachment 3</a> for compliance with additional Affordable Housing Ordinance requirements.
10	Parking	Parking for the project will include 57 spaces. Parking is bundled and included in the cost of rent paid by the resident.
11	Site Plan	See <a href="#">Attachment 1</a> , (off-site affordable housing project).
12	Total (and net new) commercial square footage (if applicable)	244,430 total new sf. See <a href="#">Attachment 2</a>
13	Total (and net new) residential square footage	<ul style="list-style-type: none"> <li>• Not applicable to the Office Project.</li> <li>• Total building area of residential development on the land donation site: 114,510 SF</li> <li>• Residential: 83,260 SF</li> <li>• Common/support for residential: 31,250 SF</li> </ul>
14	Density Bonus request	No density bonus is being requested for the Office Project; See attached Density Bonus Letter for the Eden

**Land Donation Alternative – Additional Requirements**

15	Affordable Housing Alternative	In lieu of paying the Impact Fee, Lane proposes to donate land pursuant to Sections 29.8 A and 29.8H of the Zoning Code. As detailed in <u>Attachment 3</u> , the proposed land donation satisfies the required findings set forth in Section 29.8H
16	Qualifying Designee	Eden Housing – See <u>Attachment 4</u> .
17	Term Sheet	See <u>Attachment 5</u> .
18	Value of Property	Approximately \$9.3 million. See <u>Attachment 6</u> .
19	Title Report	See <u>Attachment 7</u> .
20	Location of Affordable Units	As further detailed in <u>Attachments 3 and 8</u> , the location of Land Donation Site meets the standards in Section 29.8(C)(2) – the proposed location for the Affordable units is: <ul style="list-style-type: none"> <li>A. consistent with the Housing Element, General Plan, and Zoning</li> <li>B. will not cause residential segregation.</li> </ul>
21	Adequate Size	The Land Donation Site is approximately 1 acre and is sufficient size to accommodate 72 units which meets the requirement that the site accommodate the greater of: 40 units (excluding any replacement unit obligations) or at least 27 units which is 110% of the required Affordable units (excluding any replacement unit obligations) based on the current zoning of the site. See <u>Attachment 2</u>
22	Existing Use	The Land Donation Site is developed with a chapel structure that will be demolished. See <u>Attachment 8</u> .
23	Utilities/Infrastructure	The Land Donation Site is served by adequate utilities, streets, public facilities, and other infrastructure suitable to accommodate the required affordable units. See <u>Attachment 3</u> .
24	Environmental Constraints	The Land Donation Site is free of hazardous materials or other material environmental constraints to the development of affordable housing. See <u>Attachment 3</u> .

25	Public Transit	The Land Donation Site is served by quality public transit. The property is conveniently served by SamTrans bus route 278, with regular headways throughout the day. The transit route provides a short ride to the hub at Redwood City Transit Center and meets the requirements for full transit access points per the Tax Credit Allocation Committee’s regulations. See <u>Attachment 3</u> for map and schedules.
26	Financing Plan	See <u>Attachment 8</u> .
27	Relocation	Not applicable
28	Phasing Plan	See <u>Attachment 8</u> for timing of the Land Donation Site transfer to Eden and anticipated timeline for the entitlement and development of the affordable units.

**Conclusion**

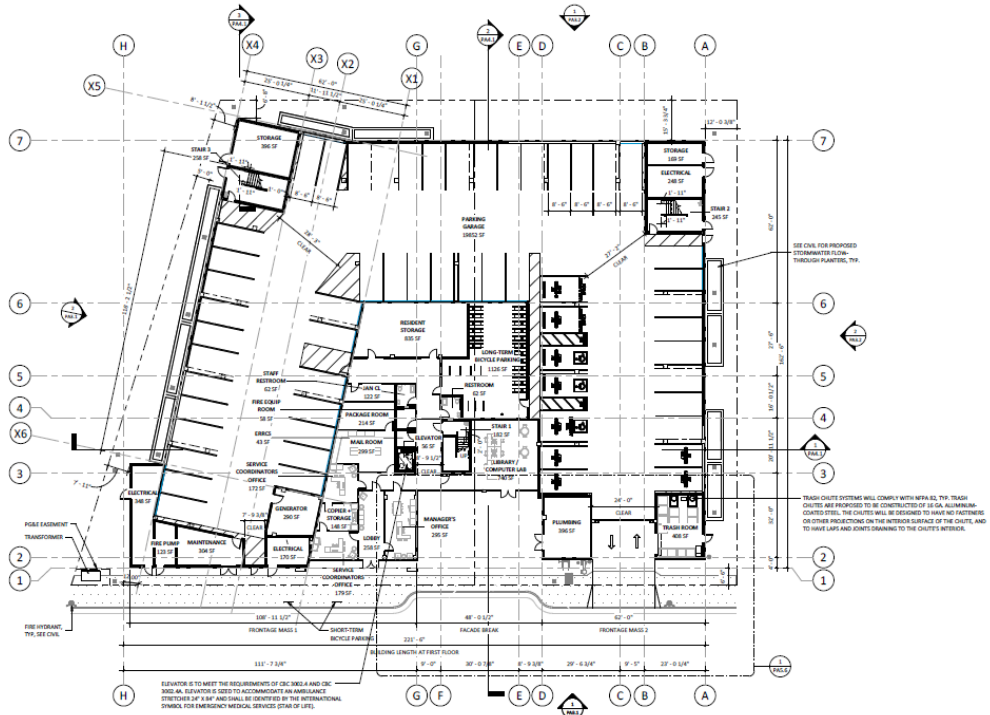
This Affordable Housing Plan proposes to directly contribute the over 1.6 times the amount of the Impact Fee owed by purchasing and donating a site to Eden, a respected non-profit, that will in turn leverage and entitle the site to develop 71 units of affordable housing (plus a manager’s unit) that would be restricted to qualifying low-income households for a term of 55 years. Upon completion, Eden, a demonstrated leader in the creation and operation of such projects, would continue to operate and manage the affordable units to ensure compliance with Affordable Housing Ordinance. These units would directly contribute to meeting the City’s RHNA obligation to provide for 429 low-income units using financial support from Lane that far surpasses the otherwise applicable Impact Fee for Lane’s Office Project. We hope that this creative private, public and social sector solution will be welcomed and supported by the City as an exciting opportunity to help address the affordability challenges facing the City of Redwood City and our region.

## Attachment 1

### Zoning Chart

<b>SITE COVERAGE:</b>	
MAXIMUM ALLOWABLE LOT COVERAGE:	NO RESTRICTION
EXISTING LOT COVERAGE AREA:	7,980 SF +/-
EXISTING LOT COVERAGE:	19.2%
PROPOSED LOT COVERAGE AREA:	33,618 SF
PROPOSED LOT COVERAGE:	81%
MAXIMUM ALLOWABLE FAR:	NO FAR RESTRICTIONS ON RESIDENTIAL USE
PROPOSED FAR:	2.9
MINIMUM OPEN SPACE REQUIRED:	9,000 SF
125 SF REQUIRED PER UNIT. 125 SF * 72 UNITS = 9,000 SF.	
OPEN SPACE PERMITTED TO BE ANY COMBINATION OF PRIVATE, COMMON OR QUASI-PUBLIC.	
PROPOSED OPEN SPACE:	10,754 SF
SEE PL1.3 FOR MORE INFORMATION ON PROPOSED OPEN SPACE.	
<b>REQUIRED SETBACKS:</b>	
FRONT	6'-0" MIN TO 16'-0" MAX
SIDE - NORTH	5'-0"
SIDE - SOUTH	5'-0"
REAR	5'-0"
<b>PROPOSED SETBACKS:</b>	
FRONT	6'-3 1/2"
SIDE - NORTH	7'-11"
SIDE - SOUTH	8'-1 1/2"
REAR	6'-0 5/8"

<b>BUILDING INFORMATION:</b>	
MAXIMUM ALLOWABLE HEIGHT: 60'-0"	
PROPOSED BUILDING HEIGHT: 54'-0" TO TOP OF ROOF SURFACE	
NOTE: STAIR PENTHOUSE EXCLUDED FROM BUILDING HEIGHT MEASUREMENT. TOP OF STAIR PENTHOUSE IS 10'-0" ABOVE TOP OF ROOF SURFACE.	
5 STORIES TOTAL: 4 STORIES TYPE VA OVER 1 STORY TYPE IA	
LEVEL 1 (TYPE IA):	30,887 SF
LEVEL 2 (TYPE VA):	22,822 SF
LEVEL 3 (TYPE VA):	20,267 SF
LEVEL 4 (TYPE VA):	20,267 SF
LEVEL 5 (TYPE VA):	20,267 SF
TOTAL BUILDING AREA:	114,510 SF TOTAL
<b>OCCUPANCY TYPES:</b>	
A-3	COMMUNITY ROOMS AND EXTERIOR COURTYARDS (FIRST AND SECOND FLOORS)
B	OFFICES (FIRST FLOOR)
R-2	RESIDENTIAL DWELLING UNITS (SECOND THROUGH FIFTH FLOORS)
S-2	PARKING GARAGE + UTILITY SPACES (FIRST FLOOR)
<b>USE TYPES &amp; AREAS:</b>	
COMMON/SUPPORT FOR RESIDENTIAL:	31,250 SF
RESIDENTIAL:	83,260 SF
BUILDING WILL BE ALL ELECTRIC	



FIRST FLOOR PLAN | 1/16" = 1'-0" | 1/16" = 1'-0" | 1

**Attachment 2**

**Total and Net New Office and Retail Square Footage**

Proposed Building Areas by Use and Floor	City Storage	Retail	Community Art Room	Office and Circulation	Utility Rooms	Total Gross Area
1 <sup>st</sup> Floor	715	10,060	1,000	16,970	6,130	34,875
2 <sup>nd</sup> Floor				3,590		3,590
3 <sup>rd</sup> Floor				57,140		57,140
4 <sup>th</sup> Floor				41,535		41,535
5 <sup>th</sup> Floor				41,535		41,535
6 <sup>th</sup> Floor				41,535		41,535
7 <sup>th</sup> Floor				35,995		35,995
<b>Total Proposed Building Area</b>	<b>715</b>	<b>10,060</b>	<b>1,000</b>	<b>238,300</b>	<b>6,130</b>	<b>256,205</b>
Demolition of Existing Area		25,000				25,000
<b>Net New Area</b>	<b>715</b>	<b>(14,940)</b>	<b>1,000</b>	<b>238,300</b>	<b>6,130</b>	<b>231,205</b>

**Affordable Housing Impact Fee Calculation**

	SF	Fee (per SF)	Total Fee Due to City
<b>Net New Office</b>	244,430	\$23.62	\$5,773,437
<b>Net New Retail</b>	(14,940)	\$5.91	\$0
		<b>TOTAL:</b>	<b>\$5,773,437</b>

\*The code also allows for alternatives to this fee. As detailed in Section 29.8 (Alternatives) for nonresidential developments, the City has determined a number and mix of affordable units per

100,000 SF of development. This proposed Office Project would require 25 affordable units using this guidance:

**Affordable Units per 100,000 SF of Commercial/Retail**

	Moderate	Low Income	Very Low Income	Total
<b>Code Requires:</b>				
Office	3	5	2	<b>10</b>
Retail	0	2	2	<b>4</b>
<b>This Project:</b>				
Office	7.3	12.2	4.9	<b>24.4</b>
Retail	0.0	0.0	0.0	<b>0.0</b>
Total	7.3	12.2	4.9	<b>24.4</b>
<b>Rounded Total:</b>				<b>25</b>

### Attachment 3

#### **Compliance with Affordable Housing Ordinance Requirements and Findings**

##### **Compliance with Land Donation Requirements – Section 29.H**

Per the requirements in Section 29.8H, the land donation proposed will meet the following requirements:

*1. The City has an opportunity to review a preliminary title report for the property to be donated and has approved the condition of title, at its sole and absolute discretion. Under no circumstances may the property to be donated be, at the time of donation, encumbered by any lien securing the repayment of debt or any other security instrument.*

- The title report for the proposed Land Donation Site has been submitted to City staff for review and is not anticipated to be encumbered by any securing the repayment of debt or any other security instrument.

*2. The developer transfers fee ownership of the property to the City, or a City approved qualifying designee as defined in the Affordable Housing Guidelines, and the transfer of the property to be donated must occur prior to or concurrent with the issuance of building permits for the residential development project or the nonresidential development project. If the property is donated to a City designee, the grant deed shall contain an irrevocable offer to dedicate the property to the City and an affordable housing restrictive covenant shall be recorded against the property in primary lien position, requiring the donee to provide the City a right of reverter, right of first refusal, an option to acquire the donated property, or any combination thereof approved by the City at its sole and absolute discretion.*

- The property will be transferred to Eden Housing, a Qualified Designee, which will own and operate the affordable housing development. Lane and Eden will ensure that the transfer includes the following:
  - Recordation of an affordable housing restrictive covenant that includes one or more of the following be provided to the City - right of reverter, right of first refusal, and/or an option to acquire the donated property. The City will determine the form(s) of the restrictive covenant for the land reversion.
  - An irrevocable offer to dedicate the property to the City in the Grant Deed

*3. The developer provides an Affordable Housing Plan prepared in a manner consistent with the requirements in Section 29.7.*

- Additional information on the consistency with Section 29.7 is included in Attachment 8.

*4. The value of the property to be donated is equal to or greater than the Affordable Housing Impact Fee and/or Affordable Housing In-Lieu Fee amount required to be paid calculated based on the amount of the fees due on date the entitlements for the market-rate residential units and/or the nonresidential development project were approved.*

- Eden anticipates the value of the appraisal of the Land Donation Site will be in excess of the required in-lieu fee amount. In order to keep the property under contract for the duration of the Redwood City process, Lane will pay nearly three times the amount of the required Impact Fee to acquire the site to donate to Eden. The appraised value as of 11/10/2023 on a report prepared by Valbridge on 12/20/2023 is \$11,180,000 or \$130,000 per unit. The City has confirmed with the appraiser that the revised value with 72 units is \$9,360,000.

*5. The property to be donated must be: (i) at least one (1) acre in size; or (ii) be of a sufficient size to accommodate the greater of (A) forty (40) units (excluding any units required to satisfy replacement housing obligations), or (B) not less than one hundred ten percent (110%) the number of affordable units (excluding any units required to satisfy replacement housing obligations) required to be constructed as a condition of the approval of the nonresidential development project or the residential development project.*

- The Land Donation Site is a sufficient size to accommodate 72 units, which is greater than both 40 units and 110% of the number of affordable units that would otherwise be required (110% x 24.4 units = 27 units)

*6. The property to be donated is, or will at the time of donation be, served by adequate utilities, streets, public facilities and other infrastructure suitable to accommodate the required affordable units.*

- The Land Donation Site is served by adequate public facilities and infrastructure suitable to accommodate the Eden Housing Project.

*7. The property shall have no hazardous materials or is subject to a property mitigation response plan or property closure report and the developer agrees to comply with all necessary regulations and approvals by the San Mateo County Environmental Health Division and/or the California Department of Toxic Substances Control, the State Water Resource Control Board, or any other applicable agency with jurisdiction over the property and there are no other conditions that constitute material constraints on development of affordable housing on the property.*

- Eden agrees to comply with all necessary regulations and approvals by any applicable agency with jurisdiction over the Land Donation Site regarding hazardous materials. A Phase 1 investigation and limited soil sampling analysis indicated that no further action is necessary for development of residential units.

*8. The property to be donated is vacant undeveloped property; except that the City, at its sole and absolute discretion, may accept property with existing improvements, so long as the donor takes all necessary steps to avoid impacts on residents of existing residential structures.*

- The Land Donation Site will be donated to Eden with no occupants and with an existing structure. There is an existing chapel structure on the site that is currently being used by a congregation. The congregation's lease has expired, and they currently occupy the space on a month-to-month basis. The seller of the site to Lanes will deliver the site to Lanes without occupants. Lane will in turn deliver the unoccupied site to Eden. Eden will demolish the existing structure at the start of construction of its affordable housing project.

*9. If the property to be donated has existing residential units, the developer must provide evidence of compliance with the California Relocation Assistance Act, codified California Government Code Section 7260 et seq. and implementing regulations at 25 California Code of Regulations Sections 6000 et seq., prepared a relocation plan, approved by the City prior to or concurrently with the resolution approving the acceptance of the land to be donated, the donor is solely responsible for payment of any relocation benefits to any displaced persons and any other obligations associated with complying with such relocation laws. The donor must indemnify, defend (with counsel reasonably chosen by the City), and hold harmless to the fullest extent permitted by law the City, its boards and commissions, officers, officials, employees and agents from and against any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way related to relocation obligations to residential tenants, homeowners, or businesses permanently or temporarily displaced from the donated property.*

- The Land Donation Site has no existing residential units and will be donated to Eden with no occupants. No occupants are on the site other than the congregation identified in number 8 above.

*10. Financing or a viable financing plan, shall be in place for construction of the affordable units on the property to be donated*

- A viable financing plan is included in Attachment 8.

*11. The property to be donated is served by quality public transit, as further described in the Affordable Housing Guidelines.*

- The Land Donation Site is conveniently served by SamTrans bus route 278, with regular headways throughout the day. The transit route provides a short ride to the hub at Redwood City Transit Center and meets the requirements for full transit access points per the Tax Credit Allocation Committee’s regulations. Here is a link to the SamTrans bus route 278 schedule: <https://sfbaytransit.org/samtrans/route/278/schedule> and below is a map demonstrating pedestrian path of travel to the bus stop:

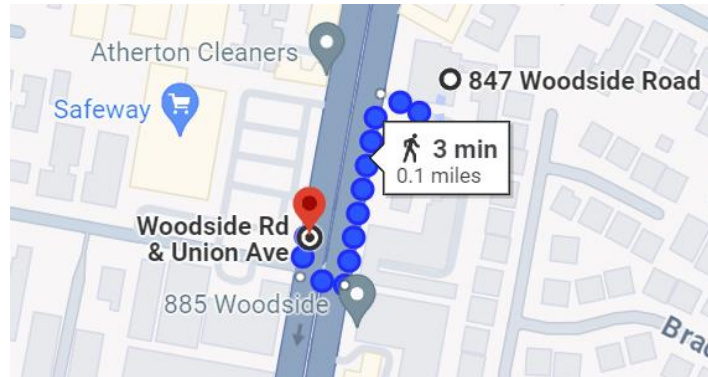


Figure 1: Route to Bus Route 278 Stop

*12. Developer or property owner irrevocably assigns to the City, and grants to the City a security interest in and rights to the following: all contracts with architects, landscape architects, planners, geologists, surveyors, engineers, economists, or other development consultants entered into for the property to be donated; and all plans, specifications, drawings, data, and studies produced by these architects and development consultants. Developer or property owner shall ensure that the third parties to the contracts referenced above for Project work consent to the assignment of these contracts to Lender.*

- Eden will grant the City a security interest in these agreements in tandem with the additional security interests in the site as described above.

*13. The property meets any additional land donation criteria in the Affordable Housing Guidelines.*

- As of the submittal date, the published Affordable Housing Guidelines contain no additional land donation criteria other than set forth above. See below for compliance with other Affordable Housing Ordinance requirements.

**Affordable Housing Plan Findings and Conditions – Sections 29.7 D:**

This Affordable Housing Plan satisfies the required findings and conditions of approval set forth in Sections 29.7 D as follows:

1. The proposed affordable housing units provided by the Eden Housing Project would comply with the applicable standards in the Affordable Housing Ordinance. Because no market rate units will be provided, the requirements that the Affordable units be comparable to market rate units and made available for occupancy concurrently with the market-rate units are not applicable.
2. The Affordable units will serve to mitigate the impact of the Office Project on the need for affordable housing by directly providing the opportunity to build up to 71 deed restricted affordable units and one unrestricted manager’s unit. This opportunity of land donation allows Eden to start seeking the other funding necessary to complete this affordable housing project as soon as possible – and to leverage additional outside investment dollars into the community.
3. A viable financing plan is in place for the proposed Affordable units. See Section 8. Utilizing 4% tax credits and other available public funding sources, Eden will be able to complete a larger affordable housing development and at deeper levels of affordability than is otherwise required by the City’s ordinance.
4. The proposed Land Donation Site is suitable for the proposed affordable units, is consistent with the Housing Element, General Plan, and Zoning, and will not cause residential segregation. The approximately 72 units are proposed to be located on a parcel that is well-located in the transit-served and amenity-rich Woodside Road corridor. As stated in the Housing Element, “[n]ew housing in [this area] is an integral part of the vision for Redwood City; and a balance of housing opportunities for both affordable and market-rate housing is essential to meet this goal.” (Housing Element, H-2). The Housing Element notes that mixed-use corridors such as Woodside Road are key to delivering residential capacity (Housing Element, H-70). The proposed development of 71 affordable housing units will help the City achieve its current Regional Housing Needs Allocation (RHNA) of 1,637 affordable housing units while creating a more active frontage consistent with the goals of the Mixed-Use Neighborhood zoning.
5. According to the City’s General Plan Housing Element adopted in 2015, 18% or 4,970 of the City’s residents qualify as low-income, 59% or 2,932 of which are renters and are particularly at risk for overpaying for housing (Housing Element, H-19-20). Redwood City’s Share of San Mateo County’s Regional Housing Needs Allocation (RHNA) is 2,789 housing units of which 15% or 429 is designated as housing for households in the low-income category (Housing Element, H-108). The proposed units to be restricted to qualifying low-income households would contribute towards this RHNA obligation.
6. The Affordable Housing Plan would also further numerous Housing Element goals, policies and programs including the following:

Goal H1: Maintain and increase the diversity of housing types in all City neighborhoods.

**POLICY H1.2:** Create a regulatory environment that enables the private market to build a variety of housing types at all income levels.

POLICY H1.5: Continue to explore methods of increasing density in existing single-family neighborhoods in high resource opportunity areas

Goal H2: Protect and increase the supply of affordable housing, both deed-restricted and unsubsidized affordable units

**POLICY H-2.1:** Support the construction, acquisition, rehabilitation, and maintenance of affordable housing, including exploring ways to extend affordability periods on deed-restricted units.

**POLICY H-2.3:** Continue to require affordable housing to be constructed in conjunction with larger residential projects and encourage affordable housing construction associated with nonresidential construction.

**Program H2-4: Affordable Housing Development/Inclusionary Housing.** The development of new affordable housing generally requires subsidies from federal, State, and local sources. The demand for affordable housing throughout the Bay Area is steadily increasing, as housing costs have accelerated beyond the capacity of many households. Land write-downs and financial incentives can be significant contributions to meet this demand and create new affordable housing. Redwood City has an active history of providing funding for the acquisition and disposition of housing sites and/or surplus properties for the construction or rehabilitation of affordable housing units. In addition, the City's Affordable Housing Ordinance (AHO) provides a new funding source through in-lieu fee payments and an Affordable Housing Impact fee, as well as requiring on-site affordable housing for larger residential projects.

**Objectives:**

- Continue to provide subsidies, as funds are available, to assist in the development of affordable housing units, acquisition of land for affordable housing construction, and preservation of existing affordable housing.
- Continue implementing the Affordable Housing Ordinance including below-market-rate (BMR) requirements for rental and ownership development.
- Conduct an initial revision to the Affordable Housing Ordinance to better support development of affordable housing, especially LIHTC financed housing. The initial revision process will include consultation with local affordable housing developers.
- Update the Affordable Housing Impact Fee Nexus Study as required by Government Code Section 65940.1 and 66016.5, including a study of target affordability levels and considerations for incentivizing extremely low-income units as part of the affordable housing ordinance. The nexus study update will be conducted as part of the 21 Elements led

countywide nexus study update. As part of this update to the nexus study, revise the Affordable Housing Ordinance, as necessary. The City will continue to consult with affordable housing developers on the nexus study update and AHO revisions.

- Continue to allow alternative requirements to the AHO on a project-by-project basis in the near term.

Goal H3: Promote, encourage, and assist in the development of housing that meets the needs of special needs communities in Redwood City.

**POLICY H3.5:** Promote accessibility features in housing for people with disabilities, including reasonable accommodations and visitability of all new units.

**POLICY H3.6:** Where practical, encourage the development of units with three or more bedrooms to support larger families.

Goal H4: Reduce the cost of building housing through innovation and flexibility in development regulations.

**POLICY H-4.2:** Reduce residential parking requirements for residential development in conjunction with increased bike parking or proximity to transit.

**POLICY H-4-3:** Reduce the permitting time for residential projects and 100% affordable projects through consideration of a by-right approvals, objective standards, and reducing or eliminating the requirement for public hearings.

**Program H4-6: Permit Processing.** Lengthy review periods associated with permit processing are perceived as one of the major constraints to housing development in any city, with delays increasing the holding cost of developments. Complicated procedures related to various funding sources may also discourage new development especially by affordable and special needs housing developers. To facilitate residential development, the City provides development pre application review and offers a streamlined processing system that simplifies and expedites development processing.

**Objectives:**

- Continue to evaluate and improve the streamlined processing system to facilitate residential development.
- Streamline 100% affordable housing with a priority staff-level planning entitlement process.

Goal H6: Affirmatively further fair housing opportunities and promote housing throughout the community for all.

**Program H6-5: Affirmatively Furthering Fair Housing.** Federal and State fair housing laws prohibit discrimination in home sales, financing, and rentals based on race, color, religion, sex, or national origin. Redwood City supports and promotes a diverse community of unique neighborhoods where all residents are included and valued, no group is privileged above any other group, and all have opportunity to live in neighborhoods of their choosing. The City has identified the following fair housing issues, contributing factors, and priority levels in Table H-3 (specific commitments for each program action, timeframes, geographic targeting, and metrics follow in Table H-4).

**Program H-21: Acquisition and Rehabilitation of Existing Housing.** Contact nonprofit housing providers regarding the City’s interest in establishing partnerships in the acquisition and rehabilitation of substandard rental properties, with the goal of completing at least one project during the planning period.

**Eden Housing Project Compliance With Other Affordable Housing Ordinance Requirements:**

The Eden Housing Project on the Land Donation Site will comply with all the applicable provisions of the Affordable Housing Ordinance as follows:

1. Deed Restriction and Term. All but one of the affordable units (an on-site manager’s unit) will be legally restricted for occupancy for a period of 55 years to low-income households in accordance with Section 29.6C. Pursuant to Section 29.7F, this restriction will be recorded against the affordable parcel in the form of a resale restriction, deed of trust, or regulatory agreement, as applicable in a form approved by the City Attorney and executed by the City Manager to ensure the continued affordability of the Affordable units for the duration of the 55-year term.
2. Tenant Selection and Occupancy. In accordance with Section 29.6D, Eden will prepare and submit to as the Community Development Director or designee for approval, a Below Market Rate Tenant Selection and Management Plan with eligibility requirements specific to the Affordable units which, upon approval, will govern the selection of tenants for the development. Note that Eden is agreeable to implement 29.6F, “Local Preference”, so long as it complies with Fair Housing law and is allowed by other public funding sources secured.
3. Principal Residence. In accordance with Section 29.6E, any household that occupies an Affordable Unit must occupy that unit as its principal residence unless otherwise approved in writing for rental to a third party for a limited period of time due to household hardship, as determined and approved by the City in advance.

