

RESOLUTION NO. 24-06

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDWOOD CITY RECOMMENDING THAT THE CITY COUNCIL DETERMINE THAT ENVIRONMENTAL REVIEW OF THE 847 WOODSIDE PROJECT HAS BEEN COMPLETED PURSUANT TO SECTION 15168 AND SECTION 15183 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES AND APPROVE THE 847 WOODSIDE PROJECT INCLUDING AN ARCHITECTURAL PERMIT (AP2023-030 VESTING TENTATIVE PARCEL MAP (TM2023-006), DENSITY BONUS WITH ASSOCIATED CONCESSION AND WAIVERS, AN AFFORDABLE HOUSING PLAN, WITH CONDITIONS OF APPROVAL; AND AFFORDABLE HOUSING LAND DONATION AGREEMENT

WHEREAS, the Applicant, Eden Housing (“Applicant”) submitted an application for an Architectural Permit (AP2023-030), a Vesting Tentative Parcel Map (TM2023-006), State Density Bonus Law concession and waivers, and Affordable Housing Plan for the 847 Woodside Project with 71 deed restricted affordable units and one manager’s unit (the “Project”); and

WHEREAS, the Project site has a General Plan Land Use designation of Mixed Use-Downtown and is located within the Mixed-Use Neighborhood (MUN); and

WHEREAS, the Project qualifies as a “housing development” under the Housing Accountability Act (“HAA”) because at least 20% of the total units are affordable to very low- or low-income households. The HAA limits the City’s authority to: (a) condition such a project if doing so would have a substantial adverse impact on the viability or affordability of providing the units, and (b) disapprove a housing development project except where the project does not comply with objective, quantifiable and written development standards, conditions and policies; and

WHEREAS, State Density Bonus Law (Government Code 65915 *et seq.*) incentivizes the construction of affordable housing by allowing a developer to add additional housing units to a project beyond the zoned capacity and secure other incentives in exchange for a commitment to include deed-restricted affordable units. A developer is entitled to: (a) a specified number of modifications to development regulations that would result in identifiable and actual costs reductions needed to provide affordable housing, known as concessions, and (b) an unlimited number of modifications to development regulations that are needed to physically accommodate the proposed project, known as waivers. If a housing development project is entitled to a density bonus, concessions, and/or waivers, those modifications of local rules cannot be considered a violation of a general plan, zone code, or other local regulation or a basis for denying a project. The City has adopted Redwood City Municipal Code Section 32.19, which implements the Density Bonus law; and

WHEREAS, the Project is eligible for up to an 80% density bonus because the project is at least 80% affordable to lower-income households and has requested a 24.5% density bonus; and

WHEREAS, the Project includes a request to exercise its right to seek one concession to modify the requirements set forth in the Mixed Use Neighborhood (MUN) Zoning District and Off-Street Parking and Loading Requirements to allow a reduced parking ratio (57 spaces where 72 are required) to avoid the economic burden of having to build an additional level of parking garage. The Project also includes a request for three waivers from the following Zoning Standards in the Mixed Use Neighborhood Zoning District - Development Intensity Transition and Sight Lines, Minimum Pervious Area, and Building Length Requirements to allow the project to physically accommodate the density proposed; and

WHEREAS, on April 25, 2024, the Architectural Advisory Committee (“AAC”) held a public hearing on a prior design of the Project, which had 86 units and with larger massing. The AAC did not recommend that the Planning Commission approve the prior design of the Project primarily related to the aspects that deviated from the base Zoning requirements pursuant to the State Density Bonus Law; and

WHEREAS, the Project applicant voluntarily made design changes in response to AAC and other comments, in particular by reducing the units from 86 to 72 as well as increasing the distance from the neighboring use and adding more parking and pervious space, reducing the encroachment into the daylight plane, reducing the scale of the building in the neighborhood, and improving the massing on the side elevations, among other changes. As a result, the number of waivers requested was reduced and the Project’s degree of deviation from the base requirement has been reduced; and

WHEREAS, consistent with the requirements of Gov. 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, on June 25, 2018, the City Council of the City of Redwood City adopted Ordinance 1130-375, the Affordable Housing Ordinance, set forth in Article 29 of the Redwood City Zoning Code (the “Ordinance”) the purpose of which is to among others, require developers to mitigate the impact of their developments on the need for affordable housing in the community and to increase the inventory of land suitable and available for residential development Projects to meet the City of Redwood City’s (the “City”) regional housing need allocation through land donations; and

WHEREAS, on May 03, 2024, the City Community Development Director published the Affordable Housing Program Guidelines (the “Program Guidelines”) as the implementation document for the City of Redwood City’s Ordinance and provide an overview of the requirements used to mitigate the impact of new development on the need for affordable housing; and

WHEREAS, an “affordable housing plan” is required for any residential or nonresidential development Project that provides affordable units, either on-site or off-site and for Projects applying for any alternative method of compliance under Section 29.8 of the Ordinance. The affordable housing plan for the land donations must meet the requirements set forth in the Program Guidelines; and

WHEREAS, under the Ordinance, the City may consider an alternative mitigation program proposed by a developer, such as the provision of off-site affordable units, donation of land for the construction of affordable units consistent with Subsection 29.8(H) and the requirements set forth in the Program Guidelines, purchase of existing units for conversion to affordable units or alternatives to the Standards for Affordable Housing; and

WHEREAS, Lane Partners, a California limited liability company (the “1900 Broadway Developer”) has submitted an application for development of a project at 1900 Broadway for a 7-story (94ft.) mixed-use building consisting of 256,200 sq. ft. and including over 10,000 sq. ft. of ground floor retail. Project features a 12,000 sq. ft. of public open space plaza at the corner of Broadway and Main Street (the “1900 Broadway Project”); and

WHEREAS, as allowed under Subsection 29.8(H) of the Ordinance, the 1900 Broadway Developer has requested City Council approval for alternative compliance with the Ordinance and to satisfy the requirements of the Ordinance through the donation of the specified real property generally located at 847 Woodside Road, in the City of Redwood City(the “Affordable Site”); and

WHEREAS, the 1900 Broadway Developer is proposing to donate the Affordable Site to Eden Housing Inc., a California nonprofit public benefit corporation, or its permitted successors and assigns (the “Affordable Housing Partner”). The Affordable Housing Partner must be a City approved qualifying designee as defined in the Ordinance and consistent with the requirements set forth in the Program Guidelines; and

WHEREAS, in compliance with Chapter 2, Section I.c of the Program Guidelines, the 1900 Broadway Developer and Affordable Housing Partner submitted the Affordable Housing Plan dated August 1, 2024; and

WHEREAS, to effectuate the transfer of the Affordable Site, the 1900 Broadway Developer and the Affordable Housing Partner are requesting the City's approval of that certain Affordable Housing Land Donation Agreement; and

WHEREAS, on September 17, 2024, the Planning Commission concurrently reviewed the 1900 Broadway Project approvals, which included a recommendation to the City Council to approve Eden Housing, Inc. as the Affordable Housing Partner, and to approve the Affordable Housing Plan, the Affordable Housing Land Donation Agreement, and the Land Donation. The 1900 Broadway Project approvals also include adoption of

an ordinance approving a Development Agreement, which includes a Partial Assignment and Assumption Agreement, which transfers the responsibility for creation of the affordable housing units from the 1900 Broadway Developer to the Affordable Housing Partner; and

WHEREAS, on February 13, 2023, the City Council of Redwood City adopted Resolution 16124, certifying the Final Environmental Impact Report for its Focused General Plan Update to the Housing, Built Environment, Public Safety, Building Community, and Natural Resources & Environmental Justice Elements (“GPU EIR”, State Clearinghouse #2022100449) and adopting CEQA Findings of Fact, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program; and

WHEREAS, the Planning Commission considered the CEQA Guidelines §15183 Consistency Checklist, dated September 5, 2024, and its findings prepared by the City’s Planning Division, the GPU EIR; and

WHEREAS, on September 6, 2024, a public notice was sent to property owners within a 300 foot radius of the Project site and was published in the San Mateo Daily Journal; and

WHEREAS, on September 17, 2024, the Commission conducted a duly noticed public hearing, in accordance with all applicable requirements of the State Planning and Zoning Law, the Redwood City Code, and the Redwood City Zoning Ordinance, to review and recommend to the City Council the CEQA Consistency Checklist; Architectural Permit, Vesting Tentative Parcel Map, Density Bonus with associated Concession and Waivers; Affordable Housing Plan, and Affordable Housing Land Donation Agreement, with Conditions of Approval; and

WHEREAS, after the public hearing, the Planning Commission considered the staff reports and the application materials, including without limitation, the GPU EIR, Consistency Checklist, Tentative Parcel Map, and all other documents, reports, studies, memoranda, maps, oral and written testimony and materials in the City’s file for the applications and the Project, and all adopted City planning documents related to the Project and to the property, including the City’s General Plan, Municipal Code, Zoning Ordinance, and other applicable City laws and regulations, and all associated and approved and certified environmental documents (collectively, the “Record”) for the Project; and

WHEREAS, following its deliberation on all of the foregoing, the Planning Commission determined that the Project is within the scope of the GPU EIR, and pursuant to Sections 15168 and 15183 of the CEQA Guidelines, and desires to recommend that the City Council find no further environmental review is required for the Project; and

WHEREAS, the Planning Commission further determined that it desires to recommend that the City Council approve the Project by approving the CEQA Consistency Checklist; Architectural Permit; Vesting Tentative Parcel Map; Density

Bonus with associated Concessions and Waivers; Affordable Housing Plan, and Affordable Housing Land Donation Agreement, with Conditions of Approval; and

WHEREAS, the Planning Commission has determined that, the proposed Project is consistent with the General Plan goals and Zoning District standards and other applicable provisions of the Redwood City Municipal Code and Zoning Ordinance, State Density Bonus Law, and Subdivision Map Act.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF REDWOOD CITY 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. The Planning Commission, having independently heard, considered, and weighed all the evidence in the Record, finds that the above recitals are accurate and constitute findings in this matter and, together with the Project Record, have served as an adequate and appropriate evidentiary basis for the findings and actions set forth in this Resolution.