4. Amendments. Once approved, the Affordable Housing Plan may be amended prior to issuance of any building permit for the Office Project. A request for a minor modification of an approved affordable housing plan may be granted by the Community Development Director if the modification is substantially in compliance with the original affordable housing plan and conditions of approval. Other modifications to the affordable housing plan shall be processed in the same manner as the original plan.
  
5. Recorded Restriction. As a condition of approval of the Office Project, an affordable housing agreement acceptable to the Community Development Director will be recorded against the Woodside Road parcel as part of the final parcel map, or issuance of any building permit, for the Office Project, whichever occurs first. The affordable housing agreement will specify the number, type, location, size, and phasing of all affordable units, provisions for income certification and screening of potential renters of units, including the financing of ongoing administrative and monitoring costs, consistent with the approved affordable housing plan, as determined by the Community Development Director. The affordable housing agreement will be recorded against the affordable parcel in the form of a resale restriction, deed of trust, or regulatory agreement, as applicable, in a form approved by the City Attorney and executed by the City Manager to ensure the continued affordability of the affordable units.

## Attachment 4

### **Qualified Designee – Eden Housing**

#### **About Eden Housing**

Eden Housing, Inc. (Eden) is one of the oldest and most experienced affordable housing non-profit organizations in California. Since its inception in 1968, Eden has developed, acquired, or rehabilitated more than 11,400 affordable units and currently provides homes to more than 24,000 lower-income residents. As a mission-driven non-profit, they serve low- and moderate-income families, seniors, people with special needs, and people experiencing homelessness. Incomes of their residents typically range from 20% to 60% of the area median income. Eden works in 15 counties, including San Mateo County, with two properties in East Palo Alto and multiple future projects in the County in the pipeline.

#### **Eden Housing’s Status as a Qualifying Designee**

Per the Affordable Housing Ordinance, an affordable housing developer is deemed a Qualifying Designee if it is a non-profit organization, mission-aligned for-profit housing corporation, joint venture, limited liability company, partnership, or other entity that:

- Demonstrates technical capacity and experience in developing, owning, and operating affordable housing projects or partner with an entity that has the required experience; and
- Demonstrates experience relevant to owning and developing three (3) qualifying deed-restricted affordable rental housing projects. If the developer has experience developing less than 3 qualifying affordable rental housing projects, the market rate developer will be required to partner with a developer that meets the experience requirement.
- Does not have a record of defaults, a record of systemic or procedural maintenance problems, housing or building code violations, or a history of substantiated fair housing complaints at properties it owns and/or operates, directly or through affiliated entities.

Eden’s status as a non-profit industry leader in affordable housing development satisfies these requirements. As documentation of our status, our list of properties in our portfolio and pipeline listed below demonstrates that we own and have developed greater than 3 qualifying deed-restricted affordable housing rental projects similar to the proposed project described in [Attachment 8](#). Eden certifies that it does not have a record of defaults, a record of systemic or procedural maintenance problems, housing or building code violations, or a history of substantiated fair housing complaints at properties it owns and/or operates, directly or through affiliated entities.

Eden Housing completed a UCC search dated 7/8/24 10:52am and shared this with Sam Hughes on 7/8/24 at 1:35pm. Find this Lien Search Certificate attached here.



EDEN HOUSING, INC.  
DIXIE BAUS  
22645 GRAND STREET  
HAYWARD, CA 94541

Request Date: 07/08/2024 10:52 AM  
Information  
Request No.: U240054723422  
Certification No.: 226551525

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Lien Listing

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Lien File No.: 127332765096 Filed: 10/15/2012 11:01 AM Lapse: 10/15/2027 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 409 JACKSON STREET, HAYWARD, CA 94544  
Secured Party(s): CALIFORNIA COMMUNITY REINVESTMENT CORP, 225 W. BROADWAY, SUITE 120,  
GLENDALE, CA 91204

**Amendment - Continuation**

Amendment No.: 1775818552 Filed: 04/24/2017 11:01 AM

**Amendment - Continuation**

Amendment No.: U220189464544 Filed: 05/02/2022 02:40 PM

**Amendment - Termination**

Amendment No.: U230086794237 Filed: 12/11/2023 11:55 AM

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Lien File No.: 147433135314 Filed: 10/20/2014 12:43 PM Lapse: 10/20/2044 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541  
Secured Party(s): CITIBANK, N.A., AS NOTEHOLDER REPRESENTATIVE, 390 GREENWICH STREET, 2ND  
FLOOR, NEW YORK, NY 10013

**Amendment - Termination**

Amendment No.: 1675623135 Filed: 12/20/2016 04:28 PM

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Lien File No.: 147435986845 Filed: 11/07/2014 11:40 AM Lapse: 11/07/2024 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541  
Secured Party(s): WELLS FARGO AFFORDABLE HOUSING COMMUNITY DEVELOPMENT CORPORATION,  
MAC D1053-170, 301 SOUTH COLLEGE STREET, CHARLOTTE, NC 28288

**Amendment - Continuation**

Amendment No.: 1977287307 Filed: 08/19/2019 12:13 PM

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Lien File No.: 167538240612 Filed: 07/25/2016 12:50 PM Lapse: 07/25/2026 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541  
Secured Party(s): CITIBANK, N.A., 390 GREENWICH STREET, 2ND FLOOR, NEW YORK, NY 10013

**Amendment - Termination**

Amendment No.: 1876537026 Filed: 06/12/2018 02:44 PM

**Amendment - Continuation**

Amendment No.: U210037901428 Filed: 04/14/2021 12:51 PM

EDEN HOUSING, INC.  
DIXIE BAUS  
22645 GRAND STREET  
HAYWARD, CA 94541

Request Date: 07/08/2024 10:52 AM  
Information  
Request No.: U240054723422  
Certification No.: 226551525

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Lien Listing

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Lien File No.: 187639435400 Filed: 03/21/2018 11:33 AM Lapse: 03/21/2028 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND ST, HAYWARD, CA 94541  
Secured Party(s): DELL FINANCIAL SERVICES L.L.C., MAIL STOP-PS2DF-23, ONE DELL WAY, ROUND ROCK, TX 78682

**Amendment - Continuation**

Amendment No.: U230008580421 Filed: 02/06/2023 08:44 AM

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Lien File No.: 207774467256 Filed: 04/21/2020 05:57 PM Lapse: 04/21/2025 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541  
Secured Party(s): BANK OF AMERICA, N.A., 2000 CLAYTON ROAD, BUILDING D, 6TH FLOOR, CONCORD, CA 94520

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Lien File No.: 207783276618 Filed: 05/29/2020 03:35 PM Lapse: 05/29/2025 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND ST, VIRGINIA LANE, HAYWARD, CA 94541  
Secured Party(s): XEROX FINANCIAL SERVICES, 201 MERRITT 7, NORWALK, CT 06856

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Lien File No.: 207799996654 Filed: 06/30/2020 05:00 PM Lapse: 06/30/2025 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541  
Secured Party(s): WELLS FARGO AFFORDABLE HOUSING COMMUNITY DEVELOPMENT CORPORATION, MAC D1053-170, 301 S. COLLEGE ST., 17TH FL., CHARLOTTE, NC 28288

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Lien File No.: U210033355728 Filed: 03/25/2021 12:15 PM Lapse: 03/25/2026 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541  
Secured Party(s): WELLS FARGO AFFORDABLE HOUSING COMMUNITY DEVELOPMENT CORPORATION, MAC D1053-170, 301 SOUTH COLLEGE STREET, CHARLOTTE, NC 28288

**Amendment -**

Amendment No.: U210100354828 Filed: 11/03/2021 05:00 PM

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Lien File No.: U210033355829 Filed: 03/25/2021 12:15 PM Lapse: 03/25/2026 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541  
Secured Party(s): WELLS FARGO AFFORDABLE HOUSING COMMUNITY DEVELOPMENT CORPORATION, MAC D1053-170, 301 SOUTH COLLEGE STREET, CHARLOTTE, NC 28288

**Amendment -**

Amendment No.: U210101512917 Filed: 11/08/2021 05:00 PM

EDEN HOUSING, INC.  
DIXIE BAUS  
22645 GRAND STREET  
HAYWARD, CA 94541

Request Date: 07/08/2024 10:52 AM  
Information  
Request No.: U240054723422  
Certification No.: 226551525

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Lien Listing

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Lien File No.: U210097630628 Filed: 10/25/2021 05:00 PM Lapse: 10/25/2026 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541

Secured Party(s): SILICON VALLEY BANK, 505 HOWARD STREET, 3RD FLOOR, SAN FRANCISCO, CA 94105

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Lien File No.: U220205843832 Filed: 06/28/2022 10:55 AM Lapse: 06/28/2027 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND ST, VIRGINIA LANE HAYWARD, CA 94541

Secured Party(s): XEROX FINANCIAL SERVICES, 201 MERRITT 7, NORWALK, CT 06856

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Lien File No.: U220211609320 Filed: 07/19/2022 11:27 AM Lapse: 07/19/2027 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND ST, VIRGINIA LANE HAYWARD, CA 94541

Secured Party(s): XEROX FINANCIAL SERVICES, 201 MERRITT 7, NORWALK, CT 06856

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Lien File No.: U220255845020 Filed: 12/30/2022 09:23 AM Lapse: 12/30/2027 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND ST, VIRGINIA LANE HAYWARD, CA 94541

Secured Party(s): XEROX FINANCIAL SERVICES, 201 MERRITT 7, NORWALK, CT 06856

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Lien File No.: U230042719631 Filed: 06/16/2023 11:35 AM Lapse: 06/16/2028 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING INC, 22645 GRAND STREET, HAYWARD, CA 94541

Secured Party(s): XEROX FINANCIAL SERVICES, 201 MERRITT 7, NORWALK, CT 06856

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Lien File No.: U240022813020 Filed: 03/05/2024 03:40 PM Lapse: 03/05/2029 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541

Secured Party(s): BMO BANK N.A., 320 S. CANAL STREET, FLOOR 15, CHICAGO, IL 60606

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Lien File No.: U240038155729 Filed: 05/02/2024 06:52 AM Lapse: 05/02/2029 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND ST, HAYWARD, CA 94541

Secured Party(s): XEROX FINANCIAL SERVICES, 201 MERRITT 7, NORWALK, CT 06856

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Lien File No.: U240047748233 Filed: 06/10/2024 01:09 PM Lapse: 06/10/2029 11:59 PM  
Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 22645 GRAND STREET, HAYWARD, CA 94541

Secured Party(s): FIRST-CITIZENS BANK & TRUST COMPANY, 222 2ND STREET, 17TH FLOOR, SAN FRANCISCO, CA 94105

I, Shirley N. Weber, Ph.D., Secretary of State, do hereby certify that the above listing is a record of all presently active financing statements, tax liens, attachment liens and judgment liens, including any change documents relating to them, which name the referenced debtor, subject to any above-stated search qualifiers and are on file in my office as of 06/27/2024 11:59 PM.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California on July 8, 2024.

A handwritten signature in black ink, appearing to read "S. N. Weber", is written over a horizontal line.

Secretary of State

## List of Properties in Eden's Portfolio and Pipeline

# OUR PORTFOLIO

Property Name	# of Units	Developed by EHI	Managed by EHMI	Construction Type	Housing Type	Housing Population	Commercial Square Feet	Year Completed or Acquired
Rehabbed Homes, Oakland	6	X		Acq/Rehab	Home-Owner	Family		1968
Josephine Lum Lodge, Hayward	150	X	X	New	Rent	Senior		1973
Eden Lodge, San Leandro	143	X	X	New	Rent	Senior		1980
La Solana, Hayward	58	X		New	Home-Owner	Family		1982
La Solanita, Hayward	6	X		New	Home-Owner	Family		1982
Summerwood, Hayward	163	X		New	Rent	Family		1983
10th & D Street, Union City	3	X	X	Acq/Rehab	Rent	Family		1982
Grove Way, Hayward	8	X	X	Acq/Rehab	Rent	Family		1982
Eden Issei Terrace, Hayward	100	X	X	New	Rent	Senior		1984
Sparks Way, Hayward	45	X	X	New	Rent	Family		1984
Sycamore Square, Hayward	26	X	X	New	Rent	Family		1983
Greenhaven, Union City	250	X		New	Rent	Family		1984
Tyrrell Gardens, Hayward	28	X		New	Home-Owner	Family		1985
Olive Tree Plaza, Hayward	26	X	X	New	Rent	Disabled		1986
Heritage Park, Livermore	167	X		New	Rent	Senior		1986
Huntwood Terrace, Hayward	104	X		New	Rent	Family		1988
Cypress Glen, Hayward	54	X	X	New	Rent	Family		1987
Huntwood Commons, Hayward	40	X	X	New	Rent	Family		1988
Mission Wells, Fremont	392	CO-GP		New	Rent	Family		1988
Ridge View, Pleasanton	200	X		New	Rent	Senior		1989
Sequoia Manor, Fremont	81	X	X	New	Rent	Senior		1989
Baywood Apts., Fremont	82	X	X	New	Rent	Family		1990
Redwood Lodge, Fremont	24	X	X	New	Rent	Disabled		1989

Property Name	# of Units	Developed by EHI	Managed by EHMI	Construction Type	Housing Type	Housing Population	Commercial Square Feet	Year Completed or Acquired
Westporte, Hayward	94	X		New	Home-Owner	Family		1990
Fuller Lodge, San Leandro	26	X	X	New	Rent	Disabled		1991
E.C. Magnolia Court, Hayward	21	X	X	New	Rent	Disabled		1992
Stoney Creek, Livermore	70	X	X	New	Rent	Family		1992
Washington Creek, Petaluma	32	X	X	New	Rent	Family		1993
Villa Springs, Hayward	66	X	X	Acq/Rehab	Rent	Family		1993
Glen Eden, Hayward	36	X	X	New	Rent	Family	4,025	1993
Glen Berry, Hayward	50	X	X	New	Rent	Family	1,200	1994
Corona Ranch, Petaluma	74	X	X	New	Rent	Family		1994
Corona Crescent, Petaluma	16	X		New	Home-Owner	Family		1994
The San Pablo, Oakland	144	X		Acq/Rehab	Rent	S&D	8,500	1995
Catalonia, San Jose	50	X	X	New	Rent	Family		1995
Laulima House, Oakland	9	X		Rehab	Rent	Family		1996
Casa de los Amigos, San Jose	24		X	Acq/Rehab		Disabled		1996
Emerson Arms Apt, Martinez	32	X	X	Acq/Rehab	Rent	Family		1996
Kirker Court, Clayton	20		X	Acq/Rehab	Rent	Disabled		1996
Riverhouse, Martinez	75		X	Acq/Rehab	Rent	SRO	2,000	1996
B Street Bungalows, Hayward	4	X		New	Home-Owner	Family		1996
Hillview Glen, San Jose	138	X		New	Rent	F & D		1996
Eden Palms, San Jose	145	X	X	New	Rent	Family	2,006	1997
Pacific Grove, Fremont	20	X	X	New	Rent	Disabled		1997
Arroyo del Valle, Livermore	12		X	New	Rent	Disabled		1998
409 Jackson St., Hayward		X		Acq/Rehab	Commercial	N/A	10,000	1998
Stone Pine Meadow, Tracy	72	X	X	New	Rent	Family		2000
Owls' Landing, Livermore	72	X	X	New	Rent	Family		2000
Community Heritage, N. Richmond	52	Co-Dev		New	Rent	Senior	10,000	2000
Parkside Glen, San Jose	180	Co-GP		New	Rent	Family		2000
Ohlone-Chynoweth, San Jose	194	X	X	New	Rent	Family	6,900	2000

Property Name	# of Units	Developed by EHI	Managed by EHMI	Construction Type	Housing Type	Housing Population	Commercial Square Feet	Year Completed or Acquired
Rosewood Terrace, Union City	45	X	X	New	Rent	Senior		2000
Harris Court, Hayward	24	X	X	Acq/Rehab	Rent	Family		2000
Virginia Lane, Concord	91	X	X	New	Rent	Family		2001
Adams Ave Homes, Fremont	17	X		New	Lease	Family		2002
Union Court, Manteca	68	X	X	Acq/Rehab	Rent	Family		2003
West Rivertown, Antioch	57	X	X	New	Rent	Family		2003
Almond Terrace, Manteca	50	X	X	New	Rent	Senior		2004
Fuller Gardens, San Leandro	16	X	X	New	Rent	Disabled		2004
Victoria Green, Hercules	132	X	X	New	Rent	Family		2004
Wisteria Place, Union City	40	X	X	New	Rent	Senior		2004
Nugent Square, East Palo Alto	32	Co-GP	X	New	Rent	Family		2005
Downtown River, Petaluma	81	X	X	New	Rent	Family	5,500	2005
Chesley Mutual Housing, Richmond (JV with CHDC)	30	X		New	Rent	Family		2005
Vandenburgh Villa, Livermore	40	X	X	New	Rent	Senior		2005
Wicklow Square, Dublin	54	X	X	New	Rent	Senior		2005
Sara Conner Court, Hayward	57	X	X	New	Rent	Family		2006
Samara Terrace, Hercules	52	X	X	New	Rent	Senior		2006
Brentwood Senior Commons, Brentwood	80	X	X	New	Rent	Senior		2007
Edenvale Special Needs, San Jose	15	X	X	New	Rent	Disabled		2007
Rivertown Place, Antioch	40	X	X	New	Rent	Family		2008
Walker Landing, Hayward	78	X	X	New	Rent	Family		2008
Hayward Senior / Eden Office, Hayward	60	X	X	New	Rent	Senior	12,000 s.f.	2008
Almond Court, Manteca	40	X	X	New	Rent	Senior		2009
Ashland Village, San Leandro (Unincorporated Alameda County)	142	X	X	Acq/Rehab	Rent	Family		2009
Tennyson Gardens, Hayward	96	X	X	Acq/Rehab	Rent	Family		2009
Estabrook Place, San Leandro	51	X	X	New	Rent	Senior		2010
Foss Creek Court, Healdsburg	64	X	X	New	Rent	Family		2010

Property Name	# of Units	Developed by EHI	Managed by EHMI	Construction Type	Housing Type	Housing Population	Commercial Square Feet	Year Completed or Acquired
The Fireside, Mill Valley	50	Co-Dev	X	New/Rehab	Rent	Senior/Family/Disabled		2010
The Altenheim (Phase I), Oakland	93		X	Acq/Rehab	Rent	Senior		2010
The Altenheim (Phase II), Oakland	81	Co-Dev	X	New	Rent	Senior/Disabled		2010
Arroyo Vista, Mission Viejo	156		X	New	Rent	Family		2010
East Bluff, Pinole	144	X	X	Acq/Reahb	Rent	Family		2010
Light Tree, East Palo Alto (JV with EPA CAN DO)	185	Co-Dev	X	Acq/Rehab & New	Rent	Family		2010 / 2023
Sereno Village, Vallejo	125		X	Acq/Rehab	Rent	Family		2010
Las Palmas, San Leandro	91	X	X	Acq/Rehab	Rent	Family		2011
Windscape, Northridge	45		X	New	Rent	Family		2011
Brookwood Terrace, San Jose	84	Co-Dev		New	Rent	Family		2011
Orvieto Family Housing, San Jose	92	Co-Dev		New	Rent	Family		2012
The Surf, San Leandro	46		X	Acq/Rehab	Rent	Family		2012
Cottonwood Place, Fremont	98	X	X	New	Rent	Senior	9,000 s.f.	2012
Del Nido, Santa Rosa	206		X	Acq/Rehab	Rent	Family		2012
Wexford Way, Dublin	130	X	X	New	Rent	Family	3,969 s.f	2012
Carlow Court, Dublin	50	X	X	New	Rent	Senior		2012
Warner Creek, Novato	61	X	X	New	Rent	Senior		2013
Cambrian Center, San Jose	153		X	Acq/Rehab	Rent	Senior		2013
Woodside Court, Fairfield	129		X	Acq/Rehab	Rent	Family		2013
801 Alma, Palo Alto	50	X	X	New	Rent	Family		2013
Leidig Court, Hayward	16	X	X	Acq/Rehab	Rent	Family		2013
Monterey Villa, San Jose	20	X	X	New	Rent	Special Needs		2013
Belle Terre, Lafayette	46	X	X	New	Rent	Senior		2014
Montgomery Plaza, Hayward	50	X	X	Acq/Rehab	Rent	Senior		2014
Quail Run Apartments, Santa Rosa	200		X	Acq/Rehab	Rent	Family		2014
Ford Road Plaza, San Jose	75	X	X	New	Rent	Family		2014
Monteverde Senior Apartments, Orinda	67	X	X	New	Rent	Senior		2014
University Village, Marina	108		X	Acq/Rehab	Rent	Family		2015

Property Name	# of Units	Developed by EHI	Managed by EHMI	Construction Type	Housing Type	Housing Population	Commercial Square Feet	Year Completed or Acquired
Westside Terrace, Hollister	16		X	Acq/Rehab	Rent	Family		2015
Weinreb Place, Hayward	22	X	X	Acq/Rehab	Rent	Senior		2015
Studio 819, Mountain View (J/V with ROEM)	49	Co-Dev	X	New	Rent	Family		2015
Seacliff Highlands, Aptos	39		X	Acq/Rehab	Rent	Family		2015
Corralitos Creek, Freedom	64		X	Acq/Rehab	Rent	Family		2015
Vista Verde, Freedom	76		X	Acq/Rehab	Rent	Family		2015
Connell Apartments, Gilroy	28		X	Acq/Rehab	Rent	Family		2015
Monticelli, Gilroy	52		X	Acq/Rehab	Rent	Family/Senior		2015
Gateway Palms, Hollister	31		X	Acq/Rehab	Rent	Family		2015
Rancho Park, Hollister	54	X	X	Acq/Rehab	Rent	Family		2015
Rustic Gardens, Hollister	19	X	X	Acq/Rehab	Rent	Family		2015
Cypress Gardens, Marina	96		X	Acq/Rehab	Rent	Family		2015
Crest Avenue Apartments, Morgan Hill	50		X	Acq/Rehab	Rent	Family		2015
Depot Commons, Morgan Hill	13		X	Acq/Rehab	Rent	Family	1,299	2015
Jasmine Square, Morgan Hill	72		X	Acq/Rehab	Rent	Family		2015
Royal Court, Morgan Hill	55		X	Acq/Rehab	Rent	Family		2015
Skeels, Morgan Hill	13		X	Acq/Rehab	Rent	Family		2015
Coronado Terrace, San Diego	312		X	Acq/Rehab	Rent	Family		2015
Vista Terrace Hills, San Ysidro	262	X	X	Acq/Rehab	Rent	Family		2015
Nuevo Sol (Barson), Santa Cruz	14			Acq/Rehab	Rent	Family		2015
Riverside MHP, Watsonville	25			Acq/Rehab	Rent	Family		2015
Lincoln Square, Watsonville	19		X	Acq/Rehab	Rent	Family		2015
Pacific Terrace, Watsonville	28		X	Acq/Rehab	Rent	Family		2015
Pajaro Court, Watsonville	10		X	Acq/Rehab	Rent	Family		2015
Tierra Linda, Watsonville	18		X	Acq/Rehab	Rent	Family		2015
Villa Ciolino, Morgan Hill	42		X	Acq/Rehab	Rent	Family		2015
Gilroy Sabrato Studios, Gilroy	26		X	Acq/Rehab	Rent	Special Needs		2016
Monterra Village, Gilroy	34		X	Acq/Rehab	Rent	Family		2016

Property Name	# of Units	Developed by EHI	Managed by EHMI	Construction Type	Housing Type	Housing Population	Commercial Square Feet	Year Completed or Acquired
The Redwoods, Gilroy	24		X	Acq/Rehab	Rent	Family		2016
Wheeler Manor, Gilroy	117		X	Acq/Rehab	Rent	Elderly		2016
Charles Apartments, Marina	105		X	Acq/Rehab	Rent	Family		2016
The Willows, Morgan Hill	20		X	Acq/Rehab	Rent	Family		2016
Jardines De Boronda, Salinas	15		X	Acq/Rehab	Rent	Family		2016
Camphora Family Apartments, Soledad	44	X	X	New	Rent	Farmworker / Family		2016
Aspen Grove, Gilroy	24		X	Acq/Rehab	Rent	Family		2016
Villa Esperanza, Gilroy	21		X	Acq/Rehab	Rent	Dev/Disabled		2016
The Trees, Gilroy	14		X	Acq/Rehab	Rent	Family		2016
Pacific Family MHP, Santa Cruz	34			Acq/Rehab	Rent	Family		2016
Pleasant Acres MHP, Santa Cruz	65			Acq/Rehab	Rent	Family		2016
Vista Verde Childcare, Freedom	N/A			Acq/Rehab	Commercial	N/A		2016
Alta Mira Family, Hayward	87	X	X	New	Rent	Family		2016
Alta Mira Senior, Hayward	64	X	X	New	Rent	Senior		2016
Faith Manor, Hayward	62		X	Acq/Rehab	Rent	Family		2016
Maple Gardens, Gilroy	18		X	Acq/Rehab	Rent	Family		2017
Sobrato Family, Gilroy	60		X	Acq/Rehab	Rent	Family/Trans/HSG		2017
Vista Point, Pacific Grove	49		X	Acq/Rehab	Rent	Senior		2017
Nuevo Amanecer, Pajaro	63		X	Acq/Rehab	Rent	Family		2017
Valor Crossing, Dublin	66	X	X	New	Rent	Family		2017
Cranes Landing, Lodi	80	X	X	New	Rent	Senior		2017
Quail Run II, San Leandro (Unincorporated Alameda County)	104		X	Acq/Rehab	Rent	Family		2018
Highlands, Vacaville	11			Acq/Rehab	Rent	Family		2018
Hillside Senior, Vacaville	15			Acq/Rehab	Rent	Senior		2018
Rocky Hill, Vacaville	39		X	New	Rent	Vets /Homeless		2018
Orchard Maples, Vacaville	168			Acq/Rehab	Rent	Family		2018
Meadows Holly, Vacaville	82		X	Acq/Rehab	Rent	Family		2018
Willows, Vacaville	125		X	Acq/Rehab	Rent	Family		2018
Hana Gardens, El Cerrito	63	X	X	New	Rent	Senior	2,000 s.f	2018

Property Name	# of Units	Developed by EHI	Managed by EHMI	Construction Type	Housing Type	Housing Population	Commercial Square Feet	Year Completed or Acquired
Miraflores Senior, Richmond (JV with CHDC)	80	Co-Dev	X	New	Rent	Senior		2018
Pauline Weaver Senior, Fremont	90	X	X	New	Rent	Senior		2018
Sycamore Glen, Morgan Hill	20		X	Acq/Rehab	Rent	Senior		
Corsair Flats, Alameda	60	X	X	New	Rent	Senior		2020
Reilly Station, Fremont	61	X	X	New	Rent	Family		2020
Canyon Flats, Fremont	71	X	X	New	Rent	Family		2021
The Starling, Alameda	70	X	X	New	Rent	Family		2021
De Anza Terrace, San Leandro (Unincorporated Alameda County)	24			Acq/Rehab	Rent	Family		2022
Loro Landing, San Leandro	62	X	X	New	Rent	Special Needs		2022
Iris Gardens, Azusa	119			Acq/Rehab	Rent	Family		2022
Walnut Grove, Los Gatos	50		X	New	Rent	Senior		2022
Trinity Plaza, Richmond (JV with CHDC)	66	X	X	Acq/Rehab	Rent	Senior		2023
Granite Ridge, Fremont (JV w/ For the Future Housing)	73	Co-Dev	X	New	Rent	Family		2023
Mesa Terrace, San Jose	46	X		New	Rent	Special Needs		2023
Coral Court, Concord	47		X	Acq/Rehab	Rent	Family		2023
Sunset Pines, Concord	69		X	Acq/Rehab	Rent	Family		2023
The Randall, Healdsburg	40	X	X	New	Rent	Family		2023
Blue Oak Landing, Vallejo	75	X		New	Rent	Special Needs		2023
The Residences at VHAC (Vivalon Healthy Aging Campus), San Rafael	67	X	X	New	Rent	Senior	10,000 sf	2023
Tabasa Gardens (1482 Freedom), Watsonville	53	X	X	New	Rent	Family		2024
Solaire Apartments (Auzerais), San Jose	130	X		New	Rent	Special Needs		2024

**TOTAL UNIT/PROPERTY COUNTS:**

Total number of units/properties developed (new construction): 6,973 units / 96 properties

Total number of units/properties acquired/rehabilitated: 5,479 units / 84 properties

Total number of units/properties currently owned: 10,916 units / 165 properties

Total number of units/properties currently managed: 10,008 units / 152 properties

# DEVELOPMENT PIPELINE

DEVELOPMENT PIPELINE	# of Units	To Be Developed by EHI	To Be Managed by EHMI	Construction Type	Housing Type	Housing Population	Density (DU/A)	Commercial Square Feet	Projected Completion Date
<b>UNDER CONSTRUCTION</b>									
La Avenida, Mountain View	100	X	X	New	Rent	Special Needs	100		August 2024
Kerner Supportive, San Rafael	41	X	X	New	Rent	Special Needs	45		September 2024
Ruby Street, Castro Valley	72	X	X	New	Rent	Family	24		June 2025
La Vista Residential, Hayward	150	X	X	New	Rent	Family	38		July 2025
Mitchell Park Apartments, Palo Alto	53	X	X	New	Rent	Special Needs	64		September 2025
Timber St, Newark	79	X	X	New	Rent	Senior	80		February 2026
Pacific Station North Apartments, Santa Cruz	128	X	X	New	Rent	Family/Other	188		July 2026
Mulberry Gardens Senior Apartments, Riverside	59	X	X	New	Rent	Senior	47		September 2025
<b>PREDEVELOPMENT</b>									
Oak Grove, Vacaville	67	X	X	New	Rent	Family			2025
Downtown Livermore Workforce Apartment (North), Livermore	79	X	X	New	Rent	Family			2025
Downtown Livermore Workforce Apartments (South), Livermore	51	X	X	New	Rent	Family			2025
Cherry Street, San Carlos	35	X (co-dev)		New	Rent	Family			2026
Point Reyes Station, West Marin	50	X (co-dev)	X	New	Rent	Family			2026
Regional Street, Dublin	114	X	X	New	Rent	Senior			2026
Richmond Health Center Family	72	X (co-dev)	X	New	Rent	Family			2025
Richmond Health Center Supportive	59	X (co-dev)	X	New	Rent	Special Needs			2025
Donner Field, Sacramento	63	X	X	New	Rent	Senior			TBD
DKA Senior, Oakland	65	X	X	New	Rent	Senior			2026
Elk Grove	70	X	X	New	Rent	Family			2024
Legacy Court, Richmond	43	X (co-dev)	X	New	Rent	Special Needs			2025
Bluebird Village, Brentwood	100	X	X	New	Rent	Family			TBD
First Pres Hayward, Castro Valley	150	X	X	New	Rent	Family			TBD

DEVELOPMENT PIPELINE	# of Units	To Be Developed by EHI	To Be Managed by EHMI	Construction Type	Housing Type	Housing Population	Density (DU/A)	Commercial Square Feet	Projected Completion Date
Sequoia Station / Lowe, Redwood City	225	X	X	New	Rent	Family			TBD
Oak Hill (San Quentin), Marin	115	X	X	New	Rent	Family			TBD
Santa Cruz Library	107	X (co-dev)	X	New	Rent	Family			TBD

PORTFOLIO RECAPITALIZATION PROJECTS	# of Units	Housing Type	Housing Population	Commercial Square Feet	Status	Construction Start Date (or Estimate)	Projected Completion Date
Aspen Grove + Maple Gardens + The Trees, Gilroy	56	Rent	Family		Under Construction	September 2022	July 2024
Skeels + Villa Ciolino, Morgan Hill	55	Rent	Family		Predevelopment	TBD	TBD

**Attachment 5**

**Term Sheet Between Lane and Eden**

We have included the executed Letter of Intent dated 10/26/2023 by and between Eden Housing, Inc. and Lane 847 Woodside, LLC. as part of this attachment.



October 19, 2023

Eden Housing, Inc.  
22645 Grand Street  
Hayward, CA 94541

To: Mark Murray  
Lane Partners  
644 Menlo Avenue 2<sup>nd</sup> Floor  
Menlo Park, CA 94025

**RE:** *Letter of Intent to Purchase – 847 Woodside Road, Redwood City, CA*

Dear Mark:

This letter of intent represents the basic terms for an agreement between Buyer and Sellers and should be used as a template for further discussions, which may lead to the execution of a Purchase and Sale Agreement.

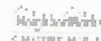
The undersigned would be willing to enter into an agreement to purchase the above-referenced property under the following basic terms and conditions:

- Seller:** Lane 847 Woodside, LLC
- Buyer:** Eden Housing, Inc. (EHI) or a wholly owned affiliate
- Property:** Two parcels totaling approximately 0.95 acres located at 947 Woodside Road, Redwood City, California / APN: 059-240-810.
- Title:** Fee simple marketable title.
- Price:** One Dollar (\$1)
- Development Requirements:** Conveyance of the Property to Buyer for a nominal price will satisfy Seller's affordable housing obligation in connection with its planned development at

22645 Grand Street | Hayward, CA 94541 | Tel: 510-582-146 | edenhousing.org



Broker License No. 872400





1900 Broadway in Redwood City. The City of Redwood City has required that the 847 Woodside and 1900 Broadway obtain planning approvals concurrently. Buyer and Seller will work together to entitle the 847 Woodside project prior to conveyance.

**Broker Commission:** Each party represents to the other that no broker has been involved in this transaction and no broker fees will be incurred.

**Purchase and Sale Agreement:** Within one hundred twenty (120) days of mutual acceptance of this Letter of Intent together with any modifications agreed to by Buyer and Seller, Buyer shall have a Purchase and Sales Agreement (PSA) drawn up and delivered to Seller. Buyer will prepare the Purchase and Sale Agreement. Should Buyer and Seller fail to reach agreement within 120 days from receipt on a final Purchase and Sales Agreement, this Letter of Intent shall have no further effect and neither party shall have any obligation to the other party.

**Conveyance:** Seller shall convey the Property vacant.

**Due Diligence:** In addition to other standard conditions (i.e. Phase 1 environmental report, no hazardous materials, compliance with all laws, zoning for use, certificate of occupancy, business financial records, estoppels, as well as those additional estoppels required by lender, etc.), buyer's obligations to complete this transaction shall be contingent upon its satisfaction with the results of its investigation of all aspects of the property, including but not limited to, current obligations, any property discussions, financials, the title condition, any existing reports (including any environmental reports) on the property held by the Seller, the as-built survey, discussions with representatives of the ownership, the local planning department and the zoning. If purchaser, in its sole and absolute discretion, is not satisfied with any of the above conditions, or any other condition, then it may terminate the Purchase and Sale Agreement by written notice to Seller and receive the return of its deposit without any liability. The due diligence period for investigation of the property shall be **45** (forty-five) calendar days from the later of the delivery of all pertinent documents pursuant to the definitive agreement or the effective date of the PSA ("Due Diligence Period").

**Closing Costs:** Buyer to be responsible for the costs of the ALTA policy of title insurance, including a record of survey, all city and county transfer taxes and the escrow and recording fees. Buyer shall be responsible for Buyer's legal fees, and inspection costs..

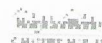
**Closing Date:** Closing must occur prior to or concurrent with issuance of the first building permit for the 1900 Broadway project.

**Exclusivity:** During the period from acceptance of this Letter of Intent and either acceptance of a final Purchase and Sales Agreement or the expiration of the time provided for acceptance of a final

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Broker License No. 872400





Purchase and Sales Agreement provided above, Seller agrees not to enter into negotiations with any third party for the purchase of the Subject Property.

This proposal does not constitute a binding offer by EHI to purchase the Property from Seller. It is only an expression of interest by EHI to acquire the Property on the terms and conditions set forth in this letter of intent. The parties mutually intend that neither shall have any binding contractual obligations to the other with respect to the matters referred to herein unless and until a formal written Purchase Agreement has been prepared with adequate opportunity for review by legal counsel and has been fully executed and delivered by the parties. If the terms and conditions are acceptable to the Seller, please sign below and return this letter to EHI. If they are not acceptable to the Seller, please respond in writing to the specific terms and conditions that are of issue.

The terms and conditions provided herein shall remain open unless revoked until the close of business (5:00 P.M. PST) on October 31, 2023. ✓

Sincerely,

Andrea Osgood  
Chief of Real Estate Development  
Eden Housing, Inc.

Agreed and Accepted by Buyer:  
**Eden Housing, Inc.**


By:   
andrea.osgood (Oct 26, 2023 18:45 PDT)

Name: Andrea Osgood

Title: Chief of Real Estate Development

Date: 26/10/2023

Agreed and Accepted by Seller:

By: 

Name: ERIC BET

Title: ASSOCIATE

Date: 10/26/23

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Broker License No. 872400








# 2023 10 19 Eden-Lane LOI - 847 Woodside Rd - Executed (002)

Final Audit Report

2023-10-27

Created:	2023-10-26
By:	Louis Liss (louis.liss@edenhousing.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzle2s2f5r9Uj3xvg7Eb8iEZgxJaQvyC

## "2023 10 19 Eden-Lane LOI - 847 Woodside Rd - Executed (002 )" History

-  Document created by Louis Liss (louis.liss@edenhousing.org)  
2023-10-26 - 7:55:37 PM GMT
-  Document emailed to andrea osgood (aosgood@edenhousing.org) for signature  
2023-10-26 - 7:55:41 PM GMT
-  Email viewed by andrea osgood (aosgood@edenhousing.org)  
2023-10-26 - 11:31:48 PM GMT
-  Document e-signed by andrea osgood (aosgood@edenhousing.org)  
Signature Date: 2023-10-27 - 1:45:41 AM GMT - Time Source: server
-  Agreement completed.  
2023-10-27 - 1:45:41 AM GMT

**Attachment 6**

**Property Appraisal**

The appraised value as of 11/10/2023 on a report prepared by Valbridge on 12/20/2023 is \$11,180,000 or \$130,000 per unit. The City has confirmed with the appraiser that the revised value with 72 units is \$9,360,000.

**Attachment 7**

**Preliminary Title Report for 847 Woodside Road, Redwood City**

First American Title Insurance Company provided a report dated 10/11/2022 that shows the buyer is Lane 847 Woodside, LLC and the seller is Square TruFund, LLC for the property located at 847 Woodside Road, Redwood City, CA. No adverse possessions or liens are shown on the title report.

## Attachment 8

### **Eden Housing Project Summary 847 Woodside Road**

#### **The Affordable Housing Project – 847 Woodside Road**



The affordable housing project that will be made possible by Lane’s land donation at 847 Woodside Road (“Land Donation Site”) is contemplated to be a 72-unit Large Family project (including 1 manager’s unit), which will include a range of unit sizes from studio, one, two and three-bedroom units (collectively, the “Eden Housing Project”). These homes will be targeted to households earning between 30 and 60 percent of San Mateo County Area Median Income, as adjusted for family size. The project will include amenities common to Eden’s high-quality projects – a community room, a computer learning center, and well-appointed outdoor spaces such as playgrounds and picnic areas. Eden will also have its service coordination staff provide programming that helps build community and support the residents, including technology programs for youth and financial management and homebuyer training for adults.

The Land Donation Site is well-located on Woodside Road in an amenity-rich, walkable location. Key needs such as groceries, pharmacy, parks and transit are immediately adjacent to the Land Donation Site, which helps the project score competitively for state-level funding such as the Multifamily Housing Program. With density bonus, the site already is zoned for the proposed project (MUN), and an apartment use is contextual for the area.

Following is a summary of the anticipated and approximate unit breakdown, demolition plan, and financing plan, including an initial unit affordability matrix. Please note that the affordability matrix is subject to change based on the final funding sources secured at the time of the project’s construction closing. None of the funding sources listed below have been applied for or committed and this finance plan is in Eden’s professional opinion one of many options to ensure successful funding. All affordable funding programs require land entitlements to be in place; therefore, application for funding would likely occur at the first opportunity upon entitlement completion according to the NOFA published schedules.

## Demolition Plan

The Land Donation Site will be donated to Eden with no occupants and with an existing structure. There is an existing chapel structure on the site that is currently being used by a congregation. The congregation's lease has expired, and they currently occupy the space on a month-to-month basis. The seller of the site to Lane will deliver the site to Lane without occupants. Lane will in turn deliver the unoccupied site to Eden. Eden will demolish the existing structure at the start of construction of the affordable housing project.

## Financing Plan Overview

The intent of the financing plan is to lay out the requirement to provide a level of affordability to satisfy Lane Partners' inclusionary obligation and to balance the intent of Eden Housing's mutually shared goal of providing more units at the deepest levels of affordability possible while maintaining fiscal feasibility without the need for an operating subsidy.

The size of the proposed development (at 72 homes) now lends itself to a more flexible execution that could result in an overall affordability level at or below 60% AMI. Should this project qualify and be awarded 9% LIHTC, the average affordability level will be at or below 50% AMI. While the 9% LIHTC program remains largely oversubscribed and relies heavily on tiebreaker scoring that rewards local funding commitments, San Mateo County has historically fared very well in the application process. Nevertheless, our focus is to ensure financing that allows for the quickest delivery of vital affordable homes to the market. To this end, and to complement the donated land, the project's plan for competitive financing includes:

- A 4% LIHTC execution
- CA HCD funds (MHP and IIG programs)
- Project-Based Vouchers (approximately 18 – 22)
- Federal Home Loan Bank of SF AHP program

Eden has paired these programs on past projects and has a strong track record securing competitive funds from CA HCD, as well as bonds through CDLAC in the current competitive environment. We have structured the unit affordability mix with strong depth of affordability in order to be competitive for the MHP and IIG programs administered under the SuperNOFA. Once entitled, we anticipate project will be competitive and ready to attract financing. The order of financing would likely be:

1. First working closely with San Mateo County to allocate approximately 18 – 22 Project-Based Vouchers to the project
2. Applying for the State of California SuperNOFA
3. Applying for the FHLB-SF program
4. Once obtaining all soft funding commitments, we would then apply for a CDLAC allocation and 4% tax credits.

This order could easily be adapted based on timing of NOFA releases and funding availability. Although we are confident in the feasibility of the sources we have proposed, there is strong adaptability in this project to consider alternative sources, primarily for the \$18 million in MHP and IIG funds we have underwritten. These alternative sources could include:

- San Mateo County funds, which are typically a reliable source
- Strategic Growth Council AHSC funds, which could include infrastructure improvements and the opportunity to invest in the samTrans service, something we have done successfully on our Light Tree project in East Palo Alto, two of our developments in Downtown Santa Cruz and several others across the East and South Bay area.
- State tax credits

While not committed at this juncture, it is likely that the additional funding secured by Eden will also ultimately require even deeper levels of affordability (with units targeted to Extremely Low-Income populations and likely also some smaller set aside for homeless/formerly homeless households) than will be required by the City’s recorded affordable agreements. This further supports Redwood City’s stated housing goals and objectives.

**Unit Breakdown**

Based upon a 4% execution, we anticipate having the following by bedroom size, average square footage, and affordability level.

<b>Option 1 - 72 Units</b>	<b># Units</b>	<b>Bedrooms</b>
<b>Studio</b>	<b>25</b>	<b>25</b>
<b>1 bed</b>	<b>5</b>	<b>5</b>
<b>2 bed</b>	<b>21</b>	<b>42</b>
<b>3 bed</b>	<b>20</b>	<b>60</b>
<b>NET W/O Mgr</b>	<b>71</b>	<b>132</b>
<b>manager</b>	<b>1</b>	<b>2</b>
<b>TOTAL</b>	<b>72</b>	<b>134</b>

<b>AFFORDABILITY MIX</b>	<b>Units</b>	<b>Net Rent</b>
<b>Extremely Low Income Units @ 30% AMI- studio</b>	<b>1</b>	<b>\$922</b>
<b>Extremely Low Income Units @ 30% AMI- 1 bed</b>	<b>1</b>	<b>\$981</b>
<b>Extremely Low Income Units @ 30% AMI- 2 bed</b>	<b>3</b>	<b>\$1,167</b>
<b>Extremely Low Income Units @ 30% AMI- 3 bed</b>	<b>3</b>	<b>\$1,334</b>
<b>Very Low Income Units @ 50% AMI- studio</b>	<b>10</b>	<b>\$1,575</b>

<b>Very Low Income Units @ 50% AMI- 1 bed</b>	<b>2</b>	<b>\$1,681</b>
<b>Very Low Income Units @ 50% AMI- 2 bed</b>	<b>6</b>	<b>\$2,006</b>
<b>Very Low Income Units @ 50% AMI- 3 bed</b>	<b>5</b>	<b>\$2,304</b>
<b>Low Income Units @ 60% AMI- studio</b>	<b>14</b>	<b>\$1,901</b>
<b>Low Income Units @ 60% AMI- 1 bed</b>	<b>2</b>	<b>\$2,030</b>
<b>Low Income Units @ 60% AMI- 2 bed</b>	<b>12</b>	<b>\$2,425</b>
<b>Low Income Units @ 60% AMI- 3 bed</b>	<b>12</b>	<b>\$2,788</b>
<b>Manager's Unit (2 BR)</b>	<b>1</b>	
<b>Total</b>	<b>72</b>	

Between these opportunities, even with an evolving financing environment, Eden is well poised to steer an amenity-rich Large Family project like 847 Woodside to fruition as it has countless times before.

### Example Project Schedule

The schedule below is an example of how long it could take to line up each source of financing. This tentative schedule has been provided for example purposes only and could change based on factors such as:

- Funder release schedule
- Funding availability for each program
- The need to apply multiple times for each source if not successful on the first try
- Availability of and success with alternative funding programs (such as San Mateo County Affordable Housing Fund)

The sequence below indicates that if project entitlements for the Eden Housing Project are received on schedule and each funding application is successful, it could be as little as 2 years between land transfer and construction start. In reality, it may take repeats of certain funding applications before an award is secured. The additional 3 years available enables time for repeat applications, as well as pursuing alternative sources that may become available. This dance of funding pursuit is a reality for any tax credit project and is matter of course for Eden.

<i>Milestone</i>	<i>Date</i>
Project Entitlement Approvals	September 2024
Submit Application for San Mateo County Vouchers	May 2024
San Mateo County Voucher Award (3 months)	August 2025
Submit Application for FHLB-SF AHP	March 2026
<b>*Land Transfer from Lane to Eden*</b>	<b>June 2025</b>
FHLB-SF AHP Award (4 months)	July 2026
Submit Application for HCD SuperNOFA	July 2025
HCD SuperNOFA Award (5 months)	December 2025
Submit CDLAC/TCAC Joint Application (Round 1)	April 2026
CDLAC/TCAC Award (4 months)	August 2026
Construction Start	March 2027

### Summary of Total Units by Income Group under a 4% LIHTC execution

<i>Affordability Level</i>	<i>Number of Units</i>
Extremely Low Income – 30% AMI	8
Very Low Income – 40-50% AMI	23
Low Income – 60% AMI	40
Unrestricted – Manager’s Unit	1
<b>Total</b>	<b>72</b>

## Financing Summary

### Sources of Funds

	Construction Financing Stage		Permanent Financing Stage	Per Unit Financing (Permanent Stage)
Construction/Permanent Lender	\$ 50,726,756		\$ 14,668,311	\$ 203,727
Tax Credit Equity	\$ 2,784,743		\$ 27,847,435	\$ 386,770
Deferred/Equity Developer Fee	\$ -		\$ 4,800,000	\$ 66,667
Land Donation - Lane Partners	\$14,000,000		\$14,000,000	\$ 194,444
CA HCD MHP	\$ -		\$ 11,297,697	\$ 156,912
CA HCD IIG	\$ -		\$ 1,000,000	\$ 13,889
FHLB - AHP	\$ -		\$ 710,000	\$ 9,861
<b>TOTAL SOURCES</b>	\$ 67,511,499		\$ 74,323,443	\$1,032,270

### Uses of Funds

	Construction Financing Stage		Permanent Financing Stage	Per Unit Cost (Permanent Stage)
Land or Building	\$ 14,030,000		\$ 14,030,000	\$194,861
Architect and Engineering	\$ 2,950,000		\$ 2,950,000	\$40,972
Construction	\$ 39,287,578		\$ 39,287,578	\$545,661
Indirect Costs (Incl. Reserves)	\$ 3,331,425		\$ 3,894,259	\$54,087
Developer Fee	\$ 800,000		\$ 7,000,000	\$97,222
Financing Costs	\$ 6,984,584		\$ 6,999,584	\$97,216
Other Soft Costs	\$ 127,913		\$ 162,023	\$2,250
<b>TOTAL DEV COSTS</b>	\$ 67,511,499		\$ 74,323,444	\$1,032,270

EXHIBIT C  
**FORM OF GRANT DEED**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

DONOR  
DONOR ADDRESS  
DONOR CITY, STATE, ZIP

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

APN No. \_\_\_\_\_

Documentary Transfer Tax is \$ \_\_\_\_\_  
City of Redwood City Transfer Tax is \$ \_\_\_\_\_  
 computed on full value of property conveyed, or  
 computed on full value less value of liens and encumbrances remaining at time of sale

GRANT DEED  
(Affordable Housing Land Donation)

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, \_\_\_\_\_ [Insert Donor Entity], a \_\_\_\_\_ [insert entity type] (the “**Grantor**”), hereby grants to \_\_\_\_\_ [Insert Qualifying Designee], a \_\_\_\_\_ [insert entity type] (the “**Grantee**”), fee title to that certain real property (the “**Property**”) described in **Exhibit A** attached hereto and incorporated in this Grant Deed by this reference.

1. The Property is being conveyed subject to that certain Affordable Housing Land Donation Agreement, dated as of [Insert Date] approved by City of Redwood City Council Resolution No. \_\_\_\_\_ (the “**Land Donation Agreement**”), the purpose of which is to implement that certain Affordable Housing Plan approved by City Council Resolution No. \_\_\_\_\_ (the “**Affordable Housing Plan**”) to satisfy the requirements of the Affordable Housing Ordinance, set forth in Article 29 of the Redwood City Zoning Code, as such may be amended.

2. The Grantee hereby covenants and agrees, for itself and its successors and assigns, that the Grantee and such successors and assigns shall use the Property solely for the development of affordable housing in compliance with the Land Donation Agreement and that certain Affordable Housing Restrictive Covenant Agreement to be recorded against the Property concurrently herewith, and not for speculation in landholding.

3. The Grantee covenants and agrees, for itself and its successors and assigns, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, age, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Grantee itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property and the Improvements thereon.

4. The Grantee hereby agrees and acknowledges that the Property is subject to that certain “Irrevocable Offer to Dedicate,” to be recorded concurrently herewith, under which Grantee is required to irrevocably offer for dedication the Property to the City or to a City qualified designee upon certain terms and conditions set forth in the recorded Irrevocable Offer to Dedicate.

5. This Grant Deed may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Grant Deed as of \_\_\_\_\_, 20\_\_\_\_.

GRANTOR:

[INSERT GRANTOR SIGNATURE BLOCK]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

GRANTEE:

[INSERT GRANTOR SIGNATURE BLOCK]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

[Notary Public Signature Pages Follow]

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, \_\_\_\_\_, Notary Public, 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.

Name: \_\_\_\_\_

Notary Public: \_\_\_\_\_

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, \_\_\_\_\_, Notary Public, 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.

Name: \_\_\_\_\_

Notary Public: \_\_\_\_\_

EXHIBIT A

LEGAL DESCRIPTION

All of the real property in the City of Redwood City, County of San Mateo, State of California, described as follows:

APN: \_\_\_\_\_

EXHIBIT D  
**FORM OF IRREVOCABLE OFFER TO DEDICATE**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Clerk

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE  
SECTIONS 6103 AND 27383

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THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

APN No. \_\_\_\_\_

This Irrevocable Offer to Dedicate is recorded at the request and for the benefit of the City of Redwood City and is exempt from the payment of a recording fee pursuant to Government Code Sections 27383, and 27388.1(a)(1)(D) and payment of documentary transfer tax pursuant to Revenue and Taxation Code Section 11922.

IRREVOCABLE OFFER TO DEDICATE  
(Affordable Housing Land Donation)

THIS IRREVOCABLE OFFER TO DEDICATE is made as of \_\_\_\_\_, 20\_\_ by [Insert Qualifying Designee], a \_\_\_\_\_ [insert entity type] (the "Owner").

WHEREAS, to satisfy the requirements of the Affordable Housing Ordinance, set forth in Article 29 of the Redwood City Zoning Code, as such may be amended (the "Ordinance"), pursuant to that certain Grant Deed (the "Grant Deed"), \_\_\_\_\_ [Insert Land Donor], a \_\_\_\_\_ [insert donor entity] ("Donor") donated to the Owner that certain real property located [insert description] as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (the "Affordable Site").

WHEREAS, under the Grant Deed, the Affordable Site is subject to a requirement that the Affordable Site be used to provide affordable housing in compliance with the requirements of that certain Affordable Housing Land Donation Agreement, dated as of \_\_\_\_\_, 20\_\_ [insert date] (the "Affordable Housing Land Donation Agreement") and that certain Affordable Housing Restrictive Covenants Agreement, recorded in the Official Records of San Mateo County on \_\_\_\_\_, 20\_\_ [insert recording date] as Document No. [insert recording date] (the "Restrictive Covenants Agreement") to implement that certain Affordable Housing Plan approved by the City Council [insert details].

WHEREAS, Owner hereby agrees to irrevocably offer for dedication the Affordable Site to the City or to the City's designee.

NOW, THEREFORE, incorporating the foregoing recitals, the Owner does hereby designate and set aside for future use as described hereto and irrevocably offers to dedicate to the City or the City's designee fee title to the Affordable Site, subject only to exceptions to title approved by the City. The City may only enforce its right to acquire the Property hereunder, if the Owner has not obtained a building permit and commenced construction of the affordable housing improvements within five years of the date hereof, the date the Affordable Site was acquired by the Owner, unless the City Manager extended the deadline in writing under the Affordable Housing Land Donation Agreement.