Section 3. CEQA. In the exercise of its independent judgement, based on the facts and evidence in the Record, the Planning Commission finds that:

- a. The Consistency Checklist was prepared in accordance with all legal requirements.
- b. The Planning Commission has reviewed and analyzed the Consistency Checklist and other information in the entire Record and has considered the information contained therein, including the written and oral comments received at the public hearing on the Project, prior to acting upon or approving the Project.
- c. Based on substantial evidence in the record, the proposed Project is adequately analyzed and addressed in the previously certified GPU EIR for the purposes of CEQA. The Statement of Overriding Consideration and MMRP associated with the certification of the GPU EIR address the environmental effects of the Project. Accordingly, with the approval of this Project, all applicable mitigation measures and the Statement of Overriding Consideration are hereby reconfirmed and readopted.
- d. As set forth in CEQA Guidelines section 15183, subdivisions (a)(b), and (d), for the reasons stated in the Record, the proposed Project is consistent with the General Plan and Zoning Ordinance which provides the necessary policies and standards to accommodate the proposed development density. Further, as discussed in the Consistency Checklist, there are no environmental effects which are peculiar to the Project or its site, nor are there any new significant effects that were not already identified and analyzed in the certified GPU EIR, nor are there

any potentially significant off-site impacts or cumulative impacts that were not already identified and analyzed in the certified GPU EIR, nor is there substantial new information which was not known at the time of the certification of the GPU EIR that identifies any significant effects which will have a more severe adverse impact than discussed in the certified GPU EIR. The feasible mitigation measures specified in the GPU EIR have been included in the Project's Conditions of Approval.

e. As set forth in CEQA Guidelines sections 15168, 15162, and 15163, the proposed Project will not result in any new or more significant environmental effects or require new mitigation measures beyond those identified in the GPU EIR MMRP. No new environmental document is required. As a result, pursuant to Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183, the Project is exempt and does not require further environmental review under CEQA.

f. Pursuant to Guidelines section 15091(e), the documents and other materials that constitute the record of proceedings upon which the Planning Commission has based its decision are located in and may be obtained from, the Office of the City Clerk at 1017 Middlefield Road, Redwood City, California. The City Clerk is the custodian of records for all matters before the City.

Section 4. Architectural Permit Findings. The Planning Commission makes the following findings based on facts and evidence in the Record about the Architectural Permit in conformance with Sections 45.4 of the Zoning Code.

a. The existence of sufficient variety in the design of the structure and grounds to avoid monotony in the external appearance.

The proposed building utilizes a central outdoor patio on the second floor with apartments wrapping around the patio. The site design provides high quality landscaping, a large recessed front entry that utilizes an existing tree to provide interest in the grounds. The upper floors are stepped back to provide variation in the side elevations. The side elevations of the building provide horizontal bands, as well as a mixture of different materials and colors. Together, these features in the design of the structure and grounds are successful in avoiding monotony in external appearance.

b. The size and design of the structure shall be considered for the purpose of determining that the structure is in proportion to its building site and that it has a balance and unity among its external features so as to present a harmonious appearance.

The proposed building conforms to the height limit in the district. Moreover, the structure utilizes a central courtyard and steps back third, fourth, and fifth floors at least 24 feet. The upper story setbacks at the rear adjacent to the residences in

the rear, together with the site central courtyard and compliance with height requirements, assist in providing proportion to the building site, and also provide a balance and unity in external features that promotes a harmonious appearance.

c. The extent to which the structure conforms to the general character of other structures in the vicinity insofar as the character can be ascertained and is found to be architecturally desirable.

The Project site is located in an urbanized area on a major transportation corridor (Woodside Road). To the north of the site is a neighborhood serving commercial uses and medium density residential. To the east is a mix of single-family residential and medium density residential. To the south is a mix of three to five story multifamily residential apartments and neighborhood-serving commercial uses. To the west is a grocery store (Safeway) and neighborhood-serving commercial. The materials of the structures in the vicinity vary considerably and include stucco, wood, concrete, brick, and composites. The roof types include flat, parapet, hip, and gable roofs. The Project will use concrete on the ground floor, brick, glass, cement plaster, and metal on the upper floors. The building will have a flat roof with parapet walls. The Project conforms to the general character of the structures in the vicinity because the height is consistent with adjacent buildings, the materials and roof are consistent with adjacent buildings, and because it utilizes a step-back of over 24 feet to provide transition from the nearby 2 story neighborhood.

d. The extent to which excessive ornamentation is to be used and the extent to which temporary and second-hand materials, or materials which are imitative of other materials, are to be used.

The Project does not utilize decorative ornamentation or materials that are temporary, second-hand, or imitative. Instead, it utilizes high quality exterior materials including brick, glass, cement plaster, and metal.

e. The extent to which natural features, including trees, shrubs, creeks, and rocks, and the natural grade of the site are to be retained.

While Project site is flat and developed and does not contain significant rocks or creeks, it does contain 13 mature Redwood Trees and One Black Walnut Tree. Three trees (all Redwoods) would be removed because they are on the Project site. The Project provides 7 new street trees and preserves 11 of the existing Redwood Trees and Black Walnut Tree, making one of the Redwoods a focal point of the entrance. The Project sufficiently retains natural features and trees to be consistent with the purpose of an Architectural Permit (to create a positive image for the City and ensure design quality).

f. The accessibility of off-street parking areas and the relation of parking areas with respect to traffic on adjacent streets.

The proposed design orients the parking garage to have only one driveway approach from Woodside Road to limit conflicts with this corridor. It also utilizes a 12-foot-wide sidewalk to enhance pedestrian safety, as well as the visibility and safety for vehicles transitioning from off-street parking to Woodside Road. The site has access to transit with 30-minute headways during peak weekday traffic and hourly during non-peak hours. Thus, the accessibility of off-street parking and its relation to adjacent streets is consistent with the purpose of the Architectural Permit (Article 41.1) because it promotes a quality circulation design by limiting conflicts with traffic on adjacent streets in a manner that promotes a positive image of the City.

g. The reservation of landscaping areas for the purposes of separating or screening service and storage areas from the street and adjoining building sites, breaking up large expanses of paved areas, separating or screening parking lots from the street and adjoining building sites, and separating building areas from paved areas to provide access from buildings to open space areas.

The Project does not include large parking, service, or storage areas outside the building. The service and storage areas are located inside the building, which screens them effectively from adjoining building sites. The recessed open area at the building entrance and central courtyard provides access from the building to open space areas. The Project provides screening from the adjacent neighborhood by preserving the existing 9 trees adjacent to the rear property line. The characteristics described are consistent with the goal of providing design quality and a positive image for the City, and thus sufficient to meet this architectural finding.

h. In the case of any commercial or industrial structure, the review authority shall consider its proximity to any R District and shall consider the effect of the proposed structure upon the character and value of the adjacent R District area.

The Project is not a commercial or industrial structure, so this section is not applicable.

i. The provision of permeable areas and drainage design appropriate to capture and treat stormwater runoff prior to its discharge from the site including, but not limited to, the use of vegetated swales, landscape features, permeable pavement materials, infiltration basins or engineered designs.

The proposed project utilizes a waiver from the minimum 20% pervious area requirements identified in the Zoning Code, providing 18% pervious area. However, the City's Engineering and Transportation Department has reviewed the Project's landscape features and areas and stormwater treatment and determined that the Project would comply with applicable C.3 stormwater treatment regulations. The Project can still treat 95% of the stormwater on-site through silva-cells, media filters, flow-through placement planters, and pervious area, which is well above and compliant with the 50% minimum required treatment for a Class C Stormwater Project as provided in C.3 stormwater requirements. The Conditions of Approval ensure compliance with the C.3 Stormwater runoff requirements. Compliance with applicable C.3 stormwater regulations are consistent with the purpose of the Architectural Permit, and traditionally associated with a project approvable under 45.4 (i).

Section 5. Vesting Tentative Parcel Map Findings. The Planning Commission makes the following findings based on facts and evidence in the Record about the Vesting Tentative Parcel Map in conformance with Sections 30.69, 30.12, 30.13, and 30.23 of the Municipal Code.

30.69 (a) – No Exceptions. Based on the Record presented to the Commission, the proposed lot combination is not seeking any exceptions to the provisions of the Subdivision Ordinance under Section 30.69, and findings to deny the map under Section 30.23 cannot be made for the reasons stated in the Section 2 hereof.

30.23 Findings – Required Findings.

a. The map, design, or improvements of the proposed subdivision are consistent with the general or specific plans, the zoning ordinance, or subdivision improvement requirements.

The proposed lot merge and associated improvements are consistent with Redwood City's General Plan, Municipal Code, Zoning Ordinance, and all applicable subdivision improvement requirements. The Mixed-Use Neighborhood General Plan Designation accommodates moderate-scale mixed-use developments that combine residential uses with neighborhood-serving commercial storefronts. The General Plan Density for this category is 60 dwelling units per acre. The Project utilizes State Density Bonus Law (Government Code Section 65915 (f)(3)(D)), that allows up to an 80 percent density bonus, proposing a 24.5 percent density bonus.