This Irrevocable Offer to Dedicate shall continue in full force and effect until City Council or if directed by the City, the governing board of the City's designee accepts such offer or terminates the offer by recording a release of this Irrevocable Offer to Dedicate and any provisions of the Grant Deed referencing this Irrevocable Offer of Dedication concurrently with the close of construction financing for the affordable housing improvements. The dedication of the Affordable Site shall be deemed to be completed, upon acceptance of this Irrevocable Offer to Dedicate by the City Council, or, if directed by the City, the governing board of the City's designee or if the offer to dedicate under the final map is accepted as provided thereunder.

If and to the extent the City accepts the dedication of the Affordable Site hereunder, the City shall take all steps necessary or required to develop affordable housing in compliance with the Ordinance.

[Signature Page Follows]

IN WITNESS WHEREOF, Owner has caused this Irrevocable Offer to Dedicate to be executed as of the day and year first above written.

OWNER:

[INSERT OWNER SIGNATURE BLOCK]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

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, \_\_\_\_\_, Notary Public, 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.

Name: \_\_\_\_\_

Notary Public: \_\_\_\_\_

EXHIBIT A

LEGAL DESCRIPTION

All of the real property in the City of Redwood City, County of San Mateo, State of California, described as follows:

APN: \_\_\_\_\_

EXHIBIT E  
**ASSIGNMENT AND ASSUMPTION AGREEMENT**  
**ASSIGNMENT AND ASSUMPTION AGREEMENT**

This Assignment and Assumption Agreement (this “Agreement”) is entered into as of \_\_\_\_\_, 20 \_\_, by and Eden Housing Inc., a California nonprofit public benefit corporation (the “Assignor”), and \_\_\_\_\_, a \_\_\_\_\_ (the “Assignee”) with the acknowledgement of the City of Redwood City, a California charter city (the “City”).

RECITALS

A. Assignor previously entered into that certain Affordable Housing Land Donation Agreement, dated as of \_\_\_\_\_, 20 \_\_ (the “Land Donation Agreement”) under which the Assignor agreed to acquire the property located at 847 Woodside Road, Redwood City, County of San Mateo, State of California, as more particularly described in the Land Donation Agreement (the “Affordable Site”), to develop, construct and operate approximately seventy-one (71) affordable residential units and one unrestricted manager’s unit (the “Affordable Development”).

B. Assignor desires to transfer all of Assignor’s interest in the Affordable Development and to assign to Assignee its rights, duties and obligations under the Land Donation Agreement and Assignee desires to accept and assume each and all of the rights, duties, and obligations of the Assignor under the Land Donation Agreement.

C. Pursuant to Section 4.4 of the Land Donation Agreement, the Assignor may assign all of its right, title, interest and obligations under the Land Donation Agreement, provided that such assignee shall assume in writing all of Assignor’s obligations under the Land Donation Agreement.

NOW, THEREFORE, in consideration of the foregoing, and in consideration of the mutual promises of the parties hereto and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Effective Date. As used in this Agreement, the “Effective Date” shall be the date this Agreement is entered into by the Assignor and Assignee as first written above, which is the date Assignee acquired fee title to the Project from Assignor.

2. Assignment. As of the Effective Date, Assignor transfers and assigns to Assignee all of Assignor’s rights, interests, benefits, privileges, and duties and obligations under the Land Donation Agreement (“collectively the “Assigned Obligations”).

3. Assumption. As of the Effective Date, Assignor is assigning to Assignee and Assignee is assuming the foregoing assignment of the Assigned Obligations and agrees to perform and be bound by all of the terms, covenants, obligations and conditions imposed upon the Assignor under the Land Donation Agreement for the benefit of the City, as if the Assignee were the original signatory thereto, requiring performance subsequent to the Effective Date. The Assignee agrees to be bound in every way by all of the grants, terms, conditions, and covenants in respect of the Assignor contained in the Assigned Obligations occurring subsequent to the Effective Date. All references in the Land Donation Agreement to the Assignor shall hereafter be deemed to be references to the Assignee.

4. Representation and Warranty of Assignor. Assignor represents and warrants to the City and Assignee that:

a. That Assignee is a limited liability company\_\_\_\_\_ in which an affiliate of Assignor is a member and that through this Agreement the Assignee shall assume in writing all of Assignor's obligations under the Land Donation Agreement; and

b. To the best of the Assignor's knowledge, as of the date hereof, there exists no event of default under the Land Donation Agreement and that there is no event that, with the giving of notice, the passage of time, or both, would constitute an event of default.

5. Acknowledgement by City. The City acknowledges the assignment to, and assumption of, the Assigned Obligations by the Assignee as consistent with Section 4.4 of the Land Donation Agreement. The City further agrees pursuant to Section 7.10 of the Land Donation Agreement that the Land Donation Agreement is hereby amended by this written instrument.

6. Notices. All correspondence and notices given or required to be given to Assignor under the Land Donation Agreement, from and after the Effective Date, shall be provided to e Assignee and shall be addressed as follows:

[Name of Assignee]  
[Assignee's Address]  
[City] CA, [Zip]  
Attention: [Insert Name]

7. Subordination. The restrictions imposed under the Land Donation Agreement and assigned under this Agreement are land use restrictions required to comply with the requirements under the City's Affordable Housing Ordinance and California Government Code section 65915 and may not be subordinated. The City has no intent or obligation to subordinate the Land Donation Agreement or this Agreement to any current or future financing or deeds of trust. Nothing in this Section 7 shall prohibit the City from executing subordination agreements as may be requested by Affordable Developer in the manner provided for in the Land Donation Agreement.

8. Indemnification. To the full extent permitted by law, Assignor and Assignee shall be obligated to indemnify the City according to the terms and conditions and to the same extent as is specified in the Land Donation Agreement.

9. Further Acts. Each of the parties, upon the request of any other, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.

10. Attorneys' Fees. In the event of any litigation arising out of the subject matter of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

11. Inurement. This Agreement shall inure to the benefit of Assignor and Assignee, and their respective successors, assigns, loan participants, parent corporations, subsidiaries, affiliates, and successors-in-interest.

12. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the venue for such action shall be the Superior Court of the County of San Mateo.

13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one agreement. To facilitate the execution of this Agreement, the parties may execute and exchange counterparts of the signature pages by facsimile or electronic mail, and such facsimile or electronic mail counterparts shall be binding as original signature pages.

**ASSIGNOR:**

Eden Housing Inc., a California nonprofit public benefit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ASSIGNEE:**

[Insert Assignee Entity Name]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Acknowledged as compliant with the obligations of the Land Donation Agreement by the City of Redwood City.

CITY OF REDWOOD CITY, a California  
charter city

By: \_\_\_\_\_  
Melissa Stevenson Diaz, City Manager

ATTEST:

By: \_\_\_\_\_  
Yessika Castro, City Clerk

EXHIBIT F  
**FORM OF ASSIGNMENT OF CONTRACTS**  
**ASSIGNMENT OF CONTRACTS AGREEMENT**

This ASSIGNMENT OF CONTRACT (this “**Assignment Agreement**”) is made as of \_\_\_\_\_, 20\_\_ (the “**Effective Date**”), by City of Redwood City, a California charter city (the “**City**”), [Insert Qualified Designee Name], a [Insert Qualified Designee entity], and its permitted successors and assigns (the “**Assignor**”). The City shall hereinafter be referred to as the “**Assignee**”. This Assignment is entered into with reference to the following facts:

**RECITALS**

A. The Assignor, the Assignee, and [Insert Donor Legal Name], a [Insert Donor legal entity] (“**Donor**”) have entered into that certain Affordable Housing Land Donation Agreement dated as of \_\_\_\_\_, 20\_\_ (the “**Land Donation Agreement**”). Capitalized terms used, but not defined, in this Assignment shall have the meaning set forth in the Land Donation Agreement.

B. Assignor is required to enter into this Assignment Agreement and assign and pledge to Assignee all of Assignor's rights, title and interests in, to and under those certain contracts listed in the attached Exhibit A, together with any and all existing and future amendments, modifications, supplements, and addenda thereto (collectively, the “**Contracts**”).

NOW THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants and conditions contained herein, the parties hereto hereby agree as follows:

1. **Definitions.** Capitalized terms that are used but not defined herein shall have the meanings given to such terms in the Land Donation Agreement.

2. **Obligations Secured.** This Assignment is made for the purpose of facilitating performance of all of the duties and obligations of Assignor under the Land Donation Agreement (collectively, the “**Assigned Obligations**”).

3. **Assignment.** Assignor hereby assigns, conveys and transfers to Assignee, as security for the Assigned Obligations, all of Assignor’s right, title and interest in, to and under the Contracts. A complete copy of the Contracts, and any other document listed on Exhibit A shall be provided to Assignee concurrently with delivery of this Assignment, and as necessary to meet the requirements of the Land Donation Agreement.

4. **Consent.** Assignor agrees to obtain and deliver to Assignee, concurrently with its delivery of this Assignment, any necessary consent to the assignment substantially in the form of Exhibit B hereto from the contractors, and any other contractors retained by Assignor in connection with the Affordable Development. This Assignment and the consent to this Assignment shall not relieve Assignor of its obligations under the Contracts. Assignee does not hereby assume any of Assignor’s obligations or duties concerning the Contracts, including, without limitation, any obligation to pay for the work done pursuant thereto.

5. **Power of Attorney.** Effective upon the occurrence and during the continuance of a Default, Assignor hereby irrevocably constitutes and appoints Assignee as its attorney-in-fact,

which power is coupled with an interest, to demand, receive and enforce any and all of Assignor's rights with respect to the Contracts, to give appropriate receipts, releases and satisfactions for and on behalf of Assignor, and to perform any and all acts in the name of Assignor, or at the option of Assignee, in the name of Assignee, with the same force and effect as if performed by Assignor in the absence of this Assignment.

**6. Performance and Enforcement.** So long as the City has not enforced its rights under the Irrevocable Offer to Dedicate under the Land Donation Agreement, Assignor shall have the exclusive right to exercise and enjoy all of the rights and benefits arising out of the Contracts and Assignee shall not have any right to exercise or enjoy any of the rights and benefits arising out of the Contracts. Assignor covenants and agrees with Assignee that Assignor will: (i) fulfill, perform and observe each and every condition and covenant of Assignor contained in the Contracts; (ii) give written notice to Assignee within seven (7) days after any default by Contractor under the Contracts; and (iii) enforce the performance and observance of each and every covenant and condition to be performed or observed by Contractor under the Contracts, unless it is commercially reasonable to waive or extend the time for the performance and observation of any such covenants and conditions, unless a waiver, time extension, or modification of any such covenants and conditions is approved by Assignee, such approvals not to be unreasonably withheld.

**7. Rights and Remedies under the Land Donation Agreement.** In addition to the rights and remedies under Section 9 below, upon the occurrence and during the continuation of a Default under the Land Donation Agreement, subject to the terms of Section 5.2 of the Land Donation Agreement, the Assignee shall have the right, at its option, to enforce Assignor's rights and interest with respect to the Contracts and the Assignee may, without affecting any of the Assignee's rights and remedies against Assignor under any other instrument, document or agreement, including, but not limited to the Land Donation Agreement, upon not fewer than ten (10) days prior written notice to Assignor, exercise the Assignee's rights under this Assignment as Assignor's attorney in fact or in any other manner permitted by law. In addition, the Assignee shall have and possess, without limitation, any and all rights and remedies of a secured party under the Uniform Commercial Code (as in effect in California) or as otherwise provided by law. From and after the time the Assignor cures such Default under the Land Donation Agreement, then the Assignee shall no longer have the right to enforce Assignor's rights and interest with respect to Contracts nor the right to exercise the Assignee's rights under this Assignment as Assignor's attorney in fact or in any other manner with respect to that particular Default.

**8. Representations, Warranties and Covenants.** Assignor hereby represents and warrants to Assignee that: (i) no previous assignment of Assignor's interest in and to or rights under the Contracts has been made (other than to Assignor's Assignee-approved construction lender or limited partner investor) ; (ii) all covenants, agreements and conditions required to be performed or occur under the Contracts, as of the Effective Date, by Assignor have been performed or occurred; (iii) Assignor has done no act nor omitted to do any act that might prevent Assignee from exercising any of the rights, powers and privileges conferred by the Contracts; and (iv) to the knowledge of Assignor, no default exists under the provisions of the Contracts. Assignor represents and warrants that the copy of the Contracts provided by Assignor to Assignee is the complete and entire agreement between Assignor and Contactor in all material respects. Assignor covenants that (x) the Contracts is consistent with the applicable requirements of Article 8 of the

Land Donation Agreement, and contains a provision pursuant to which Assignor or Assignee shall have the right, upon the occurrence of a Default to allow Assignee to rely on and use the work product produced under the Contract and (y) Assignor shall deliver such notice to Contractor promptly upon delivery of written notice from Assignee directing Assignor to give such notice.

9. **Amendments.** Assignor agrees not to amend, modify, terminate, assign, sell, pledge or otherwise transfer or encumber in any manner Assignor's interest in and to or rights under the Contracts without the prior written consent of Assignee (which shall not be unreasonably delayed, withheld, or conditioned), so long as this Assignment remains in effect. Assignor hereby represents and warrants to the Assignee that the Contracts contains a provision consistent with the requirements of Section 8.5 of the Land Donation Agreement regarding Assignee's approval of certain change orders.

10. **Continuing Effect.** This Assignment shall create a continuing security interest in and lien on the Contracts and shall remain in full force and effect until terminated in accordance with the provisions of Section 13 of this Assignment.

11. **Termination.** If not sooner terminated by the written concurrence of the parties, this Assignment shall terminate upon the satisfaction of the Obligations. Notwithstanding the foregoing, any and all provisions herein relating to the indemnification of the Assignee shall survive such termination.

12. **Determinations by Assignee.** Except to the extent expressly set forth in this Assignment to the contrary, in any instance where the consent or approval of Assignee may be given or is required, or where any determination, judgment or decision is to be rendered by Assignee under this Assignment, the granting, withholding or denial of such consent or approval and the rendering of such determination, judgment or decision shall be made or exercised for consents and approvals required from the Assignee, in the reasonable discretion of the City Manager, or by any person who shall have been designated in writing to the Assignor by the City Manager, without further approval by the City Council. Any such action shall be in writing.

13. **Release; Indemnity; Assignment of Rights and Claims.**

(a) **Release.** Assignor covenants and agrees that, in performing any of its rights or duties under this Assignment, neither the Assignee and its council members, board members, officers, representatives, agents, assigns or employees (collectively, the "Released Parties"), shall be liable for any losses, claims, damages, liabilities and expenses that may be incurred by any of them as a result of such performance, except to the extent such liability for any losses, claims, damages, liabilities or expenses arises out of the willful misconduct or gross negligence of such party.

(b) **Indemnity.** Assignor hereby agrees to indemnify and hold harmless the Released Parties from and against any and all losses, claims, damages, liabilities and expenses including, without limitation, reasonable attorneys' fees and costs and disbursements, which may be imposed or incurred by any of them in connection with this Assignment, except that no such party will be indemnified for any losses, claims, damages, liabilities or expenses arising out of the willful misconduct or gross negligence of such party.

(c) Assignment of Rights and Claims against Contractor. Assignor assigns to Assignee all rights and claims Assignor may have against Contractor in connection with the Contracts; provided, however, that Assignee may not pursue any such right or claim unless a Default shall have occurred under the Land Donation Agreement.

**14. Governing Law.** This Assignment shall be governed by and enforced in accordance with the laws of California, without giving effect to the choice of law principles that would require the application of the laws of a jurisdiction other than California.

**15. Consent to Jurisdiction and Venue.** Assignor agrees that any controversy arising under or in relation to this Assignment shall be litigated exclusively in the State of California. The state and federal courts and authorities with jurisdiction in the State of California shall have exclusive jurisdiction over all controversies which shall arise under or in relation to this Assignment. Assignor irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise. However, nothing herein is intended to limit the Assignee's right to bring any suit, action or proceeding relating to matters arising under this Assignment against Assignor or any of Assignor's assets in any court of any other jurisdiction.

**16. Successors and Assigns.** This Assignment shall be binding upon Assignor and its heirs, legal representatives, successors, successors-in-interest and assigns, as appropriate, and shall inure to the benefit of the Assignee and its respective successors, successors-in-interest and assigns. The terms used to designate any of the parties herein shall be deemed to include the heirs, legal representatives, successors, successors-in-interest and assigns, as appropriate, of such parties. References to a "person" or "persons" shall be deemed to include individuals and entities. Assignor acknowledges and agrees that the Assignee, at its option, may assign its rights and interests under this Assignment in whole or in part and upon such assignment all the terms and provisions of this Assignment shall inure to the benefit of such assignee to the extent so assigned. Except as may otherwise be permitted pursuant to the Land Donation Agreement, the Affordable Housing Restrictive Covenants Agreement, and the Irrevocable Offer to Dedicate, Assignor may not assign or delegate its rights, interests or obligations under this Assignment without first obtaining Assignee's prior written consent, such consent not to be unreasonably withheld.

**17. Severability.** The invalidity, illegality or unenforceability of any provision of this Assignment shall not affect the validity, legality or enforceability of any other provision, and all other provisions shall remain in full force and effect.

**18. Expenses.** Assignor shall pay to the Assignee, upon demand, the amount of any and all expenses, including, without limitation, reasonable attorney's fees (including reasonable time charges of attorneys who may be employees of the Assignee), which the Assignee may incur in connection with (a) the custody, preservation or sale of, collection from, or other realization upon any of the interests assigned or encumbered by this Assignment, (b) the exercise or enforcement of any of its rights hereunder, (c) the failure by Assignor to perform or observe any of the provisions hereof, or (d) the breach by Assignor of any representation or warranty of Assignor set forth herein.

**19. Remedies Cumulative.** In the event of Assignor's default under this Assignment, the Assignee may exercise all or any one or more of its rights and remedies available under this

Assignment, at law or in equity. Such rights and remedies shall be cumulative and concurrent, and may be enforced separately, successively or together, and the exercise of any particular right or remedy shall not in any way prevent the Assignee from exercising any other right or remedy available to the Assignee, including, but not limited to, the remedies set forth in the Land Donation Agreement. The Assignee may exercise any such remedies from time to time as often as may be deemed necessary by the Assignee.

**20. No Agency or Partnership.** Nothing contained in this Assignment shall constitute the Assignee as a joint venturer, partner or agent of Assignor, or render the Assignee liable for any debts, obligations, acts, omissions, representations or contracts of Assignor.

**21. Entire Agreement; Amendment and Waiver.** This Assignment, in conjunction with the Land Donation Agreement, the Affordable Housing Restrictive Covenants Agreement, and the Irrevocable Offer to Dedicate, (to the extent applicable), constitutes the sole understanding of the parties with respect to the subject matter of this Assignment, and may not be amended or modified except in writing signed by the parties. The parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (including, but not limited to Civil Code Section 1654, as may be amended from time to time) shall not apply to the interpretation of this Assignment. No specific waiver of any of the terms of this Assignment shall be considered as a general waiver.

**22. Further Assurances.** Assignor shall at any time and from time to time, promptly execute and deliver all further instruments and documents, and take all further action that may be reasonably necessary or desirable, or that the Assignee may reasonably request, in order to protect any right or interest granted by this Assignment or to enable the Assignee to exercise and enforce its rights and remedies under this Assignment.

**23. No Amendment; Conflicts.** Nothing contained in this Assignment shall be construed to amend, modify, alter, change or supersede the terms and provisions of the Land Donation Agreement, the Affordable Housing Restrictive Covenants Agreement, and the Irrevocable Offer to Dedicate; and, if there is a conflict between the terms and provisions of this Assignment and those of the Land Donation Agreement, the Affordable Housing Restrictive Covenants Agreement, and the Irrevocable Offer to Dedicate. then the terms and provisions of the Land Donation Agreement, the Affordable Housing Restrictive Covenants Agreement, and the Irrevocable Offer to Dedicate shall control, as applicable.

**24. Notices.** All notices given under this Assignment shall be in writing and shall be sent to the respective addresses of the parties, in the manner set forth in the Land Donation Agreement, the Affordable Housing Restrictive Covenants Agreement, and the Irrevocable Offer to Dedicate, as applicable.

**25. Captions.** The captions of the sections of this Assignment are for convenience only and shall be disregarded in construing this Assignment.

**26. Time of the Essence.** Time is of the essence with respect to this Assignment.

**27. Multiple Originals; Counterparts.** This Agreement may be executed in multiple originals, each of which shall be deemed to be an original, and may be executed in counterparts.

**28. Exhibits.** The following Exhibits are attached to this Assignment and are incorporated by reference herein as if more fully set forth in the text hereof:

- Exhibit A – Description of Contracts(s)
- Exhibit B – Contractor's Consent

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has executed this Assignment of Contracts as of the Effective Date.

**ASSIGNOR:**

\_\_\_\_\_, a  
\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**ASSIGNEE:**

CITY OF REDWOOD CITY, a California  
charter city

By: \_\_\_\_\_  
Melissa Stevenson Diaz, City Manager

ATTEST:

\_\_\_\_\_  
Yessika Castro, City Clerk

EXHIBIT A

DESCRIPTION OF CONTRACTS

EXHIBIT B

CONSENT TO ASSIGNMENT OF CONTRACT

The undersigned hereby executes this Consent to Assignment of Contract (this “Consent”) to the foregoing Assignment of Contracts executed by \_\_\_\_\_, a \_\_\_\_\_ (“Assignor”), to and for the benefit of the City of Redwood City, a California charter city (the “City” also referred to as the “Assignee”), dated as of the date hereof (the “Assignment”). The undersigned agrees to perform pursuant to the terms and conditions of the undersigned’s Agreement with Assignor (the “Agreement”) described in Exhibit A attached to the Assignment. If requested by Assignee in the exercise of its rights under the Assignment, the undersigned shall continue to perform its obligations under the Agreement in accordance with the terms thereof for which the undersigned shall be compensated in accordance with its Agreement. The undersigned also agrees that, in the event of a breach by Assignor of any of the terms and conditions of the Agreement, the undersigned will give prompt written notice of such breach to Assignee at Assignee' address provided to undersigned. Assignee shall have thirty (30) days from the receipt of such notice of default to remedy or cure such default, provided, however that neither the Assignment nor this Consent shall require Assignee to cure such default, but Assignee shall, in its sole discretion, have the option to do so. The undersigned acknowledges that Assignee are relying on this Consent and the assurances herein in entering into the Land Donation Agreement and this Consent shall also be for the benefit of and bind Assignee and any successors of Assignee and the undersigned. All capitalized terms used in this Consent shall have the same meaning as in the Assignment. The undersigned represents and warrants that the Agreement between Assignor and the undersigned is in full force and effect as of the date hereof.

Dated as of \_\_\_\_\_

CONTRACTOR:

\_\_\_\_\_, a  
\_\_\_\_\_

By \_\_\_\_\_

Name: \_\_\_\_\_

Its \_\_\_\_\_

EXHIBIT G

**RESTRICTIVE COVENANTS AGREEMENT**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Clerk

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE  
SECTIONS 6103 AND 27383

APN: \_\_\_\_\_

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*(Space above for Recorder's Use)*

This Agreement is recorded at the request and for the benefit of the City of Redwood City and is exempt from the payment of a recording fee pursuant to Government Code Sections 27383.

**AFFORDABLE HOUSING  
RESTRICTIVE COVENANTS AGREEMENT  
(847 Woodside Road)**

This Affordable Housing Restrictive Covenants Agreement (the “**Agreement**”) is made and entered into as of \_\_\_\_\_, \_\_\_\_\_, by and between the City of Redwood City, a California charter city (the “**City**”), and \_\_\_\_\_, a California limited partnership, and permitted successor and assigns approved by the City (the “**Affordable Developer**”) (together, the “**Parties**”).

RECITALS

A. These Recitals refer to and utilize certain capitalized terms which are defined in Article 1 of this Agreement. The Parties intend to refer to those definitions in connection with the use of capitalized terms in these Recitals.

B. In June 2018, the City adopted Ordinance 1130-375, the Affordable Housing Ordinance, set forth in Article 29 of the Redwood City Zoning Code, as amended (the “**Ordinance**”) which requires that specified new nonresidential development projects and residential development projects construct affordable units on-site or pay a housing impact fee as specified in Section 29.3 of the Ordinance. The Ordinance allows, under specified circumstances, a developer to propose alternative means of compliance.

C. Lane 1900 Broadway Owner LLC, a California limited liability company (“**Developer**”) on behalf of Lane 847 Woodside, LLC, a California limited liability company (Developer’s affiliate company hereinafter referred to as “**Donor**”) submitted an application for development of a project at 1900 Broadway for a seven (7) story mixed-use building consisting of 256,200 sq. ft., including over 10,000 sq. ft. of ground floor retail. The project features a 12,000 sq. ft. of public open space plaza at the corner of Broadway and Main Street (the “1900 Broadway Project”), which is subject to the Ordinance.

D. Section 29.1.C.12 of the Ordinance recognizes that accepting land donations increases the sites with appropriate zoning, development standards, and infrastructure capacity to accommodate affordable residential developments within the City.

E. The City approved an Affordable Housing Plan for the 1900 Broadway Project, dated August 1, 2024 (the “**Affordable Housing Plan**”), which contemplates and allows for the land donation described in this Agreement.

F. Eden Housing, Inc., a California nonprofit public benefit corporation (“Eden”), as predecessor-in-interest to Affordable Developer, the City, Developer and Donor entered into that certain Affordable Housing Land Donation Agreement, dated as of \_\_\_\_\_, 2024 (the “**Land Donation Agreement**”) under which the Donor agreed to donate to Eden specified real property generally located 847 Woodside Road, in the City of Redwood City, County of San Mateo, State of California, as more particularly described in Exhibit ”A” attached hereto and incorporated herein by this reference (the “**Affordable Site**”) to implement that Affordable Housing Plan for the 1900 Broadway Project.

G. Pursuant to that certain Partial Assignment of Development Agreement, dated as of \_\_\_\_\_, 2024 (the “**Partial Assignment of Development Agreement**”), \_\_\_\_\_ [Eden, as predecessor-in-interest to Affordable Developer], assumed the affordable housing rights, duties and obligations of the Donor associated with the 1900 Broadway Project Approvals under the Development Agreement for the 1900 Broadway Project.

H. Donor effectuated the transfer of the Affordable Site to \_\_\_\_\_ [Eden/Affordable Developer] under that certain Grant Deed which is being recorded concurrently herewith.

I. Under the Affordable Housing Plan, \_\_\_\_\_ [Eden/Affordable Developer] agreed to develop the Affordable Site with not less than approximately seventy-one (71) affordable residential units (excluding the manager’s unit) in such manner and subject to such income requirements as specified in the Affordable Housing Plan (the “**Affordable Units**”), required by the City in order to facilitate the entitlement and development of the 1900 Broadway Project (the “**Affordable Development**”). The Parties are entering into this Agreement in order to satisfy such requirements.

J. The City has determined that the Affordable Development may utilize the rents allowed under Government Code section 65915(c)(1)(B)(ii) for up to eighty percent (80%) or fifty-six (56) of the Affordable Units. The Affordable Development was granted the following concessions and waivers: (i) a 24.5% density bonus; (ii) a concession in the reduction in parking

for the Affordable Development to include a total of 57 parking spaces; (iii) waiver in the daylight plane of 19 degrees from City’s requirements; (iv) a waiver in the building length; and (v) a waiver of the pervious area standards for the lot.

K. To satisfy the requirements of the City’s Affordable Housing Ordinance and to satisfy its Density Bonus Law, the City is requiring the Affordable Developer to enter into this Agreement, which shall be recorded against the Affordable Site to implement the affordability requirements of that certain Land Donation Agreement and the Affordable Housing Plan and to ensure that the Affordable Development will be used for the purpose approved by the City and that the Affordable Units will be maintained and operated in accordance with the City’s conditions and restrictions concerning affordability, operation, and maintenance.

L. To ensure that the Affordable Development will be used, operated and maintained in accordance with these conditions and restrictions, the City and the Affordable Developer wish to enter into this Agreement.

THEREFORE, City and the Affordable Developer hereby agree as follows.

ARTICLE 1  
DEFINITIONS

Section 1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings assigned to them in this Article 1.

(a) “Actual Household Size” means the actual number of persons in the applicable household.

(b) “Affordable Developer” has the meaning set forth in the preamble above. At all times, the Affordable Developer shall be a “qualifying designee” as defined in the Affordable Housing Ordinance.

(c) “Affordable Housing Monitoring Fee” has the meaning set forth in Section 3.6 below.

(d) “Affordable Housing Ordinance” means that certain Ordinance 2498 adopted September 27, 2021 and set forth in Article 29 of the Redwood City Zoning Code, as such may be amended, together with the Affordable Housing Program Guidelines adopted to implement the Affordable Housing Ordinance.

(e) “Affordable Development” means the Affordable Site and the Affordable Units.

(f) “Affordable Rent” means the total monthly Rent for an Affordable Unit not exceeding either (as applicable) the rents specified by Section 50053 of the California Health and Safety Code or thirty percent (30%) of the imputed income limitation applicable to such unit pursuant to Section 42(g)(2)(C) of the Internal Revenue Code (as determined by CTCAC) for the appropriate Household Income level. As allowed under Government Code Section

65915(c)(1)(B)(ii), the Rent for at least twenty percent (20%) of the Affordable Units shall be set at Rents not exceeding the rents specified by Section 50053 of the California Health and Safety Code for the appropriate Household Income level and the Rent for the remaining Affordable Units shall be set at an amount consistent with the maximum rent levels for the appropriate Household Income levels as determined by the CTCAC.

(g) “Affordable Site” has the meaning set forth in Recital B above.

(h) “Affordable Units” means the seventy-one (71) restricted units in the Affordable Development.

(i) “Agreement” has the meaning set for in the preamble above.

(j) “Area Median Income” or “AMI” means the median gross yearly income adjusted for Actual Household Size (to qualify residents) or Assumed Household Size (to calculate rents), as applicable, in San Mateo County, either as applicable (i) as published from time to time by the State of California Department of Housing and Community Development; or (ii) as determined by the Secretary of the Treasury of the United States for purposes of Section 42 of the Internal Revenue Code. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, the City shall provide the Affordable Developer with other income determinations which are reasonably similar with respect to methods of calculation to those previously published by the State.

(k) “Assumed Household Size” shall have the meaning set forth in Section 2.2(d). The definition is utilized to calculate affordable rent and is not intended to be a limit on the number of persons occupying a unit.

(l) “City” has the meaning set forth in the preamble above.

(m) “CTCAC” means the California Tax Credit Allocation Committee.

(n) “Density Bonus Units” means the units permitted beyond the base density that would otherwise be allowed on a parcel pursuant to local zoning, as allowed under Government Code 65915.

(o) “Donor” has the meaning set forth in Recital B above.

(p) “Extremely Low-Income Household” means a household with an annual Household Income no greater than the maximum income for extremely low income households, as published annually by the City for each household size, based on either United States Department of Housing and Urban Development (HUD) income limits for San Mateo County or the California Department of Housing and Community Development (HCD) income limits for San Mateo County, as applicable.

(q) “Extremely Low-Income Rent” means the Affordable Rent permitted to be charged for an Extremely Low-Income Unit, and as provided to the Affordable Developer annually by the City or as published by CTCAC for 30% AMI households, as applicable.

(r) “Extremely Low-Income Units” means Affordable Units required to be occupied by Extremely Low-Income Households.

(s) “HCD” means the California Department of Housing and Community Development.

(t) “Household Income” means the total anticipated annual income of all persons in a household, as calculated in accordance with 25 California Code of Regulations Section 6914 or pursuant to a successor State housing program that utilizes a reasonably similar method of calculation of adjusted income. In the event that no such program exists, the City shall provide the Affordable Developer with a reasonably similar method of calculation of adjusted income as provided in said Section 6914. For Affordable Units that are subject to Affordable Rents as provided by CTCAC, the Household Income shall be set at an amount consistent with the household income levels as determined by the CTCAC.

(u) “Investor Limited Partner” means (if applicable), the tax credit limited partner or partners, and their respective successors and assigns, admitted to the Affordable Developer’s partnership in connection with the issuance of low income housing tax credits to the Affordable Development.

(v) “Low-Income Household” means a household with an annual Household Income no greater than the maximum income for low-income households, as published annually by the City for each household size, based on either United States Department of Housing and Urban Development (HUD) income limits for San Mateo County or the California Department of Housing and Community Development (HCD) income limits for San Mateo County, as applicable.

(w) “Low-Income Rent” means the Affordable Rent permitted to be charged for a Low-Income Unit, and as provided to the Affordable Developer annually by the City or as published by CTCAC for 80% AMI households, as applicable.

(x) “Low-Income Units” means Affordable Units required to be occupied by Low-Income Households.

(y) “Management Agent” has the meaning set forth in Section 5.2 below.

(z) “Management Plan” has the meaning set forth in Section 5.1 below.

(aa) “Affordable Developer” has the meaning set forth in the preamble above.

(bb) “Rent” means the total of monthly payments by the Resident for the following:

(1) use and occupancy of the Affordable Unit and land and associated facilities;

(2) any separately charged fees or service charges assessed by Affordable Developer which are required of all Residents, including parking, other than security deposits;

(3) the cost of an adequate level of service for utilities paid by the Resident, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel (estimated using utility allowance calculations), but not cable or telephone service; and

(4) any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than Affordable Developer and paid by the Resident.

(cc) “Resident” means a household occupying an Affordable Unit.

(dd) “Resident Selection Criteria” means the process by which the Affordable Developer determines a household’s eligibility to reside in an Affordable Unit, as approved by the City.

(ee) “Term” which commences as of the date of this Agreement and, unless terminated earlier or extended by the Parties pursuant to this Agreement, ends fifty-five (55) years from the date that the final certificate of occupancy is issued for the Property.

(ff) “Very Low-Income Household” means a household with an annual Household Income no greater than the maximum income for very low income households, as published annually by the City for each household size, based on either United States Department of Housing and Urban Development (HUD) income limits for San Mateo County or the California Department of Housing and Community Development (HCD) income limits for San Mateo County, as applicable.

(gg) “Very Low-Income Rent” means the Affordable Rent permitted to be charged for a Very Low-Income Unit, and as provided to the Affordable Developer annually by the City or as published by CTCAC for 50% AMI households, as applicable.

(hh) “Very Low-Income Units” means Affordable Units required to be occupied by Very Low-Income Households.

ARTICLE 2  
AFFORDABILITY AND OCCUPANCY COVENANTS

Section 2.1 Occupancy Requirements for Affordable Units.

(a) Extremely Low-Income Units. None of the Affordable Units are required to be rented to and occupied by or, if vacant, available for occupancy by Extremely Low-Income Households.

(b) Very Low-Income Units. Thirty-One (31) of the Affordable Units, including \_\_\_\_\_ ( ) studio units, \_\_\_\_\_ ( ) one-bedroom units, \_\_\_\_\_ ( ) two-bedroom units, and \_\_\_\_\_ ( ) three-bedroom units shall be rented to and occupied by or, if vacant, available for occupancy by Very Low-Income Households.

(c) Low-Income Units. Forty (40) of the Affordable Units, including \_\_\_\_\_ ( ) studio units, \_\_\_\_\_ ( ) one-bedroom units, \_\_\_\_\_ ( ) two-bedroom units, and \_\_\_\_\_ ( ) three-bedroom units shall be rented to and occupied by or, if vacant, available for occupancy by Low-Income Households.

(d) Density Bonus Units. All of the Affordable Units described in Section 2.1 above, are also considered Density Bonus Units.

(e) Manager's Unit. One (1) unit in the Affordable Development shall be available for designation as the manager's unit and shall not be restricted as an Affordable Unit.

(f) Principal Residence. Any household that occupies an Affordable Unit must occupy that unit as its principal residence.

(g) Approval of Residents. The Affordable Developer shall complete the required income certification in connection with an Affordable Unit in accordance with the Resident Selection Criteria.

(h) Senior City Restrictions. The provisions to enforce the Affordable Developer's obligations under the Affordable Housing Plan and the City's Affordable Housing Ordinance (the "AH Restrictions"), and provisions to enforce Affordable Developer's obligation under Government Code section 65915 ("Density Bonus Restrictions"), to construct, or cause to be constructed, the Affordable Development. The AH Restrictions and the Density Bonus Restrictions are, collectively, the "City Senior Restrictions." The City Senior Restrictions may not be subordinated to any lien or encumbrance whatsoever.

Section 2.2 Allowable Rent.

(a) Affordable Rent. Affordable Developer shall not charge rent for the Affordable Units exceeding the Affordable Rent applicable to Extremely Low-Income Units, Very Low Income Units, and Low Income Units set forth below, subject to Affordable Rent as determined by CTCAC and in no circumstance may more than 80% or fifty-six (56) of the Affordable Units be subject to Affordable Rent as determined by CTCAC. To the extent the Affordable Rent allowed hereunder conflict with rents set forth in Section 50053 of the California

Health and Safety Code, the rents allowed here under shall prevail. Affordable Developer shall determine in its sole discretion which units shall be charged Affordable Rent as determined by CTCAC and may change the units designated as Affordable Rents as determined by CTCAC at any time, so long as not more than 56 Affordable Units are charged Affordable Rent as determined by CTCAC.

(b) Extremely Low-Income Rent. Subject to Section 2.3 below, the Rent charged to Residents of the Extremely Low-Income Units shall not exceed the Extremely Low-Income Rent.

(c) Very Low-Income Rent. Subject to Section 2.3 below, the Rent charged to Residents of the Very Low-Income Units shall not exceed the Very Low-Income Rent.

(d) Low Income Rent. Subject to Section 2.3 below, the Rent charged to Residents of the Low-Income Units shall not exceed the Low-Income Rent.

(e) No Additional Fees. The Affordable Developer shall not charge any fee, other than the Affordable Rent, to any Resident for any housing or other services provided by the Affordable Developer.

(f) Initial and Subsequent Rents. No later than November 1 of each calendar year, the City shall provide the Affordable Developer with a schedule of permissible maximum Extremely Low Income Rents, Very Low Income Rents and Low Income Rents for the succeeding year. Under no circumstance may Affordable Developer raise rents above the permissible maximum rents as allowed under the annual rent schedule provided by the City and/or CTCAC, as applicable.

(g) Assumed Household Size. In calculating the allowable Rent for the 20% of the Affordable Units, the following “Assumed Household Sizes” shall be utilized pursuant to the terms of Health and Safety Code Section 50052.5(h), except as set forth below:

<u>Number of Bedrooms</u>	<u>Assumed Household Size</u>
Studio	1
One	2
Two	3
Three	4

For up to 80% of the Affordable Units in the Affordable Development that are charged Affordable Rents as determined by CTCAC, the following Assumed Household Size may (at Affordable Developer’s election) be used:

<u>Number of Bedrooms</u>	<u>Assumed Household Size</u>
Studio	1
One	1.5
Two	3
Three	4.5

Section 2.3 Increased Income of Residents.

(a) Extremely Low-Income Household to Very Low- or Low-Income Household. If, upon recertification of a Household's Income, the Affordable Developer determines that a former Extremely Low-Income Household's Income has increased and exceeds the qualifying income for an Extremely Low-Income Household but does not exceed the qualifying limit for a Very Low-Income Household or Low-Income Household, then, upon expiration of the Resident's lease term: (1) such Resident's unit may be considered a Very Low-Income Unit or Low-Income Unit, as applicable; (2) such Resident's Rent may be increased to a Very Low-Income Rent or a Low-Income Rent, as applicable, upon six (6) months prior written notice to the Resident; and (3) the Affordable Developer shall rent the next available Very Low-Income or Low-Income Unit, as applicable, of comparable size to an Extremely Low-Income Household at an Extremely Low-Income Rent.

(b) Very Low-Income Household to Low-Income Household. If, upon recertification of a Household's Income, the Affordable Developer determines that a former Very Low-Income Household's Income has increased and exceeds the qualifying income for a Very Low-Income Household but does not exceed the qualifying limit for a Low-Income Household, then, upon expiration of the Resident's lease term: (1) such Resident's unit may be considered a Low-Income Unit; (2) such Resident's Rent may be increased to a Low-Income Rent, upon six (6) months prior written notice to the Resident; and (3) the Affordable Developer shall rent the next available Low-Income Unit of comparable size to a Very Low-Income Household at a Very Low-Income Rent.

(c) Non-Qualifying Household. If, upon recertification of a Household's Income, the Affordable Developer determines that a former Extremely Low-Income Household, Very Low-Income Household or Low-Income Household has a Household Income exceeding the maximum qualifying income for a Low-Income Household by more than ten percent (10%), such Resident shall be permitted to continue occupying the unit and upon expiration of the Resident's lease and upon six (6) months prior written notice, the Resident may continue to reside in the unit and the Rent may be increased to the lesser of one-twelfth (1/12<sup>th</sup>) of thirty percent (30%) of actual adjusted income of the Resident, or fair market rent. Affordable Developer shall rent the next available Unit to an Extremely Low Income Household, a Very Low Income Household or a Low Income Household as applicable to comply with the requirements of Section 2.1 above, at a Rent not exceeding the maximum Rent specified in Section 2.2. The parties hereto agree that, notwithstanding any increase in a Resident's income, such Resident may only be evicted from their unit for cause consistent with the requirements set forth in Section 1946.2 of the California Civil Code.

(d) Termination of Occupancy. Upon termination of occupancy of a unit by a Resident, such Affordable Unit shall be deemed to be continuously occupied by a household of the same income level (e.g., Extremely Low-Income Household, Very Low-Income Household or Low-Income Household) as the last income level for which the vacating Resident qualified, until such Affordable Unit is reoccupied, at which time the income character of the Affordable Unit (e.g., Extremely Low-Income Unit, Very Low-Income Unit or Low-Income Unit) shall be redetermined. In any event, Affordable Developer shall maintain the occupancy requirements set forth in Section 2.1 above subject to adjustment periods that may result from compliance with this Section 2.3.

(e) Float Up. Notwithstanding any covenant of this Agreement to the contrary, in the event of a termination or material reduction of Section 8 project-based vouchers or other rental assistance for the Units, or upon a foreclosure of any deed of trust (or transfer of the Project by deed in lieu thereof), the Parties agree that the following shall apply:

(1) City agrees that, upon Borrower's or the lender's request and City's written approval, which shall not be unreasonably withheld, the maximum tenant household income and maximum annual rent for Affordable Units may be increased to amounts necessary to make operation of the Project financially feasible, including the payment of all required operating costs and debt service, but in no event may: (a) the maximum tenant household income limitation exceed eighty percent (80%) of AMI, and (b) the maximum annual rental limitation exceed thirty percent (30%) of eighty percent (80%) AMI as determined by CTCAC.

(2) In the case of increases due to termination or material reduction of Section 8 project-based vouchers or other rental assistance for the Affordable Units or a foreclosure of any approved financing or deed in lieu thereof, the above increases may continue until such time that such rental assistance or comparable operating subsidy is restored. Notwithstanding anything to the contrary in this section, the Borrower shall use good faith efforts to not displace tenant households and must use good faith efforts to reduce the effect of rent increases permitted to be imposed on existing tenant households by (1) the use of operating and transition reserves to the extent such funds are available, and (2) the use of other subsidy sources available that would mitigate the rent increases.

#### Section 2.4 Marketing and Rental of Units.

(a) The Affordable Developer shall market the Affordable Units to eligible households at Rents required by Section 2.2, in compliance with the marketing and management plan approved in advance by the City pursuant to Section 5.1 and consistent with this Agreement and the Affordable Housing Ordinance.

(b) To the extent permitted by applicable law including fair housing laws, and unless prohibited by the regulations of the HCD or HUD or other applicable law, the Affordable Developer shall grant a preference in rental of the Affordable Units to otherwise qualified households: (1) eligible households displaced by any activity (including the exercise of police powers and code enforcement) of the City or as provided in Health and Safety Code Section 33411.3 or by public projects implemented by the City; and (2) to eligible households that live (or

have ever lived), work or have been offered work in the City of Redwood City. The preferences set forth in the immediately preceding sentence are required by law.

Section 2.5 Condominium Conversion. The Affordable Developer shall not convert any of the Affordable Units to condominium or cooperative ownership or sell condominium or cooperative conversion rights to the Affordable Development.

Section 2.6 Units Available to the Disabled. To the extent such laws are applicable to the Property, Affordable Developer shall construct and maintain the Affordable Development to comply with all applicable federal and state disabled persons accessibility requirements including the Federal Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title II and/or Title III of the Americans with Disabilities Act of 1990, and Title 24 of the California Code of Regulations.

Section 2.7 Lease Provisions. The Affordable Developer shall include in leases for all Affordable Units provisions which authorize the Affordable Developer to immediately terminate the tenancy of any household one or more of whose members misrepresented any fact material to the household's qualification as an Extremely Low Income Household, a Very Low Income Household or Low Income Household, as applicable. Each lease or rental agreement shall also provide that the household is subject to annual certification in accordance with Section 3.1 below, and that, if the household's income increases above the applicable limits for an Extremely Low Income Household, a Very Low Income Household or Low Income Household, as applicable, such household's Rent may be subject to increase.

Section 2.8 Resident Protections. For the entire Term the Affordable Units shall be subject to the Tenant Protection Act of 2019, Civil Code Section 1946.2 ("Just Cause for Eviction"). Nothing in this section shall abrogate the protections afforded to survivors of violence consistent with the California Code of Civil Procedure Section 1161.3, as amended, and the Violence Against Women Act, Public Law 102-322, as amended, to the extent applicable. Notwithstanding the limitations of California Code of Civil Procedure Section 1161.3, as amended, act or acts constituting domestic violence or sexual assault or stalking against the Resident or a member of Resident's household cannot form the substantial basis of a Just Cause for Eviction to terminate the tenancy of the victim of such acts. A member of a Resident household may raise such facts as an affirmative defense to an action terminating the tenancy. For a termination to qualify as a Just Cause for Eviction, the Affordable Developer shall demonstrate any of the circumstances with respect to a termination of tenancy in Civil Code Section 1946.2(b).

### ARTICLE 3 INCOME CERTIFICATION AND REPORTING

Section 3.1 Income Certification. The Affordable Developer will obtain, and complete, as a condition to initial occupancy and maintain on file annually thereafter, income certifications from each Resident renting any of the Affordable Units. The Affordable Developer shall make a good faith effort to verify that the income provided by all applicants or Residents (for all adults age eighteen (18) or older) is accurate by collecting certifications for all sources of income in accordance with the Affordable Housing Program Guidelines. Copies of Resident income certifications shall be available to the City upon request.

Section 3.2 Reporting and Audits. The Affordable Developer shall submit to the City, not later than the ninetieth (90<sup>th</sup>) day after the close of each calendar year after completion of the Affordable Development, a compliance report, in a form approved by the City, summarizing the income information of each Resident and occupancy status of each Affordable Unit. In addition, the City or any designated agent or employee of the City at any time shall be entitled to audit all Affordable Developer's books, records (including tenant files), and accounts pertaining solely to the Affordable Units. Such audit shall be conducted during normal business hours, upon at least two (2) business days prior written notice, at the principal place of business of Affordable Developer and other places where records are kept.

(a) The Annual Report shall, at a minimum, include the following most recent information for each dwelling unit in the Affordable Development, but is not limited to: (1) unit number; (2) number of bedrooms; (3) current rent and other charges; (4) dates of any vacancies during the previous year; (5) number of people residing in the unit; (6) total gross household income of residents; (7) documentation of source of household income; (8) lease commencement and termination dates; (9) initial move-in date; and (10) any other information or completed forms in accordance with the Affordable Housing Program Guidelines, or as reasonably requested by the City.

(b) In addition to the information described above, the Annual Report shall include the following: (1) a project income and expense statement for the reporting period; (2) proposed annual budget for the next fiscal year in accordance with Section 3.5 below; (3) a report on maintenance and other issues anticipated to affect the current budget needs of the project as well as the amount in the project's reserve accounts and the amount expected to be needed for major repairs or other needs during the new fiscal year; (4) information on the status of the waiting list for residential units; and (5) a financial audit of the books and records of the project prepared in accordance with generally accepted auditing standards by an independent certified public accountant.

Section 3.3 Additional Information. Within fifteen (15) days after receipt of a written request, Affordable Developer shall provide any additional information reasonably requested by the City relating solely to the Affordable Units. The City shall have the right to examine and make copies of all books, records or other documents of Affordable Developer which pertain to the Affordable Units. The City shall notify Affordable Developer of any records it deems insufficient. Affordable Developer shall have thirty (30) days after the receipt of such a notice to correct any deficiency in the records specified by the City in such notice, or if a period longer than thirty (30) days is reasonably necessary to correct the deficiency, then the Affordable Developer shall begin to correct the deficiency within thirty (30) days and correct the deficiency as soon as possible.

Section 3.4 Records. Affordable Developer shall maintain complete, accurate and current records, books and accounts pertaining to Affordable Development, and shall permit any duly authorized representative of the City to inspect records, including but not limited to records pertaining to income and household size of Residents of Affordable Units. All Resident lists, applications and waiting lists relating to the Affordable Units shall at all times be kept separate and identifiable from any other business of Affordable Developer and shall be maintained as

required by the City, in a reasonable condition for proper audit and subject to examination during business hours upon at least two (2) business days prior written notice by representatives of the City. Affordable Developer shall retain copies of all materials obtained or produced with respect to occupancy of the Affordable Units for a period of at least five (5) years. The City shall notify Affordable Developer of any records it deems insufficient. Affordable Developer shall have thirty (30) days after the receipt of such a notice to correct any deficiency in the records specified by the City in such notice, or if a period longer than thirty (30) days is reasonably necessary to correct the deficiency, then Affordable Developer shall begin to begin to correct the deficiency within thirty (30) days and correct the deficiency as soon as reasonably possible.

Section 3.5 On-site Inspection. The City shall have the right to perform an on-site inspection of Affordable Development at least one (1) time per year upon forty-eight (48) hours prior written notice and subject to the rights of Residents under their respective leases during reasonable business hours and reasonable security and safety requirements. Affordable Developer agrees to cooperate in such inspection.

Section 3.6 Monitoring Fee. To the extent permitted under applicable law, Affordable Developer shall be obligated to pay to City an annual affordable housing monitoring fee in the amount set forth in the City's master fee schedule for each Affordable Unit (the "Affordable Housing Monitoring Fee"). This fee is payable at initial lease-up of each Affordable Unit, upon each annual review. The City will not charge an annual Affordable Housing Monitoring Fee in the same year that the City charges a fee in connection with the initial lease-up. If the City determines, in the exercise of its reasonable discretion, that Affordable Development requires additional technical assistance or compliance monitoring in an amount in excess of the typical time required for comparable projects, the City shall give the Affordable Developer, the Investor Limited Partner, and all Senior Lenders a detailed explanation of the deficiencies and Affordable Developer shall have ten (10) days to address the issues identified. If the City determines that the issues have not been adequately addressed, Affordable Developer shall pay City for such additional costs at the rate of \$190 per hour, or such other amount approved in the City's master fee schedule approved by the City from time to time. All compliance monitoring and technical assistance fees shall be payable to City within fifteen (15) days following City's written request for payment, and City shall have the right to file a lien against the Affordable Site if such fees are not paid within thirty (30) days of such written request. If in any year Affordable Developer demonstrates to the City's satisfaction there is insufficient Affordable Development cash flow available to pay the Affordable Housing Monitoring Fee, the City will permit the fee to be deferred. Any deferred amounts shall accrue and shall be payable from future Affordable Development cash flow and until such deferred amounts are paid, Affordable Developer shall submit to the City annually an Affordable Development cash flow statement.]

#### ARTICLE 4 OPERATION OF THE AFFORDABLE DEVELOPMENT

Section 4.1 Residential Use. Affordable Development shall be operated only for residential use. No part of Affordable Development shall be operated as transient housing in which the term of occupancy is less than thirty (30) days. No part of the Affordable Development may be operated as an emergency shelter (including shelter for disaster victims) or facilities such as

nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, halfway houses, housing for students, or dormitories (including farmworker dormitories).

Section 4.2 Taxes and Assessments. The Affordable Developer shall pay all real and personal property taxes, assessments and charges and all franchise, income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Affordable Development; provided, however, that Affordable Developer shall have the right to contest in good faith, any such taxes, assessments, or charges. In the event Affordable Developer exercises its right to contest any tax, assessment, or charge against it, Affordable Developer, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest. Nothing herein shall prohibit Affordable Developer from applying for and obtaining the welfare tax exemption pursuant to Section 214(g) of the California Revenue and Taxation Code.

Section 4.3 Notice of Litigation. Affordable Developer shall promptly notify the City in writing of any litigation materially affecting Affordable Developer or Affordable Development and of any claims or disputes that involve a material risk of such litigation.

Section 4.4 Insurance Requirements. For the entire Term, the Affordable Developer and its successors and assigns acquiring title to the Affordable Site shall obtain, at their expense, comprehensive general liability insurance for Affordable Development, naming the City as an additional named insured with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) general aggregate, for bodily injury and death and property damage, including coverages for contractual liability and products and completed operations, purchased by Affordable Developer or its successors or assigns from an insurance company duly licensed to engage in the business of issuing such insurance in the State, with a current Best's Key Rating A-VII or better, such insurance to be evidenced by an endorsement which so provides and delivered to the City prior to the issuance of any building permit for any portion of the Affordable Development.

Section 4.5 Section 8 Certificate Holders. The Affordable Developer will accept as residents, on the same basis as all other prospective residents, persons who are recipients of federal certificates or vouchers for rent subsidies pursuant to the existing housing program under Section 8 of the United States Housing Act, or its successor. The Affordable Developer shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective residents, nor shall the Affordable Developer apply or permit the application of management policies or lease provisions with respect to the Affordable Development which have the effect of precluding occupancy of units by such prospective Residents.

ARTICLE 5  
AFFORDABLE SITE MANAGEMENT AND MAINTENANCE

Section 5.1 Management Responsibilities.