The Project is consistent, among other things, with General Plan Goal BE-13 to *“Enhance the Woodside Road Corridor as an attractive residential boulevard with walkable mixed-use neighborhood centers, a pedestrian and transit-oriented character, and consistent design elements that unify its image.”* and the specific policy listed below:

Policy BE-13.4: *Support new higher-density residential development on Woodside Road, while ensuring that new development is sensitive to adjacent single-unit residential neighborhoods.*

The Project provides new higher-density residential development on Woodside Road as envisioned in the designation and Policy-BE 13.4. The deed restricted affordable units would be walking distance from a grocery store and include street trees along the sidewalk, which together would enhance the area as a neighborhood center. The units would also have access to new bike lanes and high visibility crosswalks currently under construction and to the route 278 bus stop, which further enhance the pedestrian and transit-oriented character. The Project is designed to respect the two-story neighborhood in several ways. It steps back the upper floors (above the second story) in response to neighborhood feedback to reduce massing and provide an enhanced transition from higher density corridor development and existing neighborhoods. The Project also retains nine existing mature redwood trees, varying between approximately 30 feet and 75 feet, at the rear of the property, which provide a buffer between the corridor and the adjacent neighborhood. The Project is consistent with the design elements of the corridor by providing a similarly sized and designed Project as 875 Woodside (4 stories) and 885 Woodside (5 stories) that complies with the district's development standards.

b. The site is physically suited for the proposed type or density of development.

The Project site is physically suited for the proposed type of development. The site is in an urbanized location generally surrounded by commercial, retail, and residential uses. The proposed parcelization in this Vesting Tentative Parcel Map will better facilitate orderly development in the area. The development proposed will be served by existing utilities, making necessary improvements and green infrastructure to serve the Project in conformance with applicable Engineering Standards.

c. The design or proposed improvements are not likely to cause substantial environmental damage, or substantially and avoidably injure fish, wildlife, or their habitat, or cause serious public health problems.

As identified in the CEQA Consistency Analysis, the Project site does not contain natural features or areas that would be considered habitat for fish or wildlife. The Project site is already developed and located in an urbanized area. As such, it is not likely to cause substantial environmental damage or substantially and avoidably injure fish, wildlife, or their habitat, or cause health problems. The proposed development will improve the site with new stormwater treatment and landscaping.

d. **The design or improvements of the proposed subdivision will not conflict with essential public easements for access through, or use of, property within the proposed subdivision, unless acceptable alternate public easements will be provided.**

The Civil Sheets C.1 and C.5 of the Project plans show the existing site conditions and do not identify any easements interfering with the proposed lot merger. The City Engineering Division reviewed and corroborated this analysis. The proposed tentative parcel map and associated improvements does not conflict with essential public easements for access through, or use of, property within the proposed Project site. Additionally, the Project site does not have any public utilities or associated improvements that would be in conflict with the proposed Project.

e. **Such other findings of conflict with written public policy or with the public interest as the Subdivision Committee may determine.**

Based on the findings made above, the project and associated lot merger does not conflict with written public policy or with the public interest.

f. **Such other findings of conflict with written public policy or with the public interest as the Planning Commission may determine.**

In reviewing the entirety of the Project and applicable public policy, the Commission finds that the proposed Project does not have any conflict with the public interest. It further finds that the proposed Project does not conflict with any written public policy or with the public interest.

g. **In addition, the following finding is required by Government Code Section 66473.5: The proposed subdivision, together with the provisions for its design and improvement, is consistent with the General Plan.**

The proposed Tentative Parcel Map and land use is compatible with the objectives, policies, general land uses, and programs specified in the City's General Plan as described in this staff report. While the state law also references specific plans, there is no specific plan that applies to the Project site.

Section 6. Affordable Housing Findings. As concurrently recommended in Resolution 24-07 for the 1900 Broadway Project, the Planning Commission is able make the required findings for recommendation of approval of an Affordable Housing Plan (Zoning Ordinance Section 29.7(C)), and Affordable Housing Land Donation Agreement. Specifically, based on the facts and evidence in the Record, the Planning Commission finds that:

a. **Affordable Housing Plan (29.7(C)).** The Affordable Housing Plan was prepared in a manner consistent with the requirements in Section 29.7 of the Affordable Housing Ordinance and is recommended for approval because:

- i. The proposed affordable units comply with the applicable standards in Article 29. There is one market rate unit, the manager's unit, and all units will be made available for occupancy at the same time.
- ii. The proposed Project provides 71 of the 72 units as affordable onsite units, thus there are no impacts to be mitigated as provided in this Ordinance.
- iii. The proposed affordable units provide alternative percentages and levels of affordability however such alternative percentages and levels of affordability are greater than the requirements under Section 29.4(A).

b. **Land Donation Agreement.** As concurrently recommended in Resolution 24-07 for the 1900 Broadway project, the Planning Commission recommends approval of the Affordable Housing Land Donation Agreement and subject to the terms thereof, the conveyance of the Affordable Site to the Affordable Housing Partner pursuant to the terms and conditions described therein as an alternative method of compliance under Section 29.8 of the Ordinance.

Section 7. No Net Loss. Pursuant to Government Code Section 65863(b)(1), the Planning Commission finds that approval of the Project does not result in a net loss of housing unit capacity relative to the City's RHNA and that sufficient capacity remains in the City's Housing Element Sites Inventory to meet the City's RHNA obligation.

Section 8. The Planning Commission hereby recommends that the City Council of the City of Redwood City: (a) make CEQA findings and approve the CEQA Consistency Checklist (b)approve the Architectural Permit, Vesting Tentative Parcel Map, Density Bonus with associated Concession and Waivers, and, subject to the Conditions of Approval attached hereto as Exhibit A; and Affordable Housing Plan and Affordable Housing Land Donation Agreement attached hetero as Exhibit B . The exhibits attached hereto are incorporated herein by reference.

Section 9. This resolution shall go into effect immediately upon adoption.

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CITY OF REDWOOD CITY

CONDITIONS OF APPROVAL

847 Woodside Road

AP2023-030 Architectural Permit and TM2023-006 Tentative Parcel Map

The following Conditions of Approval [COA] and Standard Development Requirements [SDR] apply to this project. The COAs are specific conditions applicable to the Project. The SDRs are items which are codified or adopted by resolution and have been included for ease of reference, they may not be appealed or changed. The SDRs are not intended as a comprehensive list. The COAs and SDRs are grouped under specific headings that relate to the subject matter and the responsible division is described in brackets, e.g. [PLANNING].

The applicant is responsible for the fulfillment of all conditions and standard development requirements, unless specifically stated otherwise.

In addition to complying with all applicable City, County, State and Federal Statutes, Codes, Ordinances, Resolutions and Regulations, Applicant expressly accepts and agrees to comply with the following Conditions of Approval and Standard Development Requirements of this Permit:

Project Conformance

1. **Related Agreements** - The Project shall comply with and implement all terms of: (a) the Affordable Housing Land Donation Agreement as approved by Resolution No. *Planning to fill* ("Land Donation Agreement") and (b) the Partial Assignment and Assumption Agreement required by and attached as Exhibit G to the 1900 Broadway Development Agreement ("Development Agreement"), which will partially assign certain affordable housing rights and responsibilities of the 1900 Broadway project to the applicant ("Partial Assignment and Assumption Agreement"). In the event of a conflict between the Land Donation Agreement (including its exhibits), Partial Assignment and Assumption Agreement, and these conditions of approval, the Land Donation Agreement shall control. [COA][PLANNING]
2. **Substantial Conformity** – All improvements shall substantially conform to the Project plans prepared by Eden Housing / Architects FORA dated June 26, 2024, and related information submitted by the Applicant, on file with the Community Development Department. [COA][PLANNING]

3. **CEQA Mitigation Measures** – The Project shall implement and comply with all applicable mitigation measures described in the Environmental Impact Report (EIR) and Mitigation Monitoring Program (MMRP) for the Housing, Built Environment, Public Safety, Building Community, Natural Resources & Environmental Justice Elements Update to the Redwood City General Plan (SCH NO. 2022100449) adopted by City Council by Resolution No. 16124, set forth and identified in the Consistency Checklist for this Project, dated September 13, 2024, and as listed in **Attachment 1 of the Conditions of Approval**. [SDR] [PLANNING]
4. **MMRP Compliance** - The Applicant shall provide written documentation of compliance with all required mitigation measures prior to the issuance of final certificate of occupancy. [COA][PLANNING]
5. **Approval Letter & Conditions in Building Permit Plans** – A Notice of Final Decision will be issued, with the accompanying conditions of approval that shall be printed on the first page of the building permit plans. [COA][PLANNING]
6. **Exterior Colors and Materials** – The Applicant shall provide a mockup of the proposed materials and colors for Planning review and approval prior to framing inspection. [COA][PLANNING]

Fees

7. **Fees** – The Applicant shall pay all Project fees as required by the Development Agreement.
8. **Notice of Fees Protest** – The Applicant may protest any fees, dedications, reservations, or other exactions imposed by the City as part of the approval or as a condition of approval of this development. Per California Government Code Section 66020, this 90-day protest period has begun as of the date of the approval of this development. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development. [SDR][OFFICE OF THE CITY ATTORNEY]

Landscaping and Site Improvements

9. **Water-Efficient Landscaping** – The Applicant shall provide to the Planning Manager at the time of building application for vertical development a complete landscaping and irrigation plan conforming to the California Water-Efficient Landscape Ordinance (AB 1881), including an automatic irrigation system (drip, micro-spray, or bubblers) with a rain sensor, and show these measures on the building permit plans. [COA][PLANNING]
10. **Tree Survey** - The Applicant shall provide a tree survey to the Planning Manager that identifies species, location, diameter at breast height (DBH), condition, and critical root zone prior to building permit issuance. [COA][PLANNING]