(a) The Affordable Developer is responsible for all management functions with respect to the Affordable Development, including without limitation the marketing of Affordable Units, selection of residents, certification and recertification of household size and income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. The City shall have no responsibility over management of the Affordable Development. The Affordable Developer shall retain a professional property management company, approved by the City in its reasonable discretion, to perform its management duties hereunder. A resident manager shall also be required. The Affordable Developer shall submit to the City for approval an initial proposed “Below Market Rate (BMR) Tenant Selection and Management Plan” (the “Management Plan”) no later than six (6) months after the commencement of construction of the Affordable Development, which Management Plan shall include, but not be limited to, details on how Affordable Developer plans to market the Affordable Units to prospective applicants in accordance with all fair housing law, including efforts to affirmatively further fair housing as defined in Government Code 8899.50, and this Agreement, Affordable Developer’s tenant selection criteria and how Affordable Developer plans to certify the eligibility of applicants. The Management Plan shall contain all the information required under the Affordable Housing Program Guidelines, including but not limited to describing the management policies, identifying the management team and address how the Affordable Developer and the Management Agent plan to manage and maintain the Affordable Development. The Management Plan shall include the proposed management agreement and the form of rental agreement that the Affordable Developer proposes to enter into with Residents. The City shall approve or disapprove (with written explanation for disapproval) of the proposed Management Plan by notifying the Affordable Developer in writing within fifteen (15) business days of the date of submission to the City. Affordable Developer shall abide by the approved Management Plan in marketing, managing, and maintaining the Affordable Development throughout the term of this Agreement and shall submit proposed modifications to the City for review and approval (not to be unreasonably withheld, conditioned or delayed).

(b) In addition to the foregoing, the Management Plan shall address the following:

(1) The actions to be taken by the Affordable Developer to affirmatively market units in compliance with fair housing laws and in compliance with City’s policies and procedures. The Affordable Developer will market the units in languages other than English as required under the City’s Language Access Plan, as such may be amended from time to time. Prior to or concurrently with the recordation of this Agreement, the City shall provide Affordable Developer with a copy of the City’s Language Access Plan and any updates thereto. The Affordable Developer, at a minimum, shall provide marketing in Spanish;

(2) Criteria for determining tenant eligibility, including certification of Household Income and size, and application of the City’s local preference policy as described in

Section 2.4(b)f, and establishing reasonable occupancy standards (which shall not exceed standards established by state and federal fair housing laws and state housing and building codes) and procedures for screening prospective tenants, including obtaining credit reports, unlawful detainer reports, landlord references and criminal background investigations;

(3) A requirement that eligible tenants be selected based on order of application, lottery, or other reasonable method approved by the City;

(4) A requirement that ineligible applicants be notified of the reason for their ineligibility;

(5) Specific procedures through which applicants deemed to be ineligible may appeal this determination;

(6) A requirement that eligible applicants be notified of eligibility and be provided an estimate regarding when a unit may be available;

(7) Maintaining a waiting list of eligible applicants;

(8) Specific procedures for obtaining documentation regarding prospective tenants' incomes, as necessary, to certify that such income does not exceed income limits;

(9) Specific procedures for certification and recertification of household incomes and procedures for handling over-income Residents;

(10) A requirement that a written rental agreement be executed with each eligible household selected to occupy an Affordable Unit;

(11) A detailed listing of reasonable rules of conduct and occupancy which shall be in writing, shall be consistent with federal and state law, and shall be provided to each Resident upon occupancy;

(12) A parking management plan which details, among other things, how parking spaces will be assigned, how guest parking will be handled and how parking will be managed to encourage Residents to use their assigned parking spaces;

(13) Procedures for maintenance and management of the Affordable Development;

(14) Procedures for dealing with Resident and neighborhood issues or concerns; and

(15) Such other requirements and criteria/procedures as the City may determine appropriate.

Section 5.2 Management Agent; Periodic Reports.

(a) The Affordable Units shall at all times be managed by an experienced management agent, with demonstrated ability to operate residential facilities like the Affordable Development in a first class, decent, safe, and sanitary manner. The Affordable Developer shall for the entire Term of this Agreement ensure that the management agent of the Affordable Development has demonstrated experience and ability in operating and managing similar mixed-income housing projects in the State of California and not less than two (2) years' experience with resident income certification procedures outlined in Article 3 or similar experience ("Management Agent"). Notwithstanding anything to the contrary herein, if the management agent does not meet the qualifications specified above or the City and Affordable Developer agree that the management of the Affordable Units must be transferred to another entity pursuant to Section 5.4(a) below, then the Affordable Developer shall contract with a new management agent or subcontract with a management agent that: (a) is a California entity whose primary business purpose is the construction, operation and management of affordable multifamily housing, or an affiliate thereof; (b) has not less than two (2) years' experience in owning, operating and managing affordable housing projects in the eleven county San Francisco bay area; and (c) the proposed management agent has no record of defaults, maintenance problems, housing or building code violations, or substantiated fair housing complaints at properties it owns or operates. The Parties agree and acknowledge that the City will have the right to disapprove a proposed management agent that has a record of defaults, maintenance problems, housing or building code violations, and/or substantiated fair housing complaints at properties it owns or operates.

(b) The initial management agent for the Affordable Units shall be identified by the Affordable Developer at least ninety (90) days before the Affordable Developer commences leasing activities for the Affordable Units. For any change in the Affordable Units Management Agent, the Affordable Developer shall submit for the City's reasonable approval the identity of any proposed Affordable Units Management Agent who meets the criteria in subsection (a) above. The Affordable Developer shall also submit such additional information about the background, experience and financial condition of any proposed Affordable Units Management Agent as is reasonably necessary for the City to determine whether the proposed Affordable Units Management Agent meets the standard for a qualified management agent set forth above. If the proposed Affordable Units Management Agent meets the standard for a qualified management agent set forth above, the City shall approve the proposed Affordable Units Management Agent by notifying the Affordable Developer in writing.

Section 5.3 Performance Review. In addition to the reporting requirements under Section 3.2 above, the City reserves the right to conduct an annual (or more frequently, if deemed reasonably necessary by the City) review of the management practices and financial status of the Affordable Units. The purpose of each periodic review will be to enable the City to determine if the Affordable Units are being operated and managed in accordance with the requirements and standards of this Agreement. The Affordable Developer shall cooperate with the City in such reviews.

Section 5.4 Replacement of Management Agent. If, the City determines that the property manager is acting in a negligent manner, the City shall deliver notice to the Affordable

Developer and the Investor Limited Partner identifying the deficiencies of the management agent with regards to the management of the Affordable Units. Within thirty (30) days of receipt by the Affordable Developer of such written notice, City staff and the Affordable Developer shall meet in good faith to consider methods for improving operating status of Affordable Development. The City shall have the right to review and inspect documents related to the management and operation of Affordable Development. The then acting Management Agent will have a period of thirty (30) days to address the deficiencies identified by the City. If, after initial meeting or after the sixty (60) day cure period runs (commencing from the date of the deficiency notice), the City staff recommends in writing to the Affordable Developer for the replacement of the Management Agent, the Affordable Developer shall identify a replacement Management Agent.

Section 5.5 Affordable Site Maintenance.

(a) The Affordable Developer agrees, for the entire Term of this Agreement, to maintain all interior and exterior improvements, including landscaping, for Affordable Development in good condition and repair (and, as to landscaping, in a healthy condition) and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials, and in accordance with the following maintenance conditions:

(1) Outdoor Common Areas. No outdoor common areas for Affordable Development shall be left unmaintained, including: (A) Broken or discarded furniture, appliances and other, household equipment stored in deck areas for a period exceeding one (1) week; (B) Packing boxes, lumber, trash, dirt and other debris in areas visible from neighboring properties; and (C) Vehicles parked or stored in other than approved parking areas.

(2) Building. Affordable Development may not be left in an unmaintained condition so that any of the following exist: (A) Violations of state law, uniform codes, or City ordinances; (B) Conditions that constitute a private or public nuisance; (C) Broken windows; (D) Graffiti (must be removed within seventy-two (72) hours from when discovered or such reasonable period of time as is required to remove the same); and (E) Conditions constituting hazards.

(3) Sidewalks. The Affordable Developer shall maintain, repair, and replace as necessary all sidewalks bordering the Affordable Development.

(b) The City places prime importance on quality maintenance to ensure that all affordable housing projects within the City are not allowed to deteriorate due to below-average maintenance. Normal wear and tear of Affordable Development will be acceptable to the City assuming the Affordable Developer agrees to provide all necessary improvements to assure Affordable Development is maintained in good condition. The Affordable Developer shall make all repairs and replacements necessary to keep Affordable Development in good condition and repair.

(c) In the event that the Affordable Developer breaches any of the covenants contained in this Section and such default continues for a period of thirty (30) days after written

notice from the City then the City, in addition to whatever other remedy it may have at law or in equity, shall have the right to enter upon Affordable Development (excluding the commercial space leased to third parties) and perform or cause to be performed all such acts and work necessary to cure the default. Pursuant to such right of entry, the City shall be permitted (but are not required) to enter upon Affordable Development and perform all acts and work necessary to protect, maintain, and preserve the improvements and landscaped areas on Affordable Development, and to attach a lien on Affordable Development, or to assess Affordable Development, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by the City and/or costs of such cure, including a ten percent (10%) administrative charge, which amount shall be promptly paid by the Affordable Developer to the City upon demand.

ARTICLE 6  
MISCELLANEOUS

Section 6.1 Lease Provisions.

In leasing the Affordable Units, Affordable Developer shall use a form of resident lease approved by the City, which shall comply with all requirements of this Agreement and shall, among other matters:

(a) Provide for termination of the lease and consent by the Resident to immediate eviction for failure to provide any information required under this Agreement or reasonably requested by Affordable Developer to establish or recertify the Resident's qualification for occupancy in Affordable Development in accordance with the standards set forth in this Agreement.

(b) Be for an initial term of not less than one (1) year, unless by mutual agreement between the Resident and Affordable Developer (and only if allowed by all financing sources) and provide for no increase in Rent during such year. After the initial year of tenancy, the lease may be month-to-month by mutual agreement of Affordable Developer and the Resident; however, Rent may not be raised more often than once a year. Affordable Developer will provide each Resident with at least sixty (60) days written notice of any increase in Rent applicable to such Resident, and with such further notice as may be required by Section 2.3 above.

(c) Require the Resident to occupy the Affordable Units as the Resident's principal place of residence.

(d) Provide for immediate termination of the tenancy of any Resident household where one or more of whose members misrepresented any fact material to the household's qualification as an Extremely Low-Income Household, Very Low-Income Household or Low-Income Household, as applicable.

Section 6.2 Lease Termination. Any termination of a lease of an Affordable Unit (other than for a default by the Resident) or refusal to renew must be preceded by not less than sixty (60) days written notice to the Resident by Affordable Developer specifying the grounds for the action

and such notice must be given in conformance with California Civil Code Section 1946.1(b). Any termination of a lease for a default of the Resident shall be in accordance with applicable law.

Section 6.3 Nondiscrimination.

(a) All the Affordable Units shall be available for occupancy on a continuous basis to members of the general public who are income eligible. Affordable Developer shall not give preference to any particular class or group of persons in renting the Affordable Units, except to the extent that the Affordable Units are required to be leased to income eligible households pursuant to this Agreement. There shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, source of income (e.g., SSI), ancestry, or disability, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Affordable Unit; nor shall the Affordable Developer or any person claiming under or through the Affordable Developer, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of any Affordable Unit or in connection with the employment of persons for the construction, operation and management of any Affordable Unit.

(b) Disabled Persons Occupancy. To the extent such laws are applicable to the Property, the Affordable Development shall be constructed and operated at all times in compliance with the provisions of: (1) the Unruh Act; (2) the California Fair Employment and Housing Act; (3) Section 504 of the Rehabilitation Act of 1973; (4) the United States Fair Housing Act, as amended; and (5) any other applicable law or regulation (including the Americans With Disabilities Act). The Affordable Developer agrees to indemnify, protect, hold harmless and defend (with counsel reasonably satisfactory to the City) the City, and its council members, officers, employees, agents and assigns from all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of the Affordable Developer's failure to comply with applicable legal requirements related to housing for persons with disabilities. The provisions of this subsection shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 6.4 Term. The provisions of this Agreement shall apply to the Affordable Site for the entire Term. This Agreement shall bind any successor, heir or assign of Affordable Developer, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by City.

Section 6.5 Indemnification.

(a) To the full extent permitted by law, Affordable Developer shall indemnify, defend at its own expense, and hold the City and its elected officials, officers, employees and agents in their official capacity (collectively "Indemnitees") harmless against any and all claims, suits, actions, losses, and liability of every kind, nature and description made against it and expenses (including reasonable attorneys' fees) which arise out of or in connection with this Agreement, including but not limited to the execution and enforcement of this Agreement, marketing and operation of the Affordable Development, except to the extent such claim arises

from the grossly negligent or willful misconduct of the City or Indemnitees. Each Party shall notify the other Party immediately in writing of any claim or damage related to activities performed under this Agreement. The Parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, provided that nothing shall require either Party to disclose any documents, records or communications that are protected under the attorney-client privilege or attorney work product privilege.

(b) The provisions of this Section shall survive the expiration of the Term and any release of part or all of the Property from the burdens of this Agreement, but only as to claims arising from events occurring during the Term of this Agreement.

Section 6.6 Notice of Expiration of Term. Prior to the expiration of the Term, the Affordable Developer shall provide notices to all Residents (and other required parties) meeting the requirements of California Government Code Section 65863.10. The Affordable Developer shall file a copy of the above-described notice with the City Manager's Office.

Section 6.7 Covenants to Run with the Land. The City and the Affordable Developer hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall run with the land and shall bind all successors in title to the Affordable Site. Each and every contract, deed or other instrument hereafter executed covering or conveying the Affordable Site or any portion thereof, shall be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless the City expressly releases such conveyed portion of the Affordable Site from the requirements of this Agreement. All references herein to "Affordable Developer" shall refer to the successors-in-title to the Affordable Site. Upon transfer of fee title to the Affordable Site, so long as there is no default at the time of transfer, the transferring Affordable Developer shall have no liability or responsibility for any obligations under this Agreement arising from and after the date of such transfer.

Section 6.8. Right of Refusal, Restrictions on Sale, Encumbrances.

(a) Prior to the issuance of a certificate of occupancy for the Affordable Development, the Affordable Developer shall not voluntarily transfer, convey, sell, or agree to sell Affordable Developer's interest in the Property without first offering the Property to the City. After a conveyance or transfer by gift the right of first refusal granted in this Agreement shall remain in effect against the person holding title or any other interest in the Property. Nothing in this Section 6.8 shall prohibit the City from executing subordination agreements as may be requested by Affordable Developer in the manner provided for in the Land Donation Agreement.

(b) Prior to the issuance of a certificate of occupancy for the Affordable Development, before Affordable Developer sells or agrees to sell the Property, Affordable Developer shall offer to sell the Property to the City, in writing and on terms and conditions substantially identical to those proposed for the sale of the Property to a third party ("First Offer"). The First Offer shall, at a minimum, include the following information: (1) the purchase price proposed for the sale to the third party and method of purchase price payment including the amount and terms of any proposed grantor financing in connection with the proposed purchase, if any; (2)

the amount of any earnest money deposit; (3) the time and locations for the close of escrow; (4) the name of the proposed purchaser; and (5) the other material terms and conditions of the proposed sale of the Property.

(c) The City shall have ninety (90) days from the date of the First Offer to accept the First Offer.

(d) If the City declines to accept the First Offer, Affordable Developer shall not assign, sell, or otherwise transfer any interest in the Property without prior written approval of City, which shall not be unreasonably withheld provided the following conditions are met: (1) the existing Affordable Developer is in compliance with this Agreement or the sale, transfer, or conveyance will result in the cure of any existing violations of the Agreement; (2) the successor in interest to the Affordable Developer agrees to assume all obligations of the existing Affordable Developer pursuant to this Agreement; (3) the successor in interest demonstrates to the City's satisfaction that it can own and operate the Affordable Development in full compliance with the requirements of this Agreement; and (4) terms of the sale, transfer, or conveyance shall not threaten the successor in interest's ability to comply with all requirements of this Agreement.

#### Section 6.9 Option to Purchase.

(a) The City shall have the additional right at its option to purchase, enter and take possession of the Affordable Site with all improvements thereon if, after conveyance of title to Affordable Site and prior to the issuance of the certificate of occupancy for the Affordable Development, there is an uncured Event of Default. The rights of the City under this Option to Repurchase shall be subject to the rights, be limited by and shall not defeat, render invalid or limit any City approved security interests or the rights or interests provided in this Agreement for the protection of the holder of such approved security interests.

(b) Such right to repurchase, reenter and repossess, to the extent provided in this Agreement, shall be subordinate and subject to and be limited by and shall not defeat, render invalid or limit: (1) any approved security interest permitted or approved by the City; (2) any rights or interest provided in this Agreement for the protection of the holder of such approved security interests.

(c) To exercise its right to repurchase, reenter and take possession with respect to the Affordable Site, the City shall pay to the Affordable Developer, in cash an amount equal to: (1) the fair market value of the improvements existing on the Affordable Site at the time of the repurchase, reentry and repossession; less (2) any gains or income withdrawn or made by the Affordable Developer from the Affordable Site or the Improvements thereon; less (3) the value of any unpaid liens or encumbrances on the Affordable Site which the City assumes or takes subject to said encumbrances.

(d) Nothing in this Section 6.9 shall prohibit the City from executing subordination agreements as may be requested by Affordable Developer in the manner provided for in the Land Donation Agreement.

Section 6.10 Enforcement. If the Affordable Developer fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the City has notified Affordable Developer in writing of the default or, if the default cannot be cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days or such longer period as may be approved by the City in writing, the City shall have the right to enforce this Agreement by any or all of the following actions, or any other remedy provided by law:

(a) Action to Compel Performance or for Damages. The City may bring an action at law or in equity to compel Affordable Developer's performance of its obligations under this Agreement, and/or for damages.

(b) Remedies Under the Affordable Housing Ordinance. The City may initiate appropriate legal actions or procedures to revoke, deny or suspend any permit or development approval for Affordable Development, in accordance with the requirements of the City's Municipal and Zoning Code, it being understood that nothing herein is intended to limit the City's rights to exercise its police powers.

The City hereby agrees to accept a cure of any default made or tendered hereunder by Investor Limited Partner on the same terms and conditions as if such cure was made or tendered by the Affordable Developer.

Section 6.11 Attorneys' Fees and Costs. In any action brought to enforce this Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including reasonable attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 6.12 Recording. The City and the Affordable Developer shall cause this Agreement, and all amendments and supplements to it, to be recorded against the Affordable Development in the Official Records of the County of San Mateo prior to any liens, deeds of trust or other instruments securing any monetary obligation of the Affordable Developer or recorded against the Affordable Development. This Agreement shall not be subordinated to any liens, deeds of trust or other instruments recorded against the Affordable Development and shall survive and remain effective as against any transferee acquiring the Affordable Development as a result of any foreclosure or deed in lieu of foreclosure, except as may be requested by Affordable Developer in the manner provided for in the Land Donation Agreement.

Section 6.13 Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Venue for any action brought by either of the Parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of San Mateo. The Parties waive all provisions of law providing for a change of venue in any proceeding to any other county.

Section 6.14 No Third Party Beneficiaries. There shall be no third party beneficiaries to this Agreement.

Section 6.13 Title of Parts and Sections. Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement’s provisions.

Section 6.14 Waiver of Requirements. No waiver of the requirements of this Agreement shall occur unless expressly waived by the City in writing. No waiver will be implied from any delay or failure by the City to take action on any breach or default of the Affordable Developer or to pursue any remedy permitted under this Agreement or applicable law. Any extension of time granted to the Affordable Developer to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the City to any act or omission by the Affordable Developer shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the City’s written consent to future waivers.

Section 6.15 Amendments. This Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded against the Affordable Site in the real property records of County of San Mateo.

Section 6.16 Notices. Any notice requirement set forth herein shall be in writing and may be given by personal delivery or by registered or certified mail, return receipt requested, to the party to receive such notice at the address set forth below:

TO THE CITY:

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attn: City Manager

TO THE AFFORDABLE DEVELOPER:

[Insert Entity Name], LP  
[Address]  
[City], [State] [Zip]  
Attn:

Either party may change the address(es) to which notices are to be sent by notifying the other party of the new address(es), in the manner set forth above.

A copy of all notices delivered to Affordable Developer hereunder shall be delivered simultaneously to the Investor Limited Partner, if applicable, at an address to be provided to the City by Affordable Developer.

Section 6.17 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

Section 6.18 Multiple Originals; Counterparts. This Agreement may be executed in multiple originals, and may be signed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

Section 6.19 No Claims. Nothing contained in this Agreement shall create or justify any claim against the City by any person that the Affordable Developer may have employed or with whom the Affordable Developer may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Affordable Site or the construction of Affordable Development.

Section 6.20 Titles of Parts and Sections. Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement's provisions.

Section 6.21 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and no modification hereof shall be binding unless reduced to writing and signed by the Parties hereto.

Section 6.22 Hold Harmless. Affordable Developer will indemnify and hold harmless (without limit as to amount) City, its council members, officers, employees and agents in their official capacity (hereinafter collectively referred to as "Indemnitees"), and any of them, from and against all loss, all risk of loss and all damage (including expense) sustained or incurred because of or by reason of any and all claims, demands, suits, actions, judgments and executions for damages of any and every kind and by whomever and whenever made or obtained, allegedly caused by, arising out of or relating in any manner to the Affordable Development or the Affordable Developer's performance or non-performance under this Agreement, and shall protect and defend Indemnitees, and any of them with respect thereto, except to the extent caused by the gross negligence or willful misconduct of the Indemnitees, as applicable. The provisions of this Section shall survive expiration or other termination of this Agreement or any release of part or all of the Affordable Site from the burdens of this Agreement, and the provisions of this Section shall remain in full force and effect.

Section 6.23 Subordination. The restrictions imposed under this Agreement are land use restrictions required to comply with the requirements under the Affordable Housing Ordinance and California Government Code section 65915 and may not be subordinated. The City has no intent or obligation to subordinate this Agreement to any current or future financing or deeds of trust except as may be requested by Affordable Developer in the manner provided for in the Land Donation Agreement.

Section 6.24 Compliance with Financing Requirements. Affordable Developer shall comply with the requirements of any lenders financing the Affordable Development or who have a secured interest in the Affordable Development.

Section 6.25 Tax Credit Program. Notwithstanding anything contained herein to the contrary, if and for as long as the Property is subject to the requirements of the California and/or

Federal Low-Income Housing Tax Credit Program under the provisions of Section 42 of the Code and Section 23610.5 of the California Revenue and Taxation Code, as applicable (collectively, the “Tax Credit Program”) and there is a conflict between the requirements of the Tax Credit Program and the affordability provisions set forth in 2.3 above, inclusive, then the provisions of the Tax Credit Program shall prevail. That notwithstanding, the fact that this Agreement and the Tax Credit Program provide for greater, lesser or different obligations or requirements shall not be deemed a conflict unless the applicable provisions are inconsistent and could not be simultaneously enforced or performed.

Section 6.26 Action and Approval. Whenever action and/or approval by City is required under this Agreement, the City Manager or the City Manager’s designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager or the City Manager’s designee determine in their discretion that such action or approval requires referral to City Council for consideration.

Section 6.27 Permitted Transfer. Notwithstanding anything to the contrary in this Agreement, Affordable Developer may, without the consent of the City, assign all of its right, title, interest and obligations under this Agreement to a limited partnership in which Affordable Developer or an affiliate of the Affordable Developer is a general partner, provided that such assignee shall assume in writing all of Affordable Developer’s obligations under this Agreement, and provided further that the assignment is effectuated pursuant to an Assignment Agreement in substantially the form attached hereto as Exhibit B, incorporated herein by this reference, the Affordable Developer shall provide a copy of such assignment to the City for acknowledgement of conformance with the requirements of this Section 6.27.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

AFFORDABLE DEVELOPER:

[EDEN ENITY], a California [entity type]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

CITY:

CITY OF REDWOOD CITY, a California charter city

By: \_\_\_\_\_  
Melissa Stevenson Diaz, City Manager

ATTEST:

By: \_\_\_\_\_  
Yessika Castro, City Clerk

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, \_\_\_\_\_, Notary Public, 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.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Name: Notary Public



EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Redwood, County of San Mateo, State of California, described as follows: LOTS 1 AND 2, AS DESIGNATED ON THE MAP ENTITLED "TRACT NO. 523 SUBDIVISION OF PORTION OF THE HORGAN RANCH SAN MATEO COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON MARCH 17, 1940 IN LIBER 23 OF MAPS AT PAGE 40.

EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE STATE OF CALIFORNIA FOR HIGHWAY PURPOSED RECORDED ON DECEMBER 21, 1967 IN BOOK 5409 AT PAGE 211 OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 1 AND LOT 2, AS SAID LOTS ARE SHOWN ON THE MAP ENTITLED "TRACT NO. 523, SUBDIVISION OF PORTION OF THE HORGAN RANCH, SAN MATEO COUNTY, CALIFORNIA", FILED MARCH 17, 1941, IN BOOK 23 OF MAPS, AT PAGE 40, IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF SAID LOT 1, SAID CORNER BEING ALSO ON THE EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 61° 27' 06" EAST, 16.48 FEET; THENCE SOUTH 11° 25' 40" WEST, 253.25 FEET TO THE SOUTHERLY LINE OF SAID LOT 2; THENCE ALONG LAST SAID LINE NORTH 78° 34' 20" WEST, 15.75 FEET TO SAID EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG LAST SAID LINE NORTH 11° 25' 40" EAST, 258.10 FEET TO THE POINT OF COMMENCEMENT.

**APN: 059-240-810 JPN: 059-024-240-81A**

EXHIBIT B

**FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Clerk

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE  
SECTIONS 6103 AND 27383

APN: \_\_\_\_\_

---

*(Space above for Recorder's Use)*

This Agreement is recorded at the request and for the benefit of the City of Redwood City and is exempt from the payment of a recording fee pursuant to Government Code Sections 27383.

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

This Assignment and Assumption Agreement (this "Agreement") is entered into as of \_\_\_\_\_, 20\_\_, by and Eden Housing Inc., a California nonprofit public benefit corporation (the "Assignor"), and \_\_\_\_\_, a \_\_\_\_\_ (the "Assignee") with the acknowledgement of the City of Redwood City, a California charter city (the "City").

**RECITALS**

A. Assignor previously entered into that certain Affordable Housing Restrictive Covenant Agreement, dated as of \_\_\_\_\_, 20\_\_ (the "Restrictive Covenant Agreement") under which the Assignor agreed to restrict the property located at 847 Woodside Road, Redwood City, County of San Mateo, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Affordable Site"), to develop, construct and operate approximately seventy-one (71) affordable residential units and one unrestricted manager's unit (the "Affordable Development").

B. Assignor desires to transfer all of Assignor's interest in the Affordable Development and to assign to Assignee its rights, duties and obligations under the Restrictive Covenant Agreement and Assignee desires to accept and assume each and all of the rights, duties, and obligations of the Assignor under the Restrictive Covenant Agreement.

C. Pursuant to Section 6.27 of the Restrictive Covenant Agreement, the Assignor may without the consent of the City, assign all of its right, title, interest and obligations under the Restrictive Covenant Agreement to a single purpose entity in which Assignor is a general partner, provided that such assignee shall assume in writing all of Assignor's obligations under the Restrictive Covenant Agreement.

NOW, THEREFORE, in consideration of the foregoing, and in consideration of the mutual promises of the parties hereto and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Effective Date. As used in this Agreement, the “Effective Date” shall be the date this Agreement is entered into by the Assignor and Assignee as first written above, which is the date Assignee acquired fee title to the Project from Assignor.

2. Assignment. As of the Effective Date, Assignor transfers and assigns to Assignee all of Assignor's rights, interests, benefits, privileges, and duties and obligations under the Restrictive Covenant Agreement (“collectively the “Assigned Obligations”).

3. Assumption. As of the Effective Date, Assignor is assigning to Assignee and Assignee is assuming the foregoing assignment of the Assigned Obligations and agrees to perform and be bound by all of the terms, covenants, obligations and conditions imposed upon the Assignor under the Restrictive Covenant Agreement for the benefit of the City, as if the Assignee were the original signatory thereto, requiring performance subsequent to the Effective Date. The Assignee agrees to be bound in every way by all of the grants, terms, conditions, and covenants in respect of the Assignor contained in the Assigned Obligations occurring subsequent to the Effective Date. All references in the Restrictive Covenant Agreement to the Assignor shall hereafter be deemed to be references to the Assignee.

4. Representation and Warranty of Assignor. Assignor represents and warrants to the City and Assignee that:

- a. That Assignee is a limited partnership in which Assignor is the general partner and that through this Agreement the Assignee shall assume in writing all of Assignor's obligations under the Restrictive Covenant Agreement; and

- b. To the best of the Assignor's knowledge, as of the date hereof, there exists no event of default under the Restrictive Covenant Agreement and that there is no event that, with the giving of notice, the passage of time, or both, would constitute an event of default.

5. Acknowledgement by City. The City acknowledges the assignment to, and assumption of, the Assigned Obligations by the Assignee as consistent with Section 6.27 of the Restrictive Covenant Agreement. The City further agrees pursuant to Section 6.15 of the Restrictive Covenant Agreement that the Restrictive Covenant Agreement is hereby amended by this written instrument which has been executed and acknowledged by each of the parties hereto and duly recorded in the Official Records.

6. Notices. All correspondence and notices given or required to be given to Assignor under the Restrictive Covenant Agreement, from and after the Effective Date, shall be provided to the Assignee and shall be addressed as follows:

[Name of Assignee]  
[Assignee's Address]  
[City] CA, [Zip]  
Attention: [Insert Name]

7. Subordination. The restrictions imposed under the Restrictive Covenant Agreement and assigned under this Agreement are land use restrictions required to comply with the requirements under the City's Affordable Housing Ordinance and California Government Code section 65915 and may not be subordinated. The City has no intent or obligation to subordinate the Restrictive Covenant Agreement or this Agreement to any current or future financing or deeds of trust.

8. Indemnification. To the full extent permitted by law, Assignor and Assignee shall indemnify, defend at their own expense, and hold the City and its elected officials, officers, employees and agents in their official capacity (collectively "City Indemnitees") harmless against all loss, all risk of loss and all damage (including expense) sustained or incurred because of or by reason of any and all claims, demands, suits, actions, judgments and executions for damages of any and every kind and by whomever and whenever made or obtained, allegedly caused by, arising out of or relating in any manner to Affordable Development, Assignor and Assignee's performance or non-performance under this Agreement, and shall protect and defend the City Indemnitees, and any of them with respect thereto, except to the extent arising from the gross negligence or willful misconduct of the City Indemnitees. Each Party shall notify the other Party immediately in writing of any claim or damage related to activities performed under this Agreement. The Parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, provided that nothing shall require either Party to disclose any documents, records or communications that are protected under the attorney-client privilege or attorney work product privilege. It being further understood by the parties that the Assignor shall continue to be responsible to indemnify the City and Indemnitees pursuant to Section 7.6 of the

Restrictive Covenant Agreement for any liability arising prior to the Effective Date and the Assignee is responsible to indemnify the City and Indemnitees pursuant to Section 7.6 of the Restrictive Covenant Agreement for any liability arising from and after the Effective Date.

9. Further Acts. Each of the parties, upon the request of any other, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.

10. Attorneys' Fees. In the event of any litigation arising out of the subject matter of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

11. Inurement. This Agreement shall inure to the benefit of Assignor and Assignee, and their respective successors, assigns, loan participants, parent corporations, subsidiaries, affiliates, and successors-in-interest.

12. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the venue for such action shall be the Superior Court of the County of San Mateo.

13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one agreement. To facilitate the execution of this Agreement, the parties may execute and exchange counterparts of the signature pages by facsimile or electronic mail, and such facsimile or electronic mail counterparts shall be binding as original signature pages.

*[Signature Pages Follow]*

**ASSIGNOR:**

Eden Housing Inc., a California nonprofit public benefit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ASSIGNEE:**

[Insert Assignee Entity Name]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Acknowledged as compliant with the obligations of the Restrictive Covenant Agreement by the City of Redwood City.

CITY OF REDWOOD CITY, a California charter city

By: \_\_\_\_\_  
Melissa Stevenson Diaz, City Manager

ATTEST:

By: \_\_\_\_\_  
Yessika Castro, City Clerk



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, \_\_\_\_\_, Notary Public, 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.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Name: Notary Public



## EXHIBIT A

### **LEGAL DESCRIPTION**

Real property in the City of Redwood, County of San Mateo, State of California, described as follows:

LOTS 1 AND 2, AS DESIGNATED ON THE MAP ENTITLED "TRACT NO. 523 SUBDIVISION OF PORTION OF THE HORGAN RANCH SAN MATEO COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON MARCH 17, 1940 IN [LIBER 23 OF MAPS AT PAGE 40](#).

EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE STATE OF CALIFORNIA FOR HIGHWAY PURPOSED RECORDED ON DECEMBER 21, 1967 IN [BOOK 5409 AT PAGE 211](#) OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 1 AND LOT 2, AS SAID LOTS ARE SHOWN ON THE MAP ENTITLED "TRACT NO. 523, SUBDIVISION OF PORTION OF THE HORGAN RANCH, SAN MATEO COUNTY, CALIFORNIA", FILED MARCH 17, 1941, IN [BOOK 23 OF MAPS, AT PAGE 40](#), IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF SAID LOT 1, SAID CORNER BEING ALSO ON THE EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 61° 27' 06" EAST, 16.48 FEET; THENCE SOUTH 11° 25' 40" WEST, 253.25 FEET TO THE SOUTHERLY LINE OF SAID LOT 2; THENCE ALONG LAST SAID LINE NORTH 78° 34' 20" WEST, 15.75 FEET TO SAID EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG LAST SAID LINE NORTH 11° 25' 40" EAST, 258.10 FEET TO THE POINT OF COMMENCEMENT.

APN: 059-240-810 JPN: 059-024-240-81A

EXHIBIT H

**FORM OF DEED OF TRUST**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Clerk

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE  
SECTIONS 6103 AND 27383

APN: \_\_\_\_\_

(Space above this line for Recorder’s Use)

PERFORMANCE DEED OF TRUST AND SECURITY AGREEMENT  
(847 Woodside Road)

THIS PERFORMANCE DEED OF TRUST AND SECURITY AGREEMENT (“Deed of Trust”) is made as of \_\_\_\_\_, 20\_\_ (“Effective Date”), by and among \_\_\_\_\_, \_\_\_\_\_ (“Trustor”), \_\_\_\_\_ Title Company, a California corporation (“Trustee”), and the City of Redwood City, a California charter city (“Beneficiary”).

RECITALS

A. In satisfaction of the terms of that certain Affordable Housing Land Donation Agreement, dated as of \_\_\_\_\_, \_\_\_\_\_ (the “Land Donation Agreement”), Trustor acquired fee ownership of the certain real property located at 847 Woodside Road (APN: 059-240-810), in the City, County of San Mateo, State of California, as more particularly described in the attached Exhibit A, incorporated herein by this reference (the “Property”).

B. Trustor intends to construct seventy-one (71) affordable residential units (excluding the manager’s unit) in such manner and subject to such income requirements as specified in the Affordable Housing Plan (the “Affordable Units”), on the Property (the “Affordable Development”).

C. Beneficiary and Trustor entered into that certain Affordable Housing Restrictive Covenants Agreement, dated as of the Effective Date and recorded in the Official Records of San Mateo County substantially concurrently herewith (the “Regulatory Agreement”).

D. Pursuant to the Regulatory Agreement, Trustor is obligated to, among other things, make the Affordable Units available to households earning no more than 80% of Area Median Income (“AMI”) for San Mateo County (“County”).

E. The Regulatory Agreement also provides (among other provisions) that: (i) Trustor is obligated to notify Beneficiary of Trustor's intent to sell the Property and (ii) Beneficiary has an option to purchase the Property under the Regulatory Agreement prior to the issuance of a certificate of occupancy for the Affordable Development.

NOW, THEREFORE, to secure the full and timely performance by Trustor of Secured Obligations (defined in Section 2.3 below), it is agreed as follows:

ARTICLE 1:  
DEFINITIONS

Section 1.1 Definitions. In addition to the terms defined elsewhere in this Deed of Trust, the following terms have the following meanings in this Deed of Trust:

(a) "City Documents" means this Deed of Trust, the Regulatory Agreement, and the Irrevocable Offer to Dedicate.

(b) "Irrevocable Offer to Dedicate" means that certain Irrevocable Offer to Dedicate between Trustor and Beneficiary, recorded in the Official Records against the Developer's fee interest of the Property as Document No. \_\_\_\_\_, recorded on \_\_\_\_\_, 20\_\_.

(c) "Regulatory Agreement" means that certain Regulatory Agreement and Declaration of Restrictive Covenants that will be recorded in the Official Records against the Developer's fee interest of the Property upon the Close of Escrow.

ARTICLE 2:  
AGREEMENT AND SECURITY

Section 2.1 Incorporation by Reference. The recitals are incorporated herein by this reference.

Section 2.2 Grant In Trust. Trustor, in consideration of the promises herein recited and the trust herein created, hereby irrevocably and unconditionally grants, transfers, conveys and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale, all estate, right title and interest which Trustor now has or may later acquire in and to the Property, described in the attached Exhibit A, together with all of the following:

(a) all improvements now or hereafter located or constructed on the Property and all replacements and additions thereto ("Improvements");

(b) all easements, rights of way, appurtenances and other rights used in connection with the Property or as a means of access thereto ("Appurtenances");

(c) all fixtures now or hereafter attached to or used in and about the Property or the improvements located thereon or hereafter located or constructed on the Property, and all

renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to the improvements in any manner (“Fixtures and Equipment”); and

(d) all leases, subleases, licenses and other agreements relating to use or occupancy of the Property (“Leases”) and all rents or other payments which may now or hereafter accrue or otherwise become payable to or for the benefit of Trustor (“Rents”).

All of the above-referenced Property, Improvements, Appurtenance, Fixtures and Equipment, Leases and Rents are herein referred to collectively as “Security”.

Section 2.3 Obligations Secured. This Deed of Trust is given for the purpose of securing payment and/or performance of the following (“Secured Obligations”): (i) all present and future obligations of Trustor set forth in this Deed of Trust or in the Regulatory Agreement (including without limitation, Trustor’s obligation to rent the Affordable Units in the Property only to income eligible tenants); (ii) all additional present and future obligations of Trustor, to Beneficiary under any other agreement or instrument acknowledged by Trustor (whether existing now or in the future) which states that it is or such obligations are, secured by this Deed of Trust; (iii) all modifications, supplements, amendments, renewals, and extensions of any of the foregoing, whether evidenced by new or additional documents; and (iv) reimbursement of all amounts advanced by or on behalf of Beneficiary to protect Beneficiary’s interests under this Deed of Trust.

Section 2.4 Assignment of Rents, Issues, and Profits. Trustor hereby irrevocably, absolutely, presently and unconditionally assigns to Beneficiary the rents, royalties, issues, profits, revenue, income and proceeds of the Property. This is an absolute assignment and not an assignment for security only. Except to the extent that the lease or rental of the Property is prohibited by the Regulatory Agreement, Beneficiary hereby confers upon Trustor a license to collect and retain such rents, royalties, issues, profits, revenue, income and proceeds as they become due and payable prior to any Event of Default hereunder. Upon the occurrence of any such Event of Default, Beneficiary may terminate such license without notice to or demand upon Trustor and without regard to the adequacy of any security for the indebtedness hereby secured, and may either in person, by agent, or by a receiver to be appointed by a court, enter upon and take possession of the Property or any part thereof, and sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys’ fees, to any indebtedness secured hereby, and in such order as Beneficiary may determine. Beneficiary’s right to the rents, royalties, issues, profits, revenue, income and proceeds of the Property does not depend upon whether or not Beneficiary takes possession of the Property. The entering upon and taking possession of the Property, the collection of such rents, issues, and profits, and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. If an Event of Default occurs while Beneficiary is in possession of all or part of the Property and/or is collecting and applying Rents as permitted under this Deed of Trust, Beneficiary, Trustee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law or in equity, including the right to exercise the power of sale granted hereunder. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Property and Improvements, Beneficiary shall not be deemed to be a “mortgagee in possession,” shall not be responsible for performing any obligation of the lessor under any Lease, shall not be liable in any manner for the Property, or the

use, occupancy, enjoyment or operation of any part of it, and unless due solely to the willful misconduct or gross negligence of Beneficiary, shall not be responsible for any dangerous or defective condition of the Property or any negligence in the management, repair or control of the Property.

Section 2.5 Fixture Filing. This Deed of Trust is intended to be and constitutes a fixture filing pursuant to the provisions of the Uniform Commercial Code (“UCC”) with respect to all of the Property constituting fixtures, is being recorded as a fixture financing statement and filing under the UCC, and covers property, goods and equipment which are or are to become fixtures related to the Property and the Improvements. Trustor covenants and agrees that this Deed of Trust is to be filed in the real estate records of San Mateo County and shall also operate from the date of such filing as a fixture filing in accordance with Section 9502 and other applicable provisions of the UCC. This Deed of Trust shall also be effective as a financing statement covering minerals or the like (including oil and gas) and accounts subject to the UCC, as amended. Trustor shall be deemed to be the “debtor” and Beneficiary shall be deemed to be the “secured party” for all purposes under the UCC. The full name of Trustor and the mailing address of Trustor are set forth in Section 10.2 of this Deed of Trust. The Beneficiary is authorized to file a copy of any such financing statement in any jurisdiction(s) as it shall deem appropriate from time to time in order to protect the security interest established pursuant to this instrument. Trustor shall pay all costs of filing such financing statements and any extensions, renewals, amendments, and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements, and releases thereof, as the Beneficiary may reasonably require. Without the prior written consent of the Beneficiary, Trustor shall not create or suffer to be created pursuant to the California Commercial Code any other security interest in the Security, including replacements and additions thereto.

Section 2.6. Hazard Insurance.

(a) Trustor will keep the Security insured by a standard all risk property insurance policy equal to the replacement value of the Security (adjusted every five (5) years by appraisal, if requested by City). If the Security is located in a flood plain, Trustor shall also obtain flood insurance. In no event shall the amount of insurance be less than the amount necessary to prevent Trustor from becoming a co-insurer under the terms of the policy.

(1) The insurance carrier providing this insurance shall be licensed to do business in the State of California and be chosen by Trustor subject to approval by the City.

(2) All insurance policies and renewals thereof will be in a form acceptable to City, and will include a standard mortgagee clause with standard lender’s endorsement in favor City as its interests may appear and in a form acceptable to City. City shall have the right to hold, or cause its designated agent to hold, the policies and renewals thereof, and Trustor shall promptly furnish to City, or its designated agent, the original insurance policies or certificates of insurance, all renewal notices and all receipts of paid premiums. In the event of loss, Trustor will give prompt notice to the insurance carrier and City or its designated agent. City, or its designated agent, may make proof of loss if not made promptly by Trustor. City shall receive thirty (30) days advance notice of cancellation of any insurance policies required under this section.

(3) Unless otherwise permitted by City in writing, insurance proceeds, will be applied to restoration or repair of the Security damaged. If permitted by City, the insurance proceeds shall be used to repay any amounts due under the Regulatory Agreement, with the excess, if any, paid to Trustor. If the Security is abandoned by Trustor, or if Trustor fails to respond to City, or its designated agent, within thirty (30) days from the date notice is mailed by either of them to Trustor that the insurance carrier offers to settle a claim for insurance benefits, City, or its designated agent, is authorized to collect and apply the insurance proceeds at City's option either to restoration or repair of the Security or to pay amounts due under Regulatory Agreement.

(4) If the Security is acquired by City, all right, title and interest of Trustor in and to any insurance policy and in and to the proceeds thereof resulting from damage to the Security prior to the sale or acquisition will pass to City to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition, subject to the rights of the Approved senior lienholder.

(b) During the course of any rehabilitation of the improvements located on the Property, Trustor shall hire only licensed contractors who maintain the following forms of insurance:

(1) **Liability Insurance.** Comprehensive general liability insurance against liability for bodily injury to or death of any person or property damage arising out of an occurrence on or about the Property. The limits of such insurance shall be not less than Two Million Dollars (\$2,000,000) per occurrence and Four Million (\$4,000,000) annual aggregate.

(2) **Worker's Compensation Insurance.** Worker's compensation insurance covering all persons employed in connection with any work on the Property.

Section 2.7 **Preservation and Maintenance of Security.** Trustor will keep the Security in good repair and in a neat, clean, and orderly condition and will not commit material waste or permit impairment or deterioration of the Security. If there arises a condition in contravention of this Section, and if Trustor has not cured such condition within thirty (30) days after receiving a City notice of such a condition, then in addition to any other rights available to City, City shall have the right (but not the obligation) to perform all acts necessary to cure such condition, and to establish or enforce a lien or other encumbrance against the Security to recover its cost of curing.

Section 2.8 **Protection of City's Security.** If Trustor fails to perform the covenants and agreements contained in this Deed of Trust or if any action or proceeding is commenced which materially affects City's interest in the Security, including, but not limited to, default under senior lien, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then City, at City's option, without releasing Trustor from any obligation hereunder, may make such appearances, disburse such sums and take such action as it determines necessary to protect City's interest, including but not limited to, disbursement of reasonable attorneys' fees and entry upon the Security to make repairs. Any amounts disbursed by City pursuant to this paragraph, with interest thereon, will become an indebtedness of Trustor secured by this Deed of Trust. Unless Trustor and City agree to other terms of payment, such amount will be payable upon notice from the City to Trustor requesting payment thereof, and will bear interest from the date of disbursement at the lesser of (i) ten percent (10%); or (ii) the highest rate

permissible under applicable law. Nothing contained in this paragraph will require City to incur any expense or take any action hereunder.

Section 2.9 Inspection. At any and all reasonable times upon forty-eight (48) hours' prior written notice, the Beneficiary and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, may inspect the Security without payment of charges or fees, to inspect the Security, provided, however, that any such inspection shall not unreasonably disturb any tenants or other occupants of the Property.

Section 2.10 Hazardous Substances. Trustor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances in, on, under, about, or from the Property in violation of any Environmental Law. Trustor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to construction and normal residential uses and to maintenance of the Property when used and disposed of in accordance with Environmental Law.

(a) "Hazardous Substances" means any substance defined as toxic or hazardous substances or hazardous waste or regulated under any Environmental Law, and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials.

(b) "Environmental Law" means all federal, state or local statutes, ordinances, regulations, orders, decrees and judgments that relate to health, safety or environmental protection including without limitation the regulation of the use, disposal, manufacture, or release of Hazardous Substances.

(c) Trustor shall promptly give City written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Trustor has actual knowledge. If Trustor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Trustor shall promptly take all necessary remedial actions in accordance with Environmental Law.

Section 2.11 Nonliability for Negligence, Loss, or Damage; No Joint Venture. Trustor acknowledges, understands and agrees that City does not undertake or assume any responsibility for or duty to Trustor to select, review, inspect, supervise, pass judgment on, or inform Trustor of the quality, adequacy or suitability of the Security or any other matter. City owes no duty of care to protect Trustor against negligent, faulty, inadequate or defective building or construction or any condition of the Security and Trustor agrees that neither Trustor, or Trustor's heirs, successors or assigns shall ever claim, have or assert any right or action against City for any loss, damage or other matter arising out of or resulting from any condition of the Security and will hold City harmless from any liability, loss or damage for these things. Nothing contained herein or the Regulatory Agreement shall be deemed to create or construed to create a partnership, joint venture.

Section 2.12 Indemnity. Trustor agrees to defend (with counsel acceptable to Indemnitees), indemnify, and hold City and its elected and appointed officials, officers, employees, and agents (“Indemnitees”) harmless from and against all losses, damages, liabilities, claims, actions, judgments, costs, and reasonable attorney’s fees that the Indemnitees may incur as a direct or indirect consequence of:

(a) Trustor’s failure to perform any obligations as and when required by the Regulatory Agreement and this Deed of Trust subject to all applicable notice and cure periods; or

(b) The failure of any of Trustor’s representations or warranties contained in this Deed of Trust to be true and correct in all material respects when made.

Section 2.13 Remedies. Upon Trustor’s breach of any covenant or agreement of Trustor in the Regulatory Agreement or this Deed of Trust, including, but not limited to, the covenants to pay, when due, any sums secured by this Deed of Trust, City, will mail by express delivery with delivery receipt, notice to Trustor specifying; (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty (30) days from the date the notice is received by Trustor (unless the Regulatory Agreement provides for shorter or no notice) as shown on the return receipt, by which such breach is to be cured; and (4) if the breach is curable, that failure to cure such breach on or before the date specified in the notice may result in sale of the Security. The notice will also inform Trustor of Trustor’s right to bring a court action to assert the nonexistence of default or any other defense of Trustor sale. City shall provide a copy of any such notice sent to Trustor to the limited partner of Trustor (“Tax Credit Investor”) at the address provided to the City in writing. The City shall accept any cure tendered by Tax Credit Investor on the same basis as if such cure was tendered by the Trustor. If the breach is not cured on or before the date specified in the notice, City, at City’s option, may:

(a) either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon the Security and take possession thereof (or any part thereof) and of any of the Security, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to preserve the value or marketability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security thereof. The entering upon and taking possession of the Security shall not cure or waive any breach hereunder or invalidate any act done in response to such breach and, notwithstanding the continuance in possession of the Security, City shall be entitled to exercise every right provided for in this Deed of Trust, or by law upon occurrence of any uncured breach, including the right to exercise the power of sale.

(b) commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof

(c) deliver to Trustee a written declaration of default and demand for sale, pursuant to the provisions for notice of sale found at California Civil Code Sections 2924 et seq., as amended from time to time; or

(d) exercise all other rights and remedies provided herein, in the instruments by which the Trustor acquires title to any Security, or in any other document or agreement now or hereafter evidencing, creating or securing all or any portion of the obligations secured hereby, or provided by law.

Section 2.14 Trustor's Right to Reinstate. Trustor will have the right to have any proceedings begun by City to enforce this Deed of Trust discontinued at any time prior to five (5) days before sale of the Security pursuant to the power of sale contained in this Deed of Trust or at any time prior to entry of a judgment enforcing this Deed of Trust if: (a) Trustor cures all breaches of any other covenants or agreements of Trustor contained in the Regulatory Agreement or this Deed of Trust; (b) Trustor pays all reasonable expenses incurred by City and Trustee in enforcing the covenants and agreements of Trustor contained in the Regulatory Agreement or this Deed of Trust, and in enforcing City's and Trustee's remedies, including, but not limited to, reasonable attorney's fees; and (c) Trustor takes such action as City may reasonably require to assure that the lien of this Deed of Trust, City's interest in the Security and Trustor's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Trustor, this Deed of Trust and the obligations secured hereby will remain in full force and effect as if no acceleration had occurred.

Section 2.15 Reconveyance. Upon the expiration of the term of the Regulatory Agreement if Trustor owns and occupies the Property and is not in violation of any provisions of this Deed of Trust or the Regulatory Agreement, City will request Trustee to reconvey the Security and will surrender this Deed of Trust and the Regulatory Agreement to Trustee. Trustee will reconvey the Security without warranty and without charge to the person or persons legally entitled thereto. Such person or persons will pay all costs of recordation, if any.

Section 2.16 Substitute Trustee. City, at City's option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. The successor trustee will succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

Section 2.17 Superiority of Approved Senior Liens Documents. Notwithstanding any provision herein, this Deed of Trust shall not diminish or affect the rights of the City approved senior lienholder under the senior deed of trust or any subsequent senior lienholder deeds of trust hereafter recorded against the Security in compliance with the requirements of the Regulatory Agreement. Notwithstanding any other provision hereof, the provisions of this Deed of Trust shall be subordinate to the lien of the City approved senior lien deed of trust and shall not impair the rights of the Senior Lienholder, or such lender's assignee or successor in interest, to exercise its remedies under the senior lien deed of trust in the event of default under the senior lien Deed of Trust by Trustor. Such remedies under the senior lien deed of trust include the right of foreclosure or acceptance of a deed or assignment in lieu of foreclosure. After such foreclosure or acceptance of a deed in lieu of foreclosure, this Deed of Trust shall be forever terminated and shall have no further effect as to the Property or any transferee thereafter; provided, however, if the holder of such senior lien deed of trust acquired title to the Property pursuant to a deed or assignment in lieu of foreclosure, this Deed of Trust shall automatically terminate upon such acquisition of title, provided that (i) City has been given written notice of default under such senior lien deed of trust with a sixty (60)-day cure period and (ii) City shall not have cured or commenced to cure the default within such sixty (60)-day period or commenced to cure and given its firm commitment to

complete the cure in form and substance acceptable to the senior lienholder. Nothing in this Section 2.17 shall prohibit the City from executing subordination agreements as may be requested by Affordable Developer in the manner provided for in the Land Donation Agreement.

ARTICLE 3:  
MISCELLANEOUS

Section 3.1 Other Agreements Affecting Property. The Trustor shall duly and punctually perform in all material respects terms, covenants, conditions and agreements binding upon it under the Regulatory Agreement and any other agreement of any nature whatsoever now or hereafter involving or affecting the Security or any part thereof, subject to the terms and conditions thereof.

Section 3.2 Agreement to Pay Attorneys' Fees and Expenses. In the event of any Event of Default hereunder, and if the Beneficiary employs attorneys or incurs other expenses for the collection of amounts due or the enforcement of performance or observance of an obligation or agreement on the part of the Trustor in this Deed of Trust, the Trustor agrees that it will, on demand therefor, pay to the Beneficiary the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Beneficiary (including, but not limited to, other professional services fees and costs). Any such amounts paid by the Beneficiary will be added to the Secured Obligations, and will bear interest from the date such expenses are incurred at the lesser of ten percent (10%) per annum or the maximum rate permitted by law.

Section 3.3 Personal Property. To the maximum extent permitted by law, the personal property subject to this Deed of Trust is deemed to be fixtures and part of the real property and this Deed of Trust constitutes a fixtures filing under the California Commercial Code. As to any personal property not deemed or permitted to be fixtures, this Deed of Trust constitutes a security agreement under the California Commercial Code. The Trustor hereby grants the Beneficiary a security interest in such items.