11. **Tree Protection** - The Applicant shall provide tree protection measures for ordinance-sized trees in or near the Project and show these measures on the building permit plans prior to building permit issuance. [COA][PLANNING]
12. **Tree Removal Permit** - The Applicant shall obtain a Tree Removal Permit from the City Parks and Recreation Director prior to the removal and/or tree trimming of all ordinance-size trees as defined within the City's Tree Preservation Ordinance prior to building permit issuance and as shown on the approved project plans and in the Arborist Report prepared by SBCA Tree Consulting dated May 12, 2023 which includes the tree number, type, and location. [SDR][PLANNING]
13. **Street Trees** – A total of seven (7) (24-inch box) new street trees shall be planted by Applicant along the Woodside Road frontage. The tree species and location shall be determined by the City Engineer and Parks and Recreation Director. These improvements shall be included as part of the building permit submittal package. Newly planted trees shall follow the City's street tree planting standards and be both irrigated and maintained by the Applicant in a manner consistent with the Landscape Maintenance Agreement. [SDR][PLANNING]
14. **Stormwater Runoff** – Post-construction runoff into the storm drain shall not exceed pre-construction runoff levels. The applicant's design professional shall evaluate the Project's impact to the City's storm drainage system and shall substantiate their conclusions with drainage calculations to the satisfaction of the City Engineer. The Project shall be designed in conformance with the Drainage Guidelines for Commercial Development. [SDR][ENGINEERING]
15. **Exterior Lighting** – The Applicant shall provide a lighting plan for proposed exterior lighting, including cut sheets, a photometric site plan demonstrating light levels and a diagram showing light spillover. This information shall be included in the building permit plans. New light sources shall not introduce glare or light effects that spill off the property. [COA][PLANNING]
16. **Bicycle Parking** – The Applicant shall provide for 90 bicycle storage spaces, consistent with sheet PA5.2 of the Project plans. The proposed bicycle parking spaces shall be demonstrated on the building permit plans, which shall be subject to review and approval by the City Engineer. [COA][ENGINEERING]
17. **Electric Vehicle Charging Stations** – The Applicant shall provide for and install Electric Vehicle Charging Stations (EVCS) equivalent to at least 3% of the total parking spaces. Provide the appropriate number of accessible EVCS with at least one van accessible, including considerations for signage and time limits. The Applicant shall demonstrate this on the building permit plans, which shall be subject to review and approval by the City Engineer. [COA][ENGINEERING]

18. **Discards Collection** – Prior to the issuance of a building permit, the Applicant shall submit to Engineering a Discards Collection Plan for review and approval. The plan shall include the following elements and additional elements as required by City staff: [COA][ENGINEERING]
- a. **Maintenance and Service:** Trash, recycling, and composting (Discards) storage areas shall include adequate space for the maintenance and servicing of containers for all materials that are provided by local hauling companies.
 - b. **Adequate Space for Trash, Recyclables and Compostables:** The amount of space provided for the collection and storage of recyclable materials shall be at least as large as the amount of space provided for the collection and storage of trash materials and shall reflect the estimated volumes of trash and recyclable and compostable materials to be generated providing for the separate and dedicated containers for those materials with the goal of 25% or less of the total materials generated going to a landfill. An appropriately sized and designed area for wastes banned from regular trash containers such as electronics, fluorescent lamps and batteries shall be designated. Residential properties will also provide area for bulky item collection such as mattresses, furniture, tires and white goods. This shall be reflected in the Discards Collection Plan.
 - c. **Convenience and Accessibility:** The recycling area shall be at least as accessible and convenient for tenants and collection vehicles as the trash collection and storage area. Separate, properly labeled (as per City standards) and dedicated chutes must be provided for each and every collected stream of materials - not just for trash (non-recyclable and non-compostable materials) if chutes are planned. The trash and recycling room(s) or areas shall be located on an exterior wall of the building (if indoors) with adequately-sized door or gate access to the street through the wall so as to minimize distance for the collection vehicle personnel and eliminate temporary outdoor storage of containers on collection days. If the storage area is located outside, then it must be easily accessible by the collection vehicles. If the day-to-day-use trash and recycling area(s) cannot be located adjacent to the street, then service-day locations easily accessible by the collection vehicle staff must be provided in an area on-site as per city standards in enclosures completely screened and covered from off-site view by a solid fence or masonry wall at least six feet high and in harmony with the architecture of the building(s).
 - d. **Equipment/Storage:** All trash enclosures shall be completely screened and covered from off-site view by a solid fence or masonry wall at least six feet high and in harmony with the architecture of the building(s). Alternatively, the trash facilities may be placed within the building. Sewer drains, fire sprinklers, enclosures, and roofing (if outdoors) shall be provided as per City standards.
 - e. **Implementation and Reporting:** The Applicant shall implement the approved Discards Collection Plan and report its activities and achievements to the Public Works Department annually as requested.

Parcel Map

19. **Final Parcel Map** – The Applicant shall obtain approval and record a Final Parcel Map prior to building permit issuance. The Parcel Map shall include the lot configuration and proposed easements and conform to the Subdivision Map Act and Chapter 30 of the Municipal Code. [\[SDR\]](#)[ENGINEERING]
20. **Agreements** – Prior to Parcel Map approval, the Applicant shall enter into the following agreements in a form acceptable to the City Attorney and the Community Development Director: [COA][ENGINEERING]
 - a. **A Landscape Maintenance Agreement (LMA)** for all assigned landscape areas in public rights of way, easements, and/or on property in which the City holds an interest to be maintained. Maintenance items shall include, but are not limited to, planting trees, shrubs, flowers, grass and all appurtenances including irrigation systems and pedestrian scale lighting.
 - b. **A Stormwater Treatment Measures Maintenance Agreement (STMMA)** for all on-site stormwater treatment measures associated with the project.
 - c. **A Subdivision Improvement Agreement (IA)** to guarantee the construction and installation of all improvements required of the project and to provide for payment of all City inspection and plan check charges associated with the installation of public and private improvements, including, but not limited to, streets, signage, curb, gutter, sidewalk, sanitary sewers, water, storm drains and streetlights.
 - d. **Affordable Housing Restrictive Covenant Agreement.** Prior to approval of the Parcel Map, or issuance of any building permit for the 1900 Broadway Project, whichever occurs first, execute and record a grant deed accepting the donated property, and execute and record the Affordability Covenant in the form attached to the Affordable Housing Land Donation Agreement and a separate Irrevocable Offer to Dedicate Agreement against the property, in a form acceptable to the City Attorney and the Community Development and Transportation Director. The Affordable Housing Restrictive Covenant Agreement shall incorporate the provisions of the Affordable Housing Plan and codify the following requirements:
 - a. A total of seventy-two (72) affordable units will be constructed consisting of seventy-one (71) affordable units and one (1) manager unit. At least thirty-one (31) units will be rented to very low income households with incomes at or below 50 percent of Area Median Income as defined by Health and Safety Code 50105 and at least forty (40) low income units will be rented to households with incomes at or below 80 percent of the median income as defined by Health and Safety Code 50079.5 as required by Redwood City Zoning Code Section 29.2 and State Density Bonus Law under Government Code 65915(c)(1)(B)(ii).

- b. The Affordable Housing Restrictive Covenant Agreement shall also specify that at least 20 percent of the affordable units (15 units) in the development shall be set at an affordable rent, as defined in Section 50053 of the Health and Safety Code, and the rent for the remaining 80 percent of the units may be set at an amount consistent with the maximum rent levels for lower income households, as those rents and incomes are determined by the California Tax Credit Allocation Committee (TCAC), as allowed under Government Code Section 65915(c)(1)(B)(ii). Additionally, the Affordable Housing Restrictive Covenant Agreement shall also identify which units are subject to Health and Safety Code rent definitions, and which units are subject to TCAC rent definitions.
- c. The Affordable Housing Restrictive Covenant Agreement term shall be for a period of 55 years from the date of final certificate of occupancy. The Affordable Housing Restrictive Covenant Agreement shall specify the number, type, location, size, and phasing of all affordable units, provisions for marketing, 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. Except as otherwise provided for by the Affordable Housing Ordinance, the Affordable Housing Restrictive Covenant Agreement must provide the City of Redwood City with a right of reverter, right of first refusal and option to acquire the donated land. The Affordable Housing Restrictive Covenant Agreement shall include a Performance Deed of Trust securing the affordable housing obligation and an Assignment of Contracts (consistent with Zoning Code Ordinance Section 28.8)
- d. Any further requests for modification, including but not limited to, changes to the Affordable Housing Plan, must be submitted in writing to the City prior to issuance of the final building permit required for construction of the project, pursuant to Government Code Section 65913.4(g)(1)-(4).

Reports and Surveys

- 21. **Geotechnical Report** – The applicant shall include a geotechnical field review and reports for all grading work, prepared by a licensed geotechnical engineer and in conformance with Engineering Standards, Volumes II & III, CBC, and other State regulations. This shall be submitted as part of the building permit application. [SDR][ENGINEERING]
- 22. **As-Builts** – Provide “as-built” or “record” drawings, to be submitted in paper, PDF and AutoCAD formats prior to Project sign-off. [COA][ENGINEERING]
- 23. **Transportation Demand Management Program** – A final Transportation Demand Management (TDM) program, describing the elements to be implemented, shall be

reviewed and approved prior to certificate of building occupancy. The TDM program shall include an annual reporting requirement that details daytime parking utilization rates and employee use and awareness of the program. Annual reporting shall begin on January 31 of each year. [COA][ENGINEERING]

Utility Infrastructure Improvements

24. **Conformance with the City's Engineering Standards** – All public improvements shall be designed and constructed in accordance with the [City's Engineering Standards](#). [SDR][ENGINEERING]
25. **Encroachment Permits** – The applicant shall obtain an Encroachment Permit from the Engineering and Transportation Division for work listed below. This permit shall be obtained prior to the commencement of construction of the road, utilities, or any site improvements. [SDR][ENGINEERING]
- a. Work in the City public right-of-way, easements or property in which the City holds an interest.
 - b. Work requiring a grading permit. Grading permits require a Plot and Finished Grading Plan prepared by a California-registered Civil Engineer.
 - c. Work requiring on-site shoring which affects the public right of way
 - d. Work using the public right-of-way for any fixed structure (awnings, roof overhangs, fixed planters, etc.). Insurance, meeting the City's standards, is required. This permit will be recorded against the property.
 - e. Applicant shall provide proof of insurance, meeting the City's standards, as determined by the City Engineer, prior to undertaking work under an Encroachment Permit.
 - f. This permit will be recorded against the property.
26. **Sewer Capacity** – Prior to encroachment permit issuance, Applicant shall submit to the City, and obtain approval of, an evaluation and report prepared by a licensed engineer demonstrating that the existing sewer mains have sufficient capacity for the Project. The study shall consider existing, Project, other approved projects, and applications currently under review in determining the needed capacity. If the existing sewer main is less than 6" in size, or is in any other way not sufficient as determined by the City Engineer, applicant shall, as part of the Project, construct and install new sewer mains sufficient to meet such requirements, in accordance with the City's Engineering standards and as directed by the City Engineer to the City Engineer's satisfaction. If the City adopts a development impact fee or other funding mechanism related to such infrastructure, the Applicant may pay the applicable fee, if the City Engineer determines that doing so would be equally effective. [SDR][ENGINEERING]
27. **Sewer Lateral Limit** – The Project is limited to one sewer lateral per parcel. [COA][ENGINEERING]

34. **Sewer Lateral Size for Commercial Development** - For new or remodeled commercial buildings, sewer laterals less than 4" shall be upgraded to a minimum 6" size. [SDR][ENGINEERING]
35. **Water Mains** – Prior to encroachment permit issuance, Applicant shall submit to City, and obtain approval of, an evaluation and report, prepared by a licensed engineer, in conformance with the City's Engineering Standards, demonstrating that the proposed water main meets the domestic and fire flow requirements in accordance with City Code Section 38.26 and the International Fire Code. If the existing water main is less than 6" in size, or is in any other way not sufficient as determined by the City Engineer, applicant shall, as part of the Project, construct and install new water mains sufficient to meet such requirements, in accordance with the City's Engineering Standards and as directed by the City Engineer. New water mains shall be 8" minimum in size and extend across the entire property frontage, from the nearest point of connection to an existing 6" or larger water main. [SDR][ENGINEERING]
36. **Water Meters** – The Project is limited to one "master" water meter for domestic water service. Any metering for individual units must be accomplished by private sub-meters within the property. [COA][ENGINEERING]
37. **Backflow Protection** – Backflow protection on all water services is required. The backflow preventer shall be above grade and located on private property, accessible to the Public Works division for testing. [COA][ENGINEERING]
38. **Fire Flow** - The Project shall meet fire flow requirements as established by the Fire Department which are based on the Fire Code. Fire flow tests are typically performed during the preliminary design phase but must be completed prior to submittal of final design. Applicant shall contact the Fire Department for fire flow requirements, and then submit a written fire flow test request to Engineering. [COA][ENGINEERING]
39. **C3 Requirements** - Plans shall be designed to meet requirements listed in Section C.3 of the Municipal Regional Permit (MRP) NPDES Permit CAS612008 and be in compliance with San Mateo County C.3 Stormwater Technical Guidance. [SDR][ENGINEERING]
 - a. **Treatment Controls** – Treatment measures to be shown on final improvement or grading plans shall not differ materially from the treatment measures presented on the Project's Vesting Tentative Map, approved on *Planning to Fill*, without written approval from the Engineering Department.
 - b. **Treatment Measure Inspection** – Applicant shall coordinate installation of stormwater treatment measures with the municipality, shall arrange to have the City's designated inspector present at the time of installation, and shall have the City's designated inspector complete a final inspection of installed stormwater treatment measure immediately after installation is complete.

40. **Stormwater Management Plan (SWMP)** – Applicant shall prepare a SWMP that includes, at a minimum, exhibit(s) showing drainage areas and location of Low Impact Development (LID) treatment measures; total P site area and total area of land disturbed; total new and/or replaced impervious area; treatment measures and hydraulic sizing calculations; a listing of source control and site design measures to be implemented at the site; saturated hydraulic conductivity rate(s) at relevant locations or hydrologic soil type (A, B, C or D) and source of information; elevation of high seasonal groundwater table; and a brief summary of how the Project is complying with Provision C.3 of the MRP. [COA][ENGINEERING]
41. **Stormwater BMPs** - Stormwater Pollution Prevention Program Best Management Practices (BMPs) for construction shall be implemented to protect water quality, in accordance with the approved Stormwater Pollution Prevention Plan (SWPPP). BMP plan sheets are available electronically for inserting into Project plans. [SDR][ENGINEERING]

Street Infrastructure Improvements

42. **Streetlights** – The Applicant shall install a new streetlight, if needed, as determined by the City Engineer. Streetlights are required on the construction of a new commercial building or performance of substantial commercial remodeling with street frontage of 200 feet or more. The style and location of all streetlights shall be as determined by the City Engineer and Planning Manager. [SDR][ENGINEERING]
43. **Green Infrastructure Improvements** – The Applicant shall include stormwater treatment systems, including but not limited to silva cells, at the Project frontage as provided on sheet c.4 of the Project plans. The treatment system shall be sized to treat the tributary area of the project frontage. The treatment system shall be in conformance with Chapters 18 and 27A of the Municipal Code. [SDR][ENGINEERING]
44. **Repair or Replace Street Infrastructure** – The Applicant shall restore streets and street infrastructure surrounding the Project site to the satisfaction of the City Engineer at Project completion. At the minimum, this will be grind/overlay of half wide of the frontage street. When this requires additional pavement restoration, the Engineer shall approve the preferred layout of pavement markings. [SDR][ENGINEERING]

Fire & Safety

45. **Building Code Summary Analysis.** The building permit application set shall be accompanied a building code summary analysis that includes the use and occupancy classification(s), type(s) of construction, occupancy separations or non-separated occupancy, number of stories, exterior opening analysis, maximum height above grade plane, floor area per floor and total floor area, use or process hazards, and presence of and design standard for automatic sprinklers. [FIRE]
46. **Construction Codes.** At the time of the building permit application, the project shall comply with the legally adopted construction codes in effect at that time.

47. **Construction Egress and Standpipes.** Where building construction exceeds 40 feet in height above the lowest level of fire department vehicle access, a temporary or permanent stairway shall be provided. As construction progresses, the stairway shall be extended to within one floor of the highest point of construction having secured decking or flooring. Not less than one Class I standpipe shall be provided for use during construction. Such standpipes shall be installed prior to construction exceeding 40 feet in height above the lowest level of fire department vehicle access. [CFC §§3311.1 & 3313.1][FIRE]
48. **Fire Apparatus Access: Aerial Equipment.** The aerial access road (Woodside Road) shall have a minimum unobstructed width of 26 feet and shall be located within a minimum of 15 feet and a maximum of 30 feet from the building and shall be positioned parallel to at least one long side of the building. The aerial ladder truck access road shall be designated on the plans. Overhead utility and power lines shall not be located over the aerial fire apparatus access road or between the aerial access for and the building. Fixed obstructions on the entire length of the designated access-road side shall not interfere with the operation of an aerial ladder placed at a climbing angle not exceeding 75° from the turntable plane to: a) all rescue and emergency egress windows on that side, or, b) the entire roof where rescue and emergency egress windows are not required or provided, or, c) to the fullest extent of the aerial ladder effective reach. [IFC Appendix D§105.1][FIRE]
49. **Water Supply/Fire Flow.** Based on the information provided, the minimum required fire flow for manual suppression for this Project at completion is not less than 2,250 gallons per minute at 20 psi residual pressure. [CFC §507.1 and B-§105.3][FIRE]
50. **Fire Hydrants.** No fewer than two fire hydrants shall serve this site. [CFC C102][FIRE]
51. **Fire Hydrant Placement.** All water mains providing a water supply for fire service systems shall be not less than eight inches in diameter. [CFC §507.5.1 and City of Redwood City Code of Ordinances §12.18][FIRE]
52. **Fire Hydrant and Sprinkler System Feed Lines.** All water mains providing a water supply for fire protection, both to fire hydrants and to fire service systems, shall be not less than eight inches in diameter. [CFC §507.1.1 as amended by the City of Redwood City Code of Ordinances §12.16][FIRE]
53. **Fire Sprinkler System.** The building shall be provided with a fire sprinkler system designed and installed in accordance with CBC §903.3.1.1.[FIRE]
54. **Fire Standpipe System.** The building shall be provided with a fire standpipe system designed and installed in accordance with CBC §905.2. [FIRE]
55. **Standpipe Hose Station Outlets.** Class I and III standpipe hose station outlets shall be installed in the stairway intermediate landings. [COA][FIRE]

56. **Fire Alarm System.** The building shall be provided with a manual and/or automatic fire alarm system in accordance with CBC/CFC §907.2.9 is required. [FIRE]
57. **Elevator Lobbies and Waiting Areas.** The elevator lobbies and waiting areas shall be provided with two-way communication system required by CFC §1009.8. [FIRE]
58. **Emergency Responder Radio Coverage.** Emergency responder radio coverage is required based upon the existing coverage levels of the public safety communication systems of the jurisdiction at the exterior of the building. [CFC §510.1][FIRE]
59. **Fire Pump: Alternate Power Source.** Notwithstanding the availability of a public utility to provide electric service for a fire pump, electrically driven fire pumps shall be provided with an alternate source of power in accordance with NFPA 20 due to foreseeable extended electrical service interruptions along the California Power Grid due to high demand, high heat, Public Safety Power Shutoffs, and damage to the power grid caused by destructive natural events such as wildfires, high winds, and earthquakes. [City of Redwood City Code of Ordinances §12.18][FIRE]
60. **Portable Fire Extinguishers: Common Hazards.** Portable fire extinguishers suitable to protect the hazard shall be installed in accordance with California Title 19, Divisions 1, §3.29(a) (d). [FIRE]
61. **Public Safety Key Boxes.** Approved Knox[®] key boxes shall be provided adjacent to all building entrances. Public safety key boxes shall be recessed and installed adjacent to each entrance within 60 to 72 inches of the finished walking surface There shall be four sets of keys: each set containing building access, fire equipment room access, fire cache room, elevator keys, utility room keys and other keys essential for emergency operations. [CFC §506.1]
62. **Fire Equipment Enclosure.** The building shall have a secure enclosed area for post-event overhaul supplies. The room or cabinet shall measure not less than 8-feet by 6-feet and shall be stocked with the items appended to this letter. [CFC §907.2.12.3.1 as amended by the City of Redwood City Code of Ordinances §12.23]
63. **Elevator Hoistway Opening Protection.** Elevator lobbies and hoistways shall be protected in accordance with CBC §3006.3.
64. **Ambulance Cot (Gurney) Elevator.** At least one elevator must be able to accommodate an ambulance stretcher measuring 24 inches by 84 inches with not less than 5-inch radius corners, in the horizontal, open position. [CBC §3002.4]
65. **Electric Vehicle Charging Stations.** Where provided, electric vehicle charging stations shall be installed in accordance with the *California Electrical Code*. Electric vehicle charging system equipment shall be listed and labeled in accordance with UL 2202. Electric vehicle supply equipment shall be listed and labeled in accordance with UL 2594. [CBC §406.2.7]

66. **Rescue/Escape Egress Window Ground Ladder Pads.** Where emergency escape and rescue are provided, the landscaping beneath the windows shall be equipped with a 4 x 4-foot concrete pad for ground-ladder placement at an angle of 75° to the windows. [CBC/CFC §1030.1]
67. **Fire Resistive Construction Maintenance and Repair Inventory.** The owner shall maintain an inventory of all required fire resistance rated and smoke barrier construction, and repair records were damaged, altered breached or penetrated. Annual visual inspection and repair records shall be maintained. [CFC §701.2 and §701.6]
68. **Site Safety Plan.** At the time of construction, the owner or owner's authorized agent shall be responsible for the development, implementation and maintenance of a site safety plan in accordance with CFC §3303.
69. **Solar PV and Energy Storage Systems.** Solar photovoltaic and energy storage systems shall be submitted under separate fire code permits and shall comply with the *California Building Code* and *California Fire Code*.
70. **Alternate Methods and Materials Request.** The approved and signed alternate methods request for exterior walls that exceed 150-feet from the fire department access roads and for sleeping rooms that do not have access to emergency escape and rescue openings shall be attached to the building permit application plan set. [COA][FIRE]
71. **Hazardous Materials Inventory Statement (HMIS).** An HMIS is required at the time of building permit applicant to evaluate the quantity of hazardous materials that may be permitted in the building. California Fire Code Appendix H, Section H2 identifies the required HMIS contents. [CFC §407.5]

Construction-Related Activities

72. **Verification for Dimensions** – All dimensions, including building location on the site, setbacks, building height, etc. shall be verified by a licensed surveyor. A survey report shall be provided to the Building Inspector for review and approval. [COA][BUILDING]
73. **Sales and Use Taxes** – Applicant shall use good faith efforts to register with the Board of Equalization to create an ID prior to Project construction and operation. This maximizes the City's allocation of sales and use taxes associated with Project construction. Contact the Finance Department at (650) 780-7097. [COA][FINANCE]
74. **Hours of Construction** – On-Site Construction activity is permitted between 7:00 a.m. and 8:00 p.m. Monday through Friday, except as permitted on weekends by the Building Official, and shall adhere to the City's Noise Ordinance. If possible, the noisiest construction activities would be scheduled for daytime hours when the ambient noise levels are highest. [SDR][BUILDING]

75. **Construction Noise Reduction Measures** – The applicant is required to incorporate the following construction noise reduction measures:

- a) The contractor shall use “new technology” power construction equipment with state-of-the-art noise shielding and muffling devices. All internal combustion engines used on the project site shall be equipped with adequate mufflers and shall be in good mechanical condition to minimize noise created by faulty or poorly maintained engines or other components.
- b) The unnecessary idling of internal combustion engines shall be prohibited.
- c) Construct solid plywood fences around the construction site adjacent to residences or noise-sensitive land uses.
- d) Temporary noise control blanket barriers could be erected along building facades of the construction site. This mitigation would only be necessary if conflicts occurred which were irresolvable by proper scheduling. Noise control blanket barriers can be rented and quickly erected.
- e) Staging areas and stationary noise-generating equipment shall be located as far as possible from noise-sensitive receptors such as residential uses.
- f) The surrounding neighborhood shall be notified early and frequently of the construction activities.
- g) A “noise disturbance coordinator” shall be designated to respond to any local complaints about construction noise. The disturbance coordinator would determine the cause of the noise complaints (e.g., beginning work too early, bad muffler and institute reasonable measures warranted to correct the problem. A telephone number for the disturbance coordinator shall be conspicuously posted at the construction site. [COA][Building]

76. **Dust and Emission Abatement** – The applicant is required to implement the following Bay Area Air Quality Management District Best Management Practices to address fugitive dust:

- a) All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
- b) All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
- c) All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
- d) All vehicle speeds on unpaved roads shall be limited to 15 miles per hour (mph).
- e) All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
- f) All excavation, grading, and/or demolition activities shall be suspended when average wind speeds exceed 20 mph.
- g) All trucks and equipment, including their tires, shall be washed off prior to leaving the site.

- h) Unpaved roads providing access to sites located 100 feet or further from a paved road shall be treated with a 6- to 12-inch layer of compacted layer of wood chips, mulch, or gravel.
- i) Publicly visible signs shall be posted with the telephone number and name of the person to contact at the lead agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's General Air Pollution Complaints number shall also be visible to ensure compliance with applicable regulations. [COA][Engineering]

77. **Air Quality Construction Emission Reduction** – The applicant shall implement a feasible plan to reduce diesel particulate matter emissions by 60 percent such that increased cancer risk from construction would be reduced below TAC significance levels as follows:

- a) All diesel-powered construction equipment larger than 25 horsepower used at the site for more than two continuous days or 20 hours total shall meet U.S. EPA Tier 4 emission standards for PM (PM10 and PM2.5), if feasible; otherwise:
 - If use of Tier 4 equipment is not available, alternatively use equipment that meets U.S. EPA emission standards for Tier 3 engines and include particulate matter emissions control equivalent to CARB Level 3 verifiable diesel emission control devices that altogether achieve a 60 percent reduction in particulate matter exhaust in comparison to uncontrolled equipment; alternatively (or in combination).
- b) Use electric cranes.
- c) Alternatively, the applicant may develop another construction operations plan demonstrating that the construction equipment used on-site would achieve a reduction in construction diesel particulate matter emissions by 60 percent or greater. Elements of the plan could include a combination of some of the following measures:
 - Implementation of No. a) above to use Tier 4 or alternatively fueled equipment,
 - Installation of electric power lines during early construction phases to avoid use of diesel generators, welders, and compressors,
 - Use of electrically powered equipment,
 - Forklifts and aerial lifts used for exterior and interior building construction shall be electric or propane/natural gas powered,
 - Change in construction build-out plans to lengthen phases, and
 - Implementation of different building techniques that result in less diesel equipment usage.

Such a construction operations plan would be subject to review by an air quality expert and approved by the City prior to construction. [Focused General Plan Update EIR Mitigation Measure AIR-2][Planning]

78. **Construction Sign** - Prior to the start of any construction work, including demolition, install at least one 36" x 48" (minimum) construction sign in a visible location along the Project frontage for the duration of construction. The sign shall include, at minimum, the following

information: Project name & address, elevation or rendering, construction manager (name, phone number), anticipated completion (season, year), and the City's permitting website <http://permits.redwoodcity.org> [COA][PLANNING]

79. **Construction Meetings** – The applicant is required to contact the Permit Counter (650.780.7350) to schedule the following meetings prior to or during construction. [COA][BUILDING]
- a. **Pre-Grading** - Prior to the issuance of any grading permits, the Project Applicant shall ensure all construction crews undergo a training session to inform them: 1) of the potential for previously undiscovered human remains or presence and identification of federal or state-eligible cultural resources within the Project area, 2) of the laws protecting these resources and associated penalties, and 3) of the procedures to follow should they discover human remains or cultural resources during Project-related work (Refer to COA no. 104 below.) [General Plan EIR Mitigation Measures 4.5-1b & 3b] [COA][Planning]
 - b. **Pre-Construction** - Prior to building permit issuance, schedule a pre-construction meeting with Engineering, Building, Fire, and Planning staff to discuss the inspection process and requirements for construction and site work. The Applicant shall arrange for the attendance of the owner, applicant, construction manager, contractor, and all subcontractors who are responsible for grading and erosion and sedimentation protection controls.
80. **Materials Mock-Up** – Prior to final foundation inspection, prepare a mock-up that is outdoors, readily accessible, and will remain intact until the PP has reached substantial completion. The mock-up should include all Project colors and materials, windows for the base and top, balconies, lighting, and architectural details, as well as construction details, such as the weep screed, to understand how the design addresses them. Then schedule a mock-up meeting with the Planning and Building Departments for final review and approval of the Project details. Submit an updated colors and materials board or details if any changes are made as a result of the mock-up meeting. [COA][PLANNING]
81. **Certification Letters** - Prior to final inspection, submit certification letters from the following architects verifying that the Project, as constructed, complies with approved plans. After the certification letter has been submitted, the Project planner will also confirm substantial compliance with the approved plans during the scheduled final inspection. [COA][PLANNING]:
- a. Project Landscape Architect verifying substantial conformance with the approved landscape plan, including species, size, quantity, and location of the approved trees, shrubs, and groundcover. It shall also verify landscape lighting, fencing, irrigation, and other details as applicable.
 - b. Project Architect verifying substantial conformance with the approved elevations, colors, materials, exterior light fixtures, and architectural details.

82. **Construction Management and Staging** - Prior to encroachment permit issuance, submit a construction parking management plan, which shall outline the number of construction workers by phase, phase duration, where parking will be located for each phase. Construction parking, material storage, equipment, or other construction-related uses are not allowed within the City right of way without prior approval from the City Engineer. [COA][ENGINEERING]
83. **Lane Closures** - Traffic control for lane closures shall conform to the Work Area Traffic Control Handbook. Street closures require submission of traffic control plans and approval in advance. [SDR][ENGINEERING]
84. **Public Parking During Construction** – Temporary parking meter permits shall be issued prior to removing any public parking spaces from public use during construction. An application fee of \$30.00, together with the parking meter fees applicable for the expected duration of the temporary parking meter permit (\$2.00-\$8.00 daily per space depending on location) shall be paid in advance prior to issuance of the permit. [SDR][ENGINEERING]
85. **Winterizing** - If construction is not complete by the start of the wet season (October 1 through April 30), implement a winterization program to minimize the potential for erosion and sedimentation. As appropriate to the site and status of construction, winterization requirements shall include inspecting/maintaining/cleaning all soil erosion and sedimentation controls prior to, during, and immediately after each storm event; stabilizing disturbed soils through temporary or permanent seeding, mulching, matting, tarping or other physical means; rocking unpaved vehicle access to limit dispersion of much onto public right-of-way; and covering/tarping stored construction materials, fuels, and other chemicals. Plans to include proposed measures to prevent erosion and polluted runoff from all site conditions shall be submitted for approval by CDD prior to beginning construction. As site conditions warrant, the City Engineer may direct the applicant to implement additional winterization requirements. [COA][ENGINEERING]
86. **Grading** – Grading shall be performed in accordance with the City’s Engineering Standards. Soil or other construction materials shall not be stockpiled in the public right-of-way. Submit cut/fill volumes (CY) for all soils to be imported to or exported from the site. [SDR][ENGINEERING]
87. **Monitoring** - The Soils Engineer shall conduct continuous site inspections during trenching and backfill operations at the applicant’s expense. The Soils Engineer shall take compaction tests and submit the results to Engineering & Construction. [SDR][ENGINEERING]
88. **Discovery of Human Remains** - If human remains are encountered during ground disturbing activities, the project contractor and/or on-site supervisor shall stop work within 50 feet of the discovery. The project contractor shall immediately notify the Coroner upon the discovery of any human remains. At the same time, a qualified archaeologist, in

coordination with the City Planning, Housing, and Economic Development Department, shall assess the situation and consult with the appropriate agencies. If the human remains are of Native American origin, the Coroner shall notify the NAHC within 24 hours of this identification. The NAHC will identify a Most Likely Descendant (MLD) to inspect the site and provide recommendations for the proper treatment or disposition, with proper dignity, of the remains and any associated grave goods. Upon completion of the assessment, the qualified archaeologist shall prepare a report documenting the background to the finds and provide recommendations for the treatment of the human remains and any associated cultural materials, as appropriate and in coordination with the recommendations of the MLD. The report shall be submitted to the Project Permittee, the City Planning Department, and the NWIC. Once the report is reviewed and approved by the City Planning Department, and any appropriate treatment completed, project construction activity within the area of the find may resume. If the MLD does not make recommendations within 48 hours, the Project Permittee(s) shall reinter the remains in an area of the property secure from further disturbance. If the project applicant(s) does not accept the MLD's recommendations, the Permittee(s) or the MLD may request mediation by the NAHC. [Public Resources Code Section 5097.98 and Health and Safety Code Section 7050.5] [COA][PLANNING]

Other Agency Permits

89. **Caltrans** - A portion of the proposed work is within the State of California right-of-way (Woodside Road, El Camino Real), the applicant shall contact the California Department of Transportation (Caltrans) at (510) 286-4417 to obtain all necessary Encroachment Permits. [SDR][ENGINEERING]

General Requirements

90. **Exterior Materials** – The exterior materials, colors, textures, trim elements, windows, and roof pitch of the Project shall be consistent throughout and substantially conform to the colors and materials board, date received June 26, 2024, on file with Planning Services. [COA][PLANNING]
91. **Enhanced Ventilation** – The applicant shall include the following features into the building design to reduce potential exposure of persons to pollutants:
- Install air filtration for the 2nd floor dwelling units. Air filtration devices shall be rated MERV13 or higher. To ensure adequate health protection to sensitive receptors (i.e., residents), this ventilation system, whether mechanical or passive, shall filter all fresh air that would be circulated into the dwelling units.
 - The ventilation system shall be designed to keep the building at positive pressure when doors and windows are closed to reduce the intrusion of unfiltered outside air into the building.
 - As part of implementing this measure, an ongoing maintenance plan for the buildings' heating, ventilation, and air conditioning (HVAC) air filtration system shall be required that includes regular filter replacement.

- Ensure that the use agreement and other property documents: (1) require cleaning, maintenance, and monitoring of the affected buildings for air flow leaks, (2) include assurance that new owners or tenants are provided information on the ventilation system, and (3) include provisions that fees associated with owning or leasing a unit(s) in the building include funds for cleaning, maintenance, monitoring, and replacements of the filters, as needed. [General Plan Policy PS-2.7][Building]

92. **Modifications** - Modifications to the approved plans require Planning review and approval prior to building permit issuance. Minor Project modifications to the approved plans required to meet building, fire, and safety codes at time of building permit plan check may be allowed, at the City’s discretion. Substantial modification of approved plans, as determined by the Zoning Administrator, may be subject to an amendment or a new Permit. [COA][PLANNING]

93. **Indemnification** – Per Redwood City Code Section 1.54, Applicant and its successors and assigns shall defend (with counsel approved by City), indemnify, and hold harmless the City, its agents, officers, and employees from and against any claim, action, or proceeding (including without limitation any appeal or petition for review thereof) against the City or its agents, officers or employees related to an approval of the Project, including without limitation any related application, permit, certification, condition, environmental determination, other approval, compliance or failure to comply with applicable laws and regulations, and/or processing methods (“Challenge”). City may (but is not obligated to) defend such Challenge as City, in its sole discretion, determines appropriate, all at applicant’s sole cost and expense. Applicant shall bear any and all losses, damages, injuries, liabilities, costs, and expenses (including, without limitation, staff time and in-house attorney's fees on a fully-loaded basis, attorney’s fees for outside legal counsel, expert witness fees, court costs, and other litigation expenses) arising out of or related to any Challenge (“Costs”), whether incurred by Applicant, City, or awarded to any third party, and shall pay to the City upon demand any Costs incurred by the City. No modification of the Project, any application, permit, certification, condition, environmental determination, other approval, change in applicable laws and regulations, or change in processing methods shall alter the applicant’s indemnity obligation. Per Government Code Section 66474.9, Applicant’s indemnification obligation with respect to any Challenge concerning a subdivision (tentative, parcel, or final map application or approval) shall be limited to actions brought within the time period provided for in Government Code Section 66499.37, unless such time period is extended for any reason. The City shall promptly notify Applicant of any such claim, action or proceeding and shall cooperate fully in the defense. [COA][OFFICE OF THE CITY ATTORNEY]

ATTACHMENT 1 TO CONDITIONS OF APPROVAL

MITIGATION MEASURES

The following list includes Focused GPU EIR mitigation measures that are applicable to the 847 Woodside Road. The Focused GPU EIR Mitigation Monitoring and Reporting Program was adopted by Resolution No. 16124 and can be found here: <https://www.redwoodcity.org/home/showpublisheddocument/29005/638615735228870000>

- Mitigation Measure AIR-2: Require a Project-Level Construction Assessment for New Discretionary Development Projects (See Conditions of Approval for Emission Reduction Measures required)
- Mitigation Measure BIO-5: Avoid Impacts on Active Burrowing Owl Nesting and Wintering Burrows
- Mitigation Measure BIO-7: Avoid Impacts on Nesting Birds
- Mitigation Measure BIO-8a: Bat Habitat Assessment
- Mitigation Measure BIO-8b: Dusk Emergence Bat Survey
- Mitigation Measure BIO-13: Require Uniformly Applied Standards for Housing Development Projects that Reduce the Risk of Avian Collision.
- Mitigation Measure CUL-2a: Discovery of Archaeological Materials
- Mitigation Measure CUL-2b: Construction Crew Cultural Resource Training (similar to CUL-3b)
- Mitigation Measure CUL-2c: Compliance with City Historic Resources Management Plan (similar to TCR-3)
- Mitigation Measure CUL-3a: Discovery of Human Remains (similar to TCR-2a)
- Mitigation Measure CUL-3b: Construction Crew Cultural Resource Training (similar to CUL-2b)
- Mitigation Measure TCR-1a: Discovery of Archaeological Materials/Tribal Cultural Resources
- Mitigation Measure TCR-1b: Construction Crew Tribal Cultural Resource Training (similar to TCR-2b)

- Mitigation Measure TCR-2a: Discovery of Human Remains/Tribal Cultural Resources (similar to CUL-3a)
- Mitigation Measure TCR-2b: Construction Crew Tribal Cultural Resource Training (similar to TCR-1b)
- Mitigation Measure TCR-3: Compliance with City Historic Resources Management Plan (similar to CUL-2c)

- END OF CONDITIONS OF APPROVAL -

EXHIBIT B

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 have the 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 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 _____, __, 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;

- Designee;
- (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 xxx and dated xxx 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 Designees 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;

(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

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

APN: _____

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 AGREEMENT

EXHIBIT H

FORM OF DEED OF TRUST

H-1

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 have the 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 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 _____, __, 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;

- Designee;
- (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 xxx and dated xxx 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 Designees 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;

(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

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

APN: _____

EXHIBIT A-2

PRELIMINARY TITLE REPORT

A-2-1

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](#).

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

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.

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; (d) improvements on the Land;
 - (b) zoning; (e) land division; and
 - (c) land use; (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.

Your Deductible Amount	<u>Our Maximum Dollar Limit of Liability</u>
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 protection
 This 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 Attachment 1
5	Type of Development	Mixed-use office and retail
6	Number of Affordable Units Required	25. See Attachment 2
7	Affordable Housing Impact Fee Required	\$5,773,437. See Attachment 2
8	Chart showing unit breakdown by bedroom size, square footage, and affordability level	See Attachment 8
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 Attachment 3 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 Attachment 1 , (off-site affordable housing project).
12	Total (and net new) commercial square footage (if applicable)	244,430 total new sf. See Attachment 2
13	Total (and net new) residential square footage	<ul style="list-style-type: none"> • Not applicable to the Office Project. • Total building area of residential development on the land donation site: 114,510 SF • Residential: 83,260 SF • Common/support for residential: 31,250 SF
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"> A. consistent with the Housing Element, General Plan, and Zoning B. will not cause residential segregation.
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

SITE COVERAGE:	
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.	
REQUIRED SETBACKS:	
FRONT	6'-0" MIN TO 16'-0" MAX
SIDE - NORTH	5'-0"
SIDE - SOUTH	5'-0"
REAR	5'-0"
PROPOSED SETBACKS:	
FRONT	6'-3 1/2"
SIDE - NORTH	7'-11"
SIDE - SOUTH	8'-1 1/2"
REAR	6'-0 5/8"

BUILDING INFORMATION:	
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
OCCUPANCY TYPES:	
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)
USE TYPES & AREAS:	
COMMON/SUPPORT FOR RESIDENTIAL:	31,250 SF
RESIDENTIAL:	83,260 SF
BUILDING WILL BE ALL ELECTRIC	

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 st Floor	715	10,060	1,000	16,970	6,130	34,875
2 nd Floor				3,590		3,590
3 rd Floor				57,140		57,140
4 th Floor				41,535		41,535
5 th Floor				41,535		41,535
6 th Floor				41,535		41,535
7 th Floor				35,995		35,995
Total Proposed Building Area	715	10,060	1,000	238,300	6,130	256,205
Demolition of Existing Area		25,000				25,000
Net New Area	715	(14,940)	1,000	238,300	6,130	231,205

Affordable Housing Impact Fee Calculation

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

*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
Code Requires:				
Office	3	5	2	10
Retail	0	2	2	4
This Project:				
Office	7.3	12.2	4.9	24.4
Retail	0.0	0.0	0.0	0.0
Total	7.3	12.2	4.9	24.4
Rounded Total:				25

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:

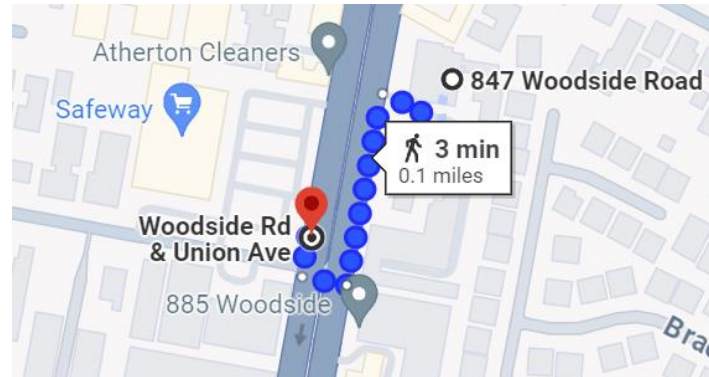


Figure 1: Route to Bus Route 278 Stop

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.



Secretary of State

Business Programs Division

1500 11th Street, Sacramento, CA 95814

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

LIEN SEARCH CERTIFICATE

The search results herein reflect only the specific information requested. The results of this Debtor search will not reflect variances of this name. If the Debtor is known under other personal names, trade names, business entities, or addresses, separate searches of these names will have to be requested and conducted. The Secretary of State, his officers and agents disclaim any and all liability for claims resulting from other filings on which the name of the Debtor can be found in any other form than which was requested.

Search Criteria:

Debtor Organization: EDEN HOUSING, INC.| HAYWARD
Request Type: Lien Information Request (UCC 11)
Active (Unlapsed Records Only), List Only

Lien Listing

Lien File No.: 057044244151 **Filed: 10/03/2005 04:16 PM** **Lapse: 10/03/2025 11:59 PM**

Lien Type: Financing Statement

Debtor(s): EDEN HOUSING, INC., 409 JACKSON STREET, HAYWARD, CA 94544

Secured Party(s): U.S. BANK NATIONAL ASSOCIATION, 980 NORTH STREET, SUITE 1100, SACRAMENTO, CA 95814
U.S. BANK NATIONAL ASSOCIATION, 555 SW OAK ST PD-OR-P7LD, PORTLAND, OR 97204

Amendment - Continuation

Amendment No.: 1072341764 Filed: 06/08/2010 08:54 AM

Amendment - Amendment

Amendment No.: 1072342602 Filed: 06/08/2010 02:04 PM

Amendment - Continuation

Amendment No.: 1574625944 Filed: 05/01/2015 08:53 AM

Amendment - Continuation

Amendment No.: 2077755591 Filed: 04/28/2020 02:36 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

Lien Listing

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

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

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

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

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

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

Lien Listing

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

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

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

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

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

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

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

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

Not owned/managed by Eden or affiliate





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

Not owned/managed by Eden or affiliate





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

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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

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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

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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 <i>(Unincorporated Alameda County)</i>	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

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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

Not owned/managed by Eden or affiliate





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
UNDER CONSTRUCTION									
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
PREDEVELOPMENT									
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 2nd 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.

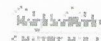
The undersigned would be willing to enter into an agreement to purchase the above-referenced property under the following basic terms and conditions:

- 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:	CBJCHBCAABAAzZle2s2f5r9Uj3xvg7Eb8iEZgxJaQvyC

"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.

Option 1 - 72 Units	# Units	Bedrooms
Studio	25	25
1 bed	5	5
2 bed	21	42
3 bed	20	60
NET W/O Mgr	71	132
manager	1	2
TOTAL	72	134

AFFORDABILITY MIX	Units	Net Rent
Extremely Low Income Units @ 30% AMI- studio	1	\$922
Extremely Low Income Units @ 30% AMI- 1 bed	1	\$981
Extremely Low Income Units @ 30% AMI- 2 bed	3	\$1,167
Extremely Low Income Units @ 30% AMI- 3 bed	3	\$1,334
Very Low Income Units @ 50% AMI- studio	10	\$1,575

Very Low Income Units @ 50% AMI- 1 bed	2	\$1,681
Very Low Income Units @ 50% AMI- 2 bed	6	\$2,006
Very Low Income Units @ 50% AMI- 3 bed	5	\$2,304
Low Income Units @ 60% AMI- studio	14	\$1,901
Low Income Units @ 60% AMI- 1 bed	2	\$2,030
Low Income Units @ 60% AMI- 2 bed	12	\$2,425
Low Income Units @ 60% AMI- 3 bed	12	\$2,788
Manager's Unit (2 BR)	1	
Total	72	

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
Land Transfer from Lane to Eden	June 2025
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
Total	72

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
TOTAL SOURCES	\$ 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
TOTAL DEV COSTS	\$ 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: _____

[Signature Page Follows]

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

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

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: _____
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

FORM OF 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' 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				

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has executed this Assignment of Contracts as of the Effective Date.

ASSIGNOR:

_____, a

By: _____

Name: _____

Its: _____

//

[Signature page continued]

//

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

FORM OF AFFORDABLE HOUSING RESTRICTIVE COVENANT 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.

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 (1/12th) 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 (90th) 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 ENTITY], 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

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

EXHIBIT H

FORM OF DEED OF TRUST

H-1

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 reasonable 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

Passed and adopted by the Planning Commission of the City of Redwood City at a Regular Meeting thereof held on the 17th day of September, 2024 by the following votes:

AYES, and in favor of the passage and adoption of the foregoing resolution, Planning Commission members: Commissioner Alvarez, Commissioner Chu, Commissioner Cornejo, Commissioner Finch, Commissioner Koch, Vice Chair Crnogorac, and Chair Hunter

NOES:

ABSTAIN:

ABSENT:



RICK HUNTER
Chair of the City of Redwood City Planning Commission

Attest:



SUE EXLINE
Assistant Community Development & Transportation Director
City of Redwood City

I hereby approve the foregoing resolution this 17th day of September 2024



RICK HUNTER
Chair of the City of Redwood City Planning Commission