Section 3.4 Operation of the Security. The Trustor shall operate the Security (and, in case of a transfer of a portion of the Security subject to this Deed of Trust, the transferee shall operate such portion of the Security) in material compliance with the Regulatory Agreement.

Section 3.5 Nondiscrimination. Trustor herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there will be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) and (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property herein conveyed, nor shall the grantee or any person claiming under or through the grantee, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the property herein conveyed. The foregoing covenant shall run with the land.

Section 3.6 Amendments. This Deed of Trust cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by Beneficiary and Trustor.

Section 3.7 Reconveyance by Trustee. Upon written request of Beneficiary stating that all Secured Obligations under the Regulatory Agreement have been performed, and upon surrender of this Deed of Trust to Trustee for cancellation and retention, and upon payment by Trustor of Trustee’s reasonable fees, Trustee shall fully reconvey the Security to Trustor, or to the person or persons legally entitled thereto.

Section 3.8 Notices.

(a) If at any time after the execution of this Deed of Trust it becomes necessary or convenient for one of the parties hereto to serve any notice, demand or communication upon the other party, such notice, demand or communication must be in writing and is to be served personally, by reputable overnight delivery service (which provides a delivery receipt) or by depositing the same in the registered United States mail, return receipt requested, postage prepaid and, (1) if intended for Beneficiary is to be addressed to:

City:

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Manager

with copy to:

City of Redwood City  
Office of the City Attorney  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Attorney

and (2) if intended for Trustor shall be addressed to:

\_\_\_\_\_  
\_\_\_\_\_  
[City], [State], [Zip]  
Attention: \_\_\_\_\_

Any notice, demand or communication will be deemed given, received, made or communicated on the date personal delivery is effected or, if mailed in the manner herein specified, on the delivery date or date delivery is refused by the addressee, as shown on the return receipt. A copy of any notice sent to the Beneficiary must also be sent to the Office of the City Clerk at the above address. Either party may change its address at any time by giving written notice of such change to Beneficiary or Trustor as the case may be, in the manner provided herein, at least ten (10) days prior to the date such change is desired to be effective.

Section 3.9 Successors and Joint Trustors. If this Deed of Trust is executed by more than one person as Trustor, the obligations of each shall be joint and several. Where an obligation created herein is binding upon Trustor, the obligation also applies to and binds any transferee or successors in interest. Where the terms of the Deed of Trust have the effect of creating an obligation of the Trustor and a transferee, such obligation will be deemed to be a joint and several obligation of the Trustor and such transferee. Where more than one entity or person is signing as Trustor, all obligations of Trustor will be deemed to be a joint and several obligation of each and every entity and person signing as Trustor.

Section 3.10 Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Deed of Trust.

Section 3.11 Invalidity of Certain Provisions. Every provision of this Deed of Trust is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court or other body of competent jurisdiction, such illegality or invalidity will not affect the balance of the terms and provisions hereof, which terms and provisions will remain binding and enforceable. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Security, the unsecured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, will be considered to have been first paid or applied to the full payment of that portion of the debt that is not secured or partially secured by the lien of this Deed of Trust.

Section 3.12 Governing Law and Venue. This Deed of Trust is to be governed by and construed in accordance with the laws of the State of California. In the event any legal action is commenced to interpret or to enforce the terms of this Deed of Trust or to collect damages as a result of any breach thereof, the venue for such action shall be the Superior Court of the County of San Mateo.

Section 3.13 Gender and Number. In this Deed of Trust, the singular includes the plural and the masculine includes the feminine and neuter and vice versa, if the context so requires.

Section 3.14 Deed of Trust, Mortgage. Any reference in this Deed of Trust to a mortgage also refers to a deed of trust and any reference to a deed of trust also refers to a mortgage.

Section 3.15 Actions. Trustor agrees to appear in and defend any action or proceeding purporting to affect the Security.

Section 3.16 Substitution of Trustee. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter will be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution is to be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the Property is situated, will be conclusive proof of proper appointment of the successor trustee.

Section 3.17 Statute of Limitations. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law.

Section 3.18 Acceptance by Trustee. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law the Trustee is not obligated to notify any party hereto of a pending sale under this Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee is to be a party unless brought by Trustee.

Section 3.19 Subordination. Notwithstanding anything to the contrary in this Deed of Trust, Trustor, without the consent of but subject to the prior written notice to Beneficiary, may encumber the Property with any mortgage, deed of trust or lien made in connection with any financing or refinancing secured by the Property; provided that Trustor extends the term of the Regulatory Agreement to be co-terminus with the term of such financing or refinancing (to the extent the Regulatory Agreement contains a shorter term) and provided that the resulting loan-to-value ratio of all financing secured by the Property does not exceed ninety percent (90%) at the time of the closing of such financing or refinancing, hereinafter "Senior Liens": The Beneficiary agrees that the lien of this Deed of Trust shall be subordinate to any Senior Liens, provided however, that the Beneficiary agrees to execute and acknowledge any commercially reasonable subordination agreement, estoppel certificate and any other reasonable documentation required by the lender of any indebtedness secured by a Senior Lien within thirty (30) days of written request therefor. For the purposes of the foregoing the "loan-to-value ratio" requirement described above shall be satisfied if Trustor provides Beneficiary or its consultant with an MAI appraisal relied upon by the holder of the Senior Lien evidencing that the total financing secured by the Property (including any refinancing amount) does not exceed ninety percent (90%) of market valuation. For the purposes of the foregoing "loan-to-value ratio" and "debt service coverage ratio" shall be calculated in accordance with Freddie Mac and Fannie Mae lending standards, or commercially reasonably equivalent standards, in effect at the time such financing is obtained. Nothing in this Section 3.19 shall prohibit the City from executing subordination agreements as may be requested by Affordable Developer in the manner provided for in the Land Donation Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year first above written.

**TRUSTOR:**

\_\_\_\_\_, L.P., a California  
limited partnership

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

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, \_\_\_\_\_, Notary Public, 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.

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name: Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The land referred to is situated in the County of San Mateo, City of Redwood City, State of California, and is described as follows:

Real property in the City of Redwood, County of San Mateo, State of California, described as follows:

LOTS 1 AND 2, AS DESIGNATED ON THE MAP ENTITLED "TRACT NO. 523 SUBDIVISION OF PORTION OF THE HORGAN RANCH SAN MATEO COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON MARCH 17, 1940 IN [LIBER 23 OF MAPS AT PAGE 40](#).

EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE STATE OF CALIFORNIA FOR HIGHWAY PURPOSED RECORDED ON DECEMBER 21, 1967 IN [BOOK 5409 AT PAGE 211](#) OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 1 AND LOT 2, AS SAID LOTS ARE SHOWN ON THE MAP ENTITLED "TRACT NO. 523, SUBDIVISION OF PORTION OF THE HORGAN RANCH, SAN MATEO COUNTY, CALIFORNIA", FILED MARCH 17, 1941, IN [BOOK 23 OF MAPS, AT PAGE 40](#), IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF SAID LOT 1, SAID CORNER BEING ALSO ON THE EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 61° 27' 06" EAST, 16.48 FEET; THENCE SOUTH 11° 25' 40" WEST, 253.25 FEET TO THE SOUTHERLY LINE OF SAID LOT 2; THENCE ALONG LAST SAID LINE NORTH 78° 34' 20" WEST, 15.75 FEET TO SAID EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG LAST SAID LINE NORTH 11° 25' 40" EAST, 258.10 FEET TO THE POINT OF COMMENCEMENT.

APN: 059-240-810 JPN: 059-024-240-81A

EXHIBIT G

**FORM OF PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:**

City of Redwood City  
1017 Middlefield Road  
Redwood City, CA 94063  
Attention: City Clerk

*Space Above This Line Reserved for Recorder's Use  
Exempt from Recording Fee Per Government Code Section 27383*

**PARTIAL ASSIGNMENT AND ASSUMPTION  
OF DEVELOPMENT AGREEMENT**

This Partial Assignment and Assumption of Development Agreement (“**Partial Assignment**”) dated as of \_\_\_\_\_, 202\_\_ is entered into by and between 1900 Broadway Owner LLC, a California limited liability company (“**Assignor**”) and \_\_\_\_\_ (“**Assignee**”), sometimes referred hereto individually as a “**Party**” and collectively as “**Parties.**”

**RECITALS**

A. These Recitals refer to and utilize certain capitalized terms which are defined in Section 1.1 of this Partial Assignment. The Parties intend to refer to those definitions with the initial use in **bold**, and thereafter with capitalized terms.

B. Assignor is the “**Developer**” under that certain Development Agreement by and between the City of Redwood City and Assignor, recorded on \_\_\_\_\_, 2024, as Instrument No. \_\_\_\_\_ in the Official Records of the County Recorder of San Mateo County, California (“**Development Agreement**”). The Development Agreement relates to that certain real property consisting of approximately 48,771 square feet commonly known as 1900 Broadway, Redwood City, California (Assessor’s Parcel Numbers 053-231-210 and 053-231-200), and an additional approximately 21,104 square feet of real property adjacent to 1900 Broadway which includes the Spring/Marshall Parklet and a segment of Spring Street between Main and Walnut Streets which Assigner proposes to acquire from the City and apply to the City to vacate in order to create a 69,875 square foot squared parcel for development (collectively, “**1900 Broadway Property**”).

C. Prior to or concurrently with entering into the Development Agreement, as indicated by City Resolution Nos. \_\_\_\_\_ and \_\_\_\_\_, in order to develop a seven (7)-story, 92-foot mixed-used commercial office building consisting of approximately 256,205 gross square feet including 238,300 square feet of office, 10,060 square feet of ground floor retail, 12,085 square feet of public plaza, approximately 1,000 square feet public community room with an additional

715 square feet of storage, with two levels of underground parking (538 spaces) and 127 bicycle parking spaces on the Property, Assignor obtained the following approvals and permits from the City: General Plan and Downtown Precise Plan Amendments, a Vesting Tentative Parcel Map, a Downtown Planned Community Permit, and Use Permit, all subject to Conditions of Approval. Prior to issuing the permit approvals, the City Council also approved a California Environmental Quality Act (“CEQA”) Guidelines Section 15183 Consistency Checklist which determined the action was exempt from further CEQA review by adopting City Resolution No. \_\_\_\_\_ (“CEQA Consistency Checklist”). This redevelopment and land assembly, including all project approvals, is hereinafter collectively referred to as the “**1900 Broadway Commercial/Retail Project.**”

D. Assignor’s affiliate, Lane 847 Woodside, LLC, a California limited liability company, has a legal and/or equitable interest in a 41,504 square foot parcel located at 847 Woodside Road, Redwood City, California (Assessor’s Parcel Number 059-240-810), depicted and more particularly described in Exhibit A-1 (“**Affordable Site**”). In order to satisfy the requirements of Article 29 (Requirements for Affordable Housing) of the Redwood City Zoning Code and pursuant to the terms of the Development Agreement, the Assignor agreed to donate and transfer the fee title of the Affordable Site to Assignee for the development of seventy-one (71) affordable residential dwelling units and one (1) manager’s unit at the Affordable Site, at the affordability levels specified in the Affordable Housing Plan (hereinafter collectively referred to as the “**Affordable Housing Project**”). The Assignor, Assignor’s affiliate, Assignee, and the City also entered into an Affordable Housing Land Donation Agreement (“**Land Donation Agreement**”), in which Assignor’s affiliate agreed to donate the Affordable Site to Assignee under the terms and conditions of the Land Donation Agreement, including a condition of a recorded affordability covenant restricting the use of the Affordable Housing Site for the use of seventy-one (71) affordable units for a term of not less than fifty-five (55) years (“**Affordability Covenant**”). Pursuant to Section 2.2(C) of the Development Agreement, Assignor agreed to execute and record this Partial Assignment at the same time that the Affordable Site was transferred to Assignee.

E. Prior to or concurrently with entering into the Development Agreement, as indicated by City Resolution Nos. \_\_\_\_\_, and as part of the development of the Affordable Site, the City approved an Affordable Housing Plan, an Architectural Permit, Vesting Tentative Parcel Map, Density Bonus with associated Concessions and Waivers, Land Donation, and Land Donation Agreement, all subject to Conditions of Approval, hereinafter collectively referred to as the “**Affordable Housing Project Approvals**”). Prior to approving the Affordable Housing Project Approvals, the City Council also approved the CEQA Consistency Checklist, which determined the action was exempt from further CEQA review, by adopting City Resolution No. \_\_\_\_\_.

F. Notwithstanding Assignor’s separate rights and obligations to construct and develop the 1900 Broadway Commercial/Retail Project under the terms of the Development Agreement, as contemplated in the Development Agreement, Assignor desires to partially assign

its rights and obligations in the Development Agreement as those rights and obligations relate to the development of the Affordable Site and Affordable Housing Project to Assignee, and Assignee desires to accept and assume such rights and obligations. The purpose of this Partial Assignment is to memorialize said partial assignment and assumption of the rights and obligations with respect to the Affordable Housing Project under the Development Agreement, to evidence the transference of control of the Affordable Site to Assignee, and to delineate the Parties' respective rights and obligations for development of the Affordable Housing Project under the Development Agreement.

NOW THEREFORE, in consideration of the promises, covenants, and provisions set forth herein, the receipt and adequacy of which consideration is hereby acknowledged, the Parties agree as follows:

## ARTICLE 1 RECITALS, DEFINITIONS AND EXHIBITS

Section 1.1 **Recitals**. The Parties hereby agree that each of the foregoing Recitals are true and correct and are hereby incorporated herein by this reference as if fully set forth in their entirety.

Section 1.2 **Definitions**. The capitalized terms below shall have the following meanings:

(a) **“1900 Broadway Property”** shall mean the real property described in Recital B of this Partial Assignment.

(b) **“1900 Broadway Commercial/Retail Project”** shall have the meaning set forth in Recital C of this Partial Assignment.

(c) **“Affordability Covenant”** shall mean the Affordable Housing Restrictive Covenant Agreement, substantially in the form attached as Exhibit G to the Land Donation Agreement.

(d) **“Affordable Housing Project”** shall have the same meaning as set forth in Recital D of this Partial Assignment and Recital E of the Development Agreement. In the event of an inconsistency, the Development Agreement shall control.

(e) **“Affordable Housing Project Approvals”** shall have the same meaning as set forth in Recital D of this Partial Assignment.

(f) **“Affordable Site”** shall mean the real property described in Recital D of this Partial Assignment and Recital D of the Development Agreement. In the event of an inconsistency, the Development Agreement term shall control.

(g) **“Assignee”** shall mean \_\_\_\_\_.

(h) “**Assignee Obligations**” shall have the same meaning as set forth in Section 3.1 of this Partial Assignment.

(i) “**Assignor**” shall mean 1900 Broadway Owner LLC, a California limited liability company.

(j) “**Assignor Obligations**” shall have the same meaning as set forth in Section 3.2 of this Partial Assignment.

(k) “**CEQA**” means the California Environmental Quality Act, Public Resources Code Section 21000, *et seq.*

(l) “**CEQA Consistency Checklist**” shall mean the CEQA Guidelines Section 15183 Consistency Checklist for both the 1900 Broadway Commercial/Retail Project and the Affordable Housing Project, that was approved by the City of Redwood City Council on \_\_\_\_\_, 20\_\_, by adopting City Resolution No. \_\_\_\_\_.

(m) “**Developer**” shall also mean the Assignor as defined in this Partial Assignment.

(n) “**Development Agreement**” shall mean the “Development Agreement By and Between City of Redwood City and Assignor in connection with the 1900 Broadway Project,” approved on \_\_\_\_\_, 202\_, with the adoption of City Ordinance No. \_\_\_\_\_.

(o) “**Effective Date**” shall have the same meaning as set forth in Section 4.6 of this Partial Assignment.

(p) “**Land Donation Agreement**” shall mean the “Affordable Land Donation Agreement” and its exhibits, entered into between the City, Assignor, and Assignee on \_\_\_\_\_, 20\_\_.

(q) “**Partial Assignment**” shall mean this Partial Assignment and Assumption of Development Agreement By and Between Assignor and Assignee.

(r) “**Party**” or “**Parties**” shall mean Assignor and Assignee.

Section 1.3. **Exhibits.** The following Exhibits are attached to this Partial Assignment and are incorporated into this Partial Assignment by reference as if fully set forth herein:

Exhibit A-1: Legal Description of Affordable Site

Exhibit B-1: City’s Consent to Partial Assignment and Assumption Agreement

## ARTICLE 2

## ASSIGNMENT AND ASSUMPTION

Section 2.1 **Assignment by Assignor**. As of the Effective Date of this Partial Assignment, Assignor hereby assigns and delegates to Assignee, Assignor's rights, title, duties, and interests of the Developer under the Development Agreement with respect to the Affordable Site and construction of the Affordable Housing Project in accordance with the Affordable Housing Project Approvals, subject to the obligations set forth in the Land Donation Agreement and Affordability Covenant ("**Assigned and Assumed Rights and Obligations**").

Section 2.2 **Assumption by Assignee**. As of the Effective Date of this Partial Assignment, Assignee hereby accepts and assumes from Assignor the Assigned and Assumed Rights and Obligations. Assignee shall not be responsible for any default by Assignor under the Development Agreement prior to the Effective Date of this Partial Assignment.

Section 2.3 **Consent by City**. The City's consent to this partial assignment and assumption of the Development Agreement is set forth in the Consent, attached hereto as Exhibit B-1.

### ARTICLE 3 OBLIGATIONS OF THE PARTIES

Section 3.1 **Assignee Obligations**. Assignee shall be obligated to develop the Affordable Site and construct the Affordable Housing Project pursuant to the terms of the Development Agreement, including not limited to adhering and complying with the Affordable Housing Project Approvals, the Land Donation Agreement, and the Affordable Housing Restrictive Covenant Agreement, performing any mitigation measures required under the CEQA Consistency Checklist, and paying Impact Fees for the Affordable Housing Project at the Affordable Site ("**Assignee Obligations**").

(a) The Parties agree that the Assignee is not subject to the term or extended term provisions of the Development Agreement, as set forth in Sections 3.2(A) and (B) of the Development Agreement. Instead, Assignee is subject to the timing requirements for the Construction Commencement Period for the Affordable Housing Project, as set forth in Section 3.2 of the Land Donation Agreement.

Section 3.2 **Assignor Obligations**. Except for the Assignee Obligations described in Section 3.1 above, Assignor shall be responsible for all remaining obligations of the Developer included in the Development Agreement in developing the 1900 Broadway Commercial/Retail Project, including but not limited to providing any community benefits identified in Article 2 of the Development Agreement, performing any mitigation measures required under the CEQA Consistency Checklist, adhering or complying with any project permits and conditions of approvals, constructing offsite improvements or other public infrastructure, and paying any and all

Impact Fees associated with the 1900 Broadway Commercial/Retail Project, as set forth in Article 5 of the Development Agreement (“**Assignor Obligations**”).

Section 3.3 **Satisfaction of Assignor’s Obligations.** From and after the Effective Date of this Partial Assignment, the Assignor shall not be responsible for the Assignee Obligations and Assignee shall not be responsible for the performance of the Assignor Obligations. In addition, from and after the Effective Date, a default by Assignor under the Development Agreement shall not constitute a default by Assignee under the Development Agreement and shall not entitle the City to exercise any remedy against Assignee.

Section 3.4 **Satisfaction of Assignee’s Obligations.** Upon the City’s issuance of a Certificate of Occupancy for the Affordable Housing Project, at the request of Assignee, the City Manager shall be authorized to take all actions as may reasonably be necessary to confirm that Assignee’s obligation hereunder has been fulfilled and to record a termination or release of agreement or other document as applicable to remove this cloud on the title of the Affordable Site.

#### **ARTICLE 4 MISCELLANEOUS**

Section 4.1 **Further Assurances.** The Parties agree to take such further actions as may be necessary or advisable to effectuate, confirm, or document the partial assignment and assumption contemplated hereby.

Section 4.2 **City Consent to Further Assignment.** To the extent applicable, this Partial Assignment may not be assigned without the written consent of the City consistent with the assignment provisions of the Development Agreement.

Section 4.3 **Severability.** If any term of this Partial Assignment is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding, or unenforceability.

Section 4.4 **Interpretation.** This Partial Assignment shall be governed and interpreted in accordance with the laws of the state of California. This Partial Assignment includes the contributions of both Parties, each of which is represented by competent counsel, and the rule stated in Civil Code Section 1654 that an agreement be construed against its drafter shall have no application hereto. Headings contained in this Partial Assignment are for convenience of reference only, and shall not alter the meaning of any provision hereof.

Section 4.5 **Counterparts.** This Partial Assignment may be executed in counterparts, each of which shall constitute one and the same instrument.

Section 4.6 **Effective Date.** For purposes of this Partial Assignment, the “**Effective Date**” shall be the date on which the deed transferring the Affordable Site from Assignor to Assignee is recorded in the San Mateo County Recorder’s Office.

Section 4.7 **Recordation.** This Partial Assignment shall be recorded against the Affordable Site within ten (10) days of the Effective Date.

Section 4.8 **Signatures.** The individuals executing this Partial Assignment represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Partial Assignment on behalf of the respective legal entities of the Parties. This Partial Assignment shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Parties have executed this Partial Assignment effective as of the Execution Date.

ASSIGNOR:

ASSIGNEE:

Exhibit A-1  
Legal Description of Affordable Site  
(847 Woodside Drive, Redwood City, CA)

**LEGAL DESCRIPTION**

Real property in the City of Redwood, County of San Mateo, State of California, described as follows:

LOTS 1 AND 2, AS DESIGNATED ON THE MAP ENTITLED "TRACT NO. 523 SUBDIVISION OF PORTION OF THE HORGAN RANCH SAN MATEO COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON MARCH 17, 1940 IN [LIBER 23 OF MAPS AT PAGE 40](#).

EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE STATE OF CALIFORNIA FOR HIGHWAY PURPOSES RECORDED ON DECEMBER 21, 1967 IN [BOOK 5409 AT PAGE 211](#) OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 1 AND LOT 2, AS SAID LOTS ARE SHOWN ON THE MAP ENTITLED "TRACT NO. 523, SUBDIVISION OF PORTION OF THE HORGAN RANCH, SAN MATEO COUNTY, CALIFORNIA", FILED MARCH 17, 1941, IN [BOOK 23 OF MAPS, AT PAGE 40](#), IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF SAID LOT 1, SAID CORNER BEING ALSO ON THE EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 61° 27' 06" EAST, 16.48 FEET; THENCE SOUTH 11° 25' 40" WEST, 253.25 FEET TO THE SOUTHERLY LINE OF SAID LOT 2; THENCE ALONG LAST SAID LINE NORTH 78° 34' 20" WEST, 15.75 FEET TO SAID EASTERLY LINE OF WOODSIDE ROAD; THENCE ALONG LAST SAID LINE NORTH 11° 25' 40" EAST, 258.10 FEET TO THE POINT OF COMMENCEMENT.

APN: 059-240-810 JPN: 059-024-240-81A

Exhibit B-1

CITY’S CONSENT TO PARTIAL ASSIGNMENT AND ASSUMPTION  
OF DEVELOPMENT AGREEMENT

The City of Redwood City, a California charter city (“**City**”) hereby consents to the Partial Assignment and Assumption of the Development Agreement between the City and 1900 Broadway Owner LLC as Assignor and \_\_\_\_\_ as Assignee (“**Partial Assignment**”), to which this Consent to Partial Assignment is attached. Accordingly, pursuant to Section 2.2(C) of the Development Agreement, the City Manager is authorized to sign this Consent, and from and after the Effective Date of this Partial Assignment, Assignor shall be relieved of its obligations in the Development Agreement specifically applicable to the development of the Affordable Site and construction of the Affordable Housing Project in accordance with the Affordable Housing Project Approvals (except to the extent of any default by Assignor in respect of the Assignor Obligations which accrued prior to the Effective Date of the Partial Assignment). City acknowledges and agrees that Assignee shall not be responsible for any default by Assignor under the Development Agreement prior to the Effective Date. In addition, the City confirms that from and after the Effective Date, a default by Assignor under the Development Agreement shall not constitute a default by Assignee under the Development and shall not entitle the City to exercise any remedy against Assignee. Upon the City’s issuance of a Certificate of Occupancy for the Affordable Housing Project, at the request of Assignee, the City Manager shall be authorized to take all actions as may reasonably be necessary to confirm that Assignee’s obligation hereunder has been fulfilled and record a termination or release of agreement or other document as applicable to remove this cloud on the title of the Affordable Site. City acknowledges that Assignor intends to further transfer the Affordable Site to an affiliate of Assignor to develop the Affordable Housing Project as provided for in Section 5.4 of the Development Agreement.

[Signature Page Follows]

**CITY OF REDWOOD CITY,  
a California Charter City:**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_  
City Manager

ATTEST:

By: \_\_\_\_\_

Print Name: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM FOR CITY:

Name: \_\_\_\_\_

Print Name: \_\_\_\_\_  
City Attorney

EXHIBIT H

**EXISTING IMPACT FEE SCHEDULE**

<b>IMPACT FEE</b>	<b>FEE AMOUNT*</b>
Transportation Impact Fee (TIF)	\$ 1,500,404.00
Parks Impact Fee (PIF)	\$ 1,688,791.00
Public Art Fee	(1 % of est. construction value)
Affordable Housing Fee	\$ 5,813,945.00
Water & Sewer Fees	\$ 1,827,765.00
Wastewater Capital Facilities/Sewer Capacity Collection	\$ 958,916.00
Wastewater Treatment	\$ 306,659.00
Water	\$ 562,190.00
Water & Sewer Total	\$ 1,827,765.00
<b>Total Estimate (without Public Art):</b>	<b>\$ 10,830,905.00</b>

\* The amounts listed in this Schedule are for illustrative purposes only and are based on the rates in effect as of the Effective Date and total estimated 256,205 square feet of development. The actual fees assessed will be based upon actual square footage as shown on the building permit plans for construction of the project or in the case of the Public Art Fee (1% of the construction value of the project). The applicant will be entitled to fee credits for the demolition of existing development in accordance with the provisions of the respective fee ordinances. Fees may be further reduced through the provision of eligible parks improvements and facilities and the land donation for affordable housing that are determined to be eligible for fee credits.

ORDINANCE NO. 2543

At a Joint City Council/Successor Agency Board/Public Financing  
Authority Meeting thereof held on the 25<sup>th</sup> day of November 2024 by the following  
votes:

AYES, and in favor of the passage and adoption of the foregoing ordinance:

AYES: Aguirre, Howard, Martinez Saballos, Sturken, and Vice Mayor  
Espinoza-Garnica

NOES: None

ABSENT: None

ABSTAINED: None

RECUSED: Eakin, Mayor Gee



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Jeff Gee  
Mayor of the City of Redwood City



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Yessika Castro, CMC, CPMC  
City Clerk of Redwood City

I hereby approve the foregoing Ordinance  
This 25<sup>th</sup> day of November 2024.



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Jeff Gee  
Mayor of the City of Redwood